

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



COL Capital Limited

(Incorporated in Bermuda with limited liability)

(Stock Code: 383)

ANNOUNCEMENT OF INTERIM RESULTS FOR THE SIX MONTHS ENDED 31 DECEMBER 2014

UNAUDITED RESULTS OF THE GROUP

The Board of Directors (the “Directors”) of COL Capital Limited (the “Company”) announces the unaudited consolidated results of the Company and its subsidiaries (the “Group”) for the six months ended 31 December 2014 together with the comparative figures for the corresponding period in 2013 as follows:–

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

FOR THE SIX MONTHS ENDED 31 DECEMBER 2014

	<i>NOTES</i>	Six months ended	
		31.12.2014	31.12.2013
		<i>HK\$'000</i>	<i>HK\$'000</i>
		(unaudited)	(unaudited)
			(restated)
Revenue	3	18,312	60,591
Gross proceeds from sales of investments held for trading		412,469	244,594
Total		430,781	305,185
Revenue	3	18,312	60,591
Other gains and losses	5	(120,127)	381,238
Other income		4,921	2,936
Administrative expenses		(16,909)	(28,059)
Finance costs	6	(32,033)	(57,804)
Share of results of associates	12	(323,104)	385,926
Reversal of impairment/impairment on interest in an associate and result on distribution in specie of shares of an associate	12	261,266	(302,633)

	<i>NOTES</i>	Six months ended	
		31.12.2014	31.12.2013
		<i>HK\$'000</i>	<i>HK\$'000</i>
		(unaudited)	(unaudited) (restated)
(Loss) profit before taxation		(207,674)	442,195
Taxation expense	7	(147)	(10,437)
(Loss) profit for the period from continuing operations	9	(207,821)	431,758
Discontinuing operations			
Loss for the period from discontinuing operations	8	(90,562)	(34,742)
(Loss) profit for the period		(298,383)	397,016
(Loss) profit for the period attributable to owners of the Company			
– from continuing operations		(203,074)	441,242
– from discontinuing operations		(46,666)	(41,588)
(Loss) profit for the period attributable to owners of the Company		(249,740)	399,654
(Loss) profit for the period attributable to non-controlling interests			
– from continuing operations		(4,747)	(9,484)
– from discontinuing operations		(43,896)	6,846
Loss for the period attributable to non-controlling interests		(48,643)	(2,638)
		(298,383)	397,016
(Loss) earnings per share	<i>11</i>		
From continuing and discontinuing operations			
– Basic		HK\$(0.47)	HK\$0.74
– Diluted		HK\$(0.47)	HK\$0.74
From continuing operations			
– Basic		HK\$(0.38)	HK\$0.82
– Diluted		HK\$(0.38)	HK\$0.82

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE SIX MONTHS ENDED 31 DECEMBER 2014

	Six months ended	
	31.12.2014	31.12.2013
	<i>HK\$'000</i>	<i>HK\$'000</i>
	(unaudited)	(unaudited)
(Loss) profit for the period	<u>(298,383)</u>	<u>397,016</u>
Other comprehensive (expense) income		
Items that will be reclassified subsequently to profit or loss:		
Net loss on available-for-sale investments:		
(Loss) gain on fair value changes	(14,551)	10,119
Reclassification adjustment for the cumulative gain included in profit or loss upon disposal of available-for-sale investments	(31,259)	(62,752)
Share of changes in other comprehensives income of associates	–	1,003
Reclassification adjustment for the cumulative loss included in profit or loss upon distribution in specie of shares of an associate	<u>15,447</u>	<u>–</u>
	<u>(30,363)</u>	<u>(51,630)</u>
Exchange differences arising on translation:		
Exchange gain arising from translation of foreign operation	917	14,507
Share of changes in other comprehensive expense of associates	(99,348)	(7,276)
Reclassification adjustment for the cumulative loss included in profit or loss upon distribution in specie of shares of an associate	<u>51,603</u>	<u>–</u>
	<u>(46,828)</u>	<u>7,231</u>
Other comprehensive expense for the period	<u>(77,191)</u>	<u>(44,399)</u>
Total comprehensive (expense) income for the period	<u><u>(375,574)</u></u>	<u><u>352,617</u></u>
Total comprehensive (expense) income attributable to:		
Owners of the Company	(325,742)	357,599
Non-controlling interests	<u>(49,832)</u>	<u>(4,982)</u>
	<u><u>(375,574)</u></u>	<u><u>352,617</u></u>

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AT 31 DECEMBER 2014

	<i>NOTES</i>	31.12.2014 <i>HK\$'000</i> (unaudited)	30.6.2014 <i>HK\$'000</i> (audited)
Non-current assets			
Investment properties		213,660	213,660
Property, plant and equipment		17,512	17,478
Interests in associates	12	54,692	408,316
Available-for-sale investments		7,374	746
		293,238	640,200
Current assets			
Available-for-sale investments		60,442	167,993
Investments held for trading		1,265,376	1,540,273
Debtors, deposits and prepayments	13	65,796	116,667
Loans receivable		70,008	202,103
Derivative financial instruments		569	11,447
Pledged bank deposits		21,532	2,944
Bank balances and cash		100,561	517,837
		1,584,284	2,559,264
Assets classified as held for sale	14	2,902,763	2,940,217
		4,487,047	5,499,481
Current liabilities			
Creditors and accrued charges	15	40,973	106,055
Dividend payable		53,032	–
Customers' deposits and receipts in advance		9,175	3,387
Borrowings – due within one year		850,263	1,275,690
Derivative financial instruments		27,586	3,873
Taxation payable		66,951	68,759
Bonds		–	247,000
		1,047,980	1,704,764
Liabilities associated with assets classified as held for sale	14	2,150,340	2,099,990

	31.12.2014	30.6.2014
	<i>HK\$'000</i>	<i>HK\$'000</i>
	(unaudited)	(audited)
	<u>3,198,320</u>	<u>3,804,754</u>
Net current assets	<u>1,288,727</u>	<u>1,694,727</u>
Total assets less current liabilities	<u>1,581,965</u>	<u>2,334,927</u>
Non-current liabilities		
Borrowings – due after one year	<u>–</u>	<u>70,000</u>
	<u>1,581,965</u>	<u>2,264,927</u>
Capital and reserves		
Share capital	5,303	5,311
Reserves	<u>1,182,285</u>	<u>1,817,659</u>
Equity attributable to owners of the Company	<u>1,187,588</u>	1,822,970
Non-controlling interests	<u>394,377</u>	<u>441,957</u>
Total equity	<u>1,581,965</u>	<u>2,264,927</u>

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED 31 DECEMBER 2014

1. BASIS OF PREPARATION

The condensed consolidated financial statements have been prepared in accordance with Hong Kong Accounting Standard 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”) as well as with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules” on the “Stock Exchange”).

2. PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis except for certain properties and financial instruments, which are measured at revalued amounts or fair values, as appropriate.

Except as described below, the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 31 December 2014 are the same as those followed in the preparation of the Group’s annual financial statements for the year ended 30 June 2014.

The Group has applied, for the first time, certain new or revised Hong Kong Financial Reporting Standards (“HKFRS”) issued by the HKICPA that are relevant for the preparation of the Group’s condensed consolidated financial statements. The application of the new or revised HKFRSs in the current interim period has had no material effect on the amounts reported and/or disclosures set out in the condensed consolidated financial statements.

In addition, the Group has applied the following accounting policies during the current period.

Distribution in specie

Where the Company distributes non-cash assets to its equity holders, the dividend is recognised when the dividend declared and is measured at the fair value of such non-cash assets. The carrying amount of the dividend payable is adjusted up to the settlement date, with any changes in the carrying amount of the dividend payable recognised in equity as adjustments to the amount of the distribution. When the Group settles the dividend payable, the difference between the carrying amount of the assets distributed and the carrying amount of the dividend payable, if any, is recognised in profit or loss.

3. REVENUE

	Six months ended	
	31.12.2014 <i>HK\$'000</i> (unaudited)	31.12.2013 <i>HK\$'000</i> (unaudited) (restated)
Continuing operations		
Dividend income from listed investments	7,742	19,835
Interest income from loans receivable	8,658	38,731
Rental income	1,912	2,025
	<u>18,312</u>	<u>60,591</u>

4. SEGMENT INFORMATION

Information regularly reviewed by the chief operating decision maker, represented by the executive directors of the Company, for the purpose of allocating resources to segments and assessing their performance focuses on types of goods or services delivered or provided. No operating segments identified by the chief operating decision maker have been aggregated in arriving at the reporting segments of the Group.

The Group is organised into three operating and reportable segments as follows:

Securities trading and investments – trading of securities in Hong Kong and overseas markets.

Financial services – provision of financial services.

Property investment – leasing of residential and office properties.

During the year ended 30 June 2014, the Group's property development and hospital segments are discontinuing as a result of the proposed disposal of Lianyungang Jiatai Construction Co., Ltd. 連雲港嘉泰建設工程有限公司 ("Jiatai Construction"), details of which are set out in note 8. Accordingly, the segment information reported below does not include financial information in respect of these discontinuing operations, which are described in more details in notes 8 and 14, and the comparative figures in the segment information for the six months ended 31 December 2013 have been restated.

Segment revenues and results

The following is an analysis of the Group's revenue and results by operating and reportable segment from continuing operations.

For the six months ended 31 December 2014

	Securities trading and investments <i>HK\$'000</i> (unaudited)	Financial services <i>HK\$'000</i> (unaudited)	Property investment <i>HK\$'000</i> (unaudited)	Consolidated <i>HK\$'000</i> (unaudited)
Gross proceeds from sales of investments held for trading	<u>412,469</u>	<u>–</u>	<u>–</u>	<u>412,469</u>
Revenue	<u>7,742</u>	<u>8,658</u>	<u>1,912</u>	<u>18,312</u>
Segment (loss) profit from continuing operations	<u>(127,512)</u>	<u>(5,496)</u>	<u>1,014</u>	<u>(131,994)</u>
Other income				472
Net foreign exchange loss				(77)
Central corporate expenses				(12,430)
Share of results of associates				(323,104)
Reversal of impairment on interest in an associate and result on distribution in specie of shares of an associate				261,266
Finance costs				<u>(1,807)</u>
Loss before taxation from continuing operations				<u>(207,674)</u>

For the six months ended 31 December 2013 (restated)

	Securities trading and investments <i>HK\$'000</i> (unaudited)	Financial services <i>HK\$'000</i> (unaudited)	Property investment <i>HK\$'000</i> (unaudited)	Consolidated <i>HK\$'000</i> (unaudited)
Gross proceeds from sales of investments held for trading	<u>244,594</u>	<u>–</u>	<u>–</u>	<u>244,594</u>
Revenue	<u>19,835</u>	<u>38,731</u>	<u>2,025</u>	<u>60,591</u>
Segment profit from continuing operations	<u>374,815</u>	<u>14,499</u>	<u>1,153</u>	390,467
Other income				934
Net foreign exchange gain				38
Central corporate expenses				(23,755)
Share of results of associates				385,926
Impairment on interest in an associate				(302,633)
Finance costs				<u>(8,782)</u>
Profit before taxation from continuing operations				<u>442,195</u>

All of the segment revenue reported above is from external customers.

Segment (loss) profit represents the loss incurred or profit earned by each segment without allocation of certain other income, certain foreign exchange gain/loss, central corporate expenses, share of results of associates, impairment on interest in an associate, reversal of impairment on interest in an associate and result on distribution in specie of shares of an associate and certain finance costs.

The following is an analysis of the Group's assets and liabilities by operating and reportable segments:

At 31 December 2014

	Securities trading and investments	Financial services	Property investment	Consolidated
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
Segment assets	1,373,540	75,220	213,663	1,662,423
Interests in associates				54,692
Corporate assets				160,407
Assets classified as held for sale				2,902,763
Consolidated assets				<u>4,780,285</u>
Segment liabilities	852,637	70,859	726	924,222
Corporate liabilities				123,758
Liabilities associated with assets classified as held for sale				2,150,340
Consolidated liabilities				<u>3,198,320</u>

At 30 June 2014

	Securities trading and investments	Financial services	Property investment	Consolidated
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
	(audited)	(audited)	(audited)	(audited)
Segment assets	1,756,386	257,269	213,821	2,227,476
Interests in associates				408,316
Corporate assets				563,672
Assets classified as held for sale				2,940,217
Consolidated assets				<u>6,139,681</u>
Segment liabilities	891,035	526,917	948	1,418,900
Corporate liabilities				355,864
Liabilities associated with assets classified as held for sale				2,099,990
Consolidated liabilities				<u>3,874,754</u>

5. OTHER GAINS AND LOSSES

	Six months ended	
	31.12.2014	31.12.2013
	<i>HK\$'000</i>	<i>HK\$'000</i>
	(unaudited)	(unaudited) (restated)
Continuing operations		
(Loss) gain in fair value change of investments held for trading	(120,196)	277,535
(Loss) gain in fair value change of derivative financial instruments	(28,810)	65,030
Net profit on disposal of available-for-sale investments	31,259	62,752
Gain on disposal of property, plant and equipment	42	–
Net foreign exchange loss	(2,422)	(24,079)
	(120,127)	381,238

6. FINANCE COSTS

The finance costs represent interest as follows:

	Six months ended	
	31.12.2014	31.12.2013
	<i>HK\$'000</i>	<i>HK\$'000</i>
	(unaudited)	(unaudited) (restated)
Continuing operations		
Interest on:		
Other borrowings wholly repayable within five years	30,226	45,816
Bonds	1,807	8,782
Promissory note	–	3,206
	32,033	57,804

7. TAXATION EXPENSE

	Six months ended	
	31.12.2014 HK\$'000 (unaudited)	31.12.2013 HK\$'000 (unaudited) (restated)
Continuing operations		
Current tax charge – Enterprise Income Tax (“EIT”) in the People’s Republic of China (“PRC”)	147	146
Underprovision of Hong Kong Profits Tax in previous years	–	10,291
	<u>147</u>	<u>10,437</u>

Hong Kong Profits Tax is calculated at 16.5% on the estimated assessable profit for both periods. No tax was payable arising in Hong Kong as the assessable profits for both periods were wholly absorbed by tax losses brought forward.

EIT in the PRC is calculated at 25% of estimated assessable profit for both periods.

8. DISCONTINUING OPERATIONS

During the year ended 30 June 2014, the Group negotiated with the purchasers to dispose of the Group’s entire interest in Jiatai Construction after receiving a non-binding offer from the potential purchasers as disclosed in the Company’s announcement dated 22 May 2014. On 21 July 2014, the Company entered into an agreement with the purchasers pursuant to which the Company conditionally agreed to sell its entire interests in Exceptional Talent Limited (representing its entire 60.52% issued share capital) at a total consideration of HK\$944,944,150 to the purchasers. The principal assets of Exceptional Talent Limited after the group reorganisation is its entire interest in Jiatai Construction. Details of the disposal are set out in the Company’s announcement dated 6 August 2014. The directors consider the disposal is highly probable and Jiatai Construction will be disposed of within 1 year from the date of classification. Therefore, the property development and hospital operations in the PRC are considered as discontinuing operations in accordance to HKFRS 5 “Non-current assets held for sale and discontinued operations”.

Jiatai Construction and its subsidiaries (all together the “Jiatai Group”) are engaged in property development and hospital operations in the PRC.

The loss from the discontinuing operations for the six months ended 31 December 2014 and 2013 are analysed as follows:

	Six months ended	
	31.12.2014 <i>HK\$'000</i> (unaudited)	31.12.2013 <i>HK\$'000</i> (unaudited) (restated)
Discontinuing operations		
Revenue	333,950	612,681
Cost of goods and services	(318,206)	(580,452)
Gross profit	15,744	32,229
Other income and other gains and losses	5,646	5,252
Selling and distribution costs	(1,194)	(2,687)
Administrative expenses	(52,391)	(54,544)
Finance costs	(40,252)	(29,206)
Share of results of an associate	(5,874)	(2,733)
Loss before taxation	(78,321)	(51,689)
Taxation (expense) credit	(12,241)	16,947
Loss for the period	(90,562)	(34,742)

The carrying amounts of the assets and liabilities of the discontinuing operations are disclosed in note 14.

9. (LOSS) PROFIT FOR THE PERIOD FROM CONTINUING OPERATIONS

	Six months ended	
	31.12.2014 <i>HK\$'000</i> (unaudited)	31.12.2013 <i>HK\$'000</i> (unaudited) (restated)
Continuing operations		
(Loss) profit for the period has been arrived at after charging (crediting):		
Staff costs inclusive of directors' emoluments	4,832	5,023
Depreciation of property, plant and equipment	349	295
Interest income from:		
– available-for-sale debt instruments	(2,095)	(2,226)
– bank deposits	(1,380)	(1,044)

10. DIVIDENDS

Dividends recognised as distributions during the six months ended:

	Six months ended	
	31.12.2014	31.12.2013
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Final dividend for the year ended 30 June 2014, declared – HK\$0.05 per share	26,516	–
Special dividend for the year ended 30 June 2014, declared – HK\$0.05 per share	26,516	–
Special dividend by way of distribution of shares in an associate (<i>Note</i>)	254,551	–
	<u>307,583</u>	<u>–</u>

Note:

On 20 November 2014, the Company announced that a special dividend was declared and would be satisfied by way of a distribution in specie (“Distribution in Specie”) of the ordinary shares of APAC Resources Limited (“APAC Shares”), a company with its ordinary shares listed on the Main Board of the Stock Exchange, held by the Group in the proportion of 3.75 APAC Shares for every 1 ordinary share of the Company held by the shareholders of the Company which represents 1,988,680,113 APAC Shares. Fair value of the 1,988,680,113 APAC Shares as determined based on quoted market bid price at the date of distribution was HK\$254,551,000.

The directors do not recommend the payment of an interim dividend for six months ended 31 December 2014.

11. (LOSS) EARNINGS PER SHARE

For continuing and discontinuing operations

The calculation of the basic and diluted (loss) earnings per share attributable to the owners of the Company is based on the following data:

(Loss) earnings

	Six months ended	
	31.12.2014 <i>HK\$'000</i> (unaudited)	31.12.2013 <i>HK\$'000</i> (unaudited) (restated)
(Loss) earnings for the purpose of basic and diluted (loss) earnings per share attributable to owners of the Company	<u>(249,740)</u>	<u>399,654</u>
	Number of shares	Number of shares
Weighted average number of ordinary shares for the purposes of basic and diluted (loss) earnings per share	<u>530,823,327</u>	<u>540,443,152</u>

From continuing operations

Basic loss per share (six months ended 31 December 2013: earnings per share) from continuing operations attributable to the owners of the Company is calculated based on the loss for the period attributable to owners of the Company from continuing operations of HK\$203,074,000 (six months ended 31 December 2013: profit of HK\$441,242,000) and the denominators detailed above for basic (loss) earnings per share.

From discontinuing operations

Basic loss per share from discontinuing operations of HK\$0.09 (six months ended 31 December 2013: HK\$0.08) per share is computed based on the loss for the period from discontinuing operations of HK\$46,666,000 (six months ended 31 December 2013: HK\$41,588,000) and the denominators detailed above for basic (loss) earnings per share.

The computations of diluted (loss) earnings per share for the six months ended 31 December 2014 and 2013 do not assume the exercise of share options granted by a subsidiary since such assumed exercise would be anti-dilutive.

12. INTERESTS IN ASSOCIATES

	31.12.2014 <i>HK\$'000</i> (unaudited)	30.6.2014 <i>HK\$'000</i> (audited)
Cost of investments in associates		
Listed in the Philippines	26,448	26,448
Listed in Hong Kong	–	973,744
Unlisted	242,341	242,341
Share of post-acquisition losses and other comprehensive expense, net of dividends received	(141,080)	(283,012)
Less: Impairment loss	(73,017)	(551,205)
	54,692	408,316

Reversal of impairment/impairment on interest in an associate and result on distribution in specie of shares in an associate:

	Six months ended	
	31.12.2014 <i>HK\$'000</i> (unaudited)	31.12.2013 <i>HK\$'000</i> (unaudited) (restated)
Reversal of impairment (impairment loss) recognised on interest in an associate	328,316	(302,633)
Result on distribution in specie of shares of an associate	(67,050)	–
	261,266	(302,633)

During the six months ended 31 December 2014, part of the Group's interests in APAC Resources Limited was distributed to the shareholders of the Company by way of Distribution in Specie. On the date of declaration and distribution of the APAC Shares, the Group owned an aggregate of 2,041,719,562 APAC Shares, representing approximately 33.32% of the issued share capital of APAC Resources Limited. The Group's investment in 33.32% equity interest of APAC Resources Limited was classified as interests in an associate in the condensed consolidated financial statements before the distribution.

At the date of distribution, the Group performed an impairment assessment of its interests in APAC Resources Limited. Management compared the value in use with the fair value less cost to sell and concluded that the fair value less costs to sell is higher than the value in use. The fair value of APAC Resources Limited is determined based on quoted market bid prices available on the Stock Exchange. Based on the assessment, the recoverable amount of the Group's interests in APAC Resources Limited is estimated to be greater than the carrying amount (before impairment recognised) and impairment loss recognised in the prior years of HK\$328,316,000 was reversed to profit or loss during the six months ended 31 December 2014. As at 31 December 2013, the Group performed the same impairment assessment as described above. An impairment loss of HK\$302,633,000 was recognised to profit or loss during the six months ended 31 December 2013.

At the date of distribution, cumulative exchange loss of HK\$51,603,000 and accumulated loss included in investment revaluation reserve of HK\$15,447,000 previously shared by the Group through its interests in APAC Resources Limited were reclassified from equity to profit or loss and was recognised as result on distribution in specie of shares of an associate.

Upon the completion of the Distribution in Specie, the Group distributed 1,988,680,113 APAC Shares with fair value amounting to HK\$254,551,000 to the shareholders of the Company and retained 53,039,449 APAC Shares with fair value amounting to HK\$6,788,000, which is classified as an available-for-sale investment in the condensed consolidated financial statements.

13. DEBTORS, DEPOSITS AND PREPAYMENTS

As at 31 December 2014, included in the debtors, deposits and prepayment, HK\$13,827,000 (30 June 2014: HK\$17,845,000) represents debtors from securities trading. The settlement terms of debtors from securities trading are 2 – 3 days after trade date and are aged within 2 – 3 days as at 31 December 2014 and 30 June 2014.

14. ASSETS CLASSIFIED AS HELD FOR SALE AND LIABILITIES ASSOCIATED WITH ASSETS CLASSIFIED AS HELD FOR SALE

As disclosed in note 8, the Company conditionally agreed to dispose of its entire interest in Jiatai Construction through the disposal of Exceptional Talent Limited. The directors determine the disposal is highly probable and thus, the relevant assets and liabilities of the Jiatai Group are classified to assets classified as held for sale and liabilities associated with assets classified as held for sale respectively in accordance with HKFRS 5 “Non-current assets held for sale and discontinued operations”.

The sale proceeds are expected to exceed the net carrying amount of the relevant assets and liabilities and, accordingly, no impairment loss has been recognised.

Details of the relevant assets and liabilities of the Jiatai Group as at 31 December 2014 and 30 June 2014 are as follows:

	31.12.2014 <i>HK\$'000</i> (unaudited)	30.6.2014 <i>HK\$'000</i> (audited)
Property, plant and equipment	1,348,930	1,375,148
Prepaid lease payments	122,907	124,472
Interest in an associate	1,314	7,218
Intangible assets	15,257	15,682
Deposits for acquisition of property, plant and equipment	22,507	22,718
Inventories	20,435	18,529
Properties under development for sale	892,618	830,972
Properties held for sale	29,273	31,665
Debtors, deposits and prepayments (<i>Note a</i>)	77,851	89,203
Pledged bank deposits	235,918	235,518
Restricted bank deposits	84,981	74,160
Bank balances and cash	50,772	114,932
	<hr/>	<hr/>
Total assets classified as held for sale	2,902,763	2,940,217
	<hr/> <hr/>	<hr/> <hr/>
Creditors and accrued charges (<i>Note b</i>)	255,618	289,810
Customers' deposit and receipts in advance	15,814	26,086
Deposits received on sales of properties	369,868	186,132
Consideration payable	68,712	87,472
Amount due to an associate	8,120	8,122
Obligations under finance leases	51,222	72,664
Borrowings	1,293,262	1,342,670
Taxation payable	10,422	9,380
Deferred taxation	77,302	77,654
	<hr/>	<hr/>
Total liabilities associated with assets classified as held for sale	2,150,340	2,099,990
	<hr/> <hr/>	<hr/> <hr/>

Notes:

- (a) An aged analysis of trade receivables from hospital operation presented based on the invoice date (approximate the date of revenue recognition) is as follows:

	31.12.2014 <i>HK\$'000</i> (unaudited)	30.6.2014 <i>HK\$'000</i> (audited)
0 – 30 days	20,270	23,116
31 – 60 days	7,868	10,231
61 – 90 days	2,603	5,488
91 – 365 days	907	6,102
	<hr/>	<hr/>
Trade receivables arising from hospital operation	31,648	44,937
Other debtors, deposits and prepayments	46,203	44,266
	<hr/>	<hr/>
	77,851	89,203
	<hr/> <hr/>	<hr/> <hr/>

- (b) An aged analysis of trade payables to construction contractors and of hospital operations presented based on the invoice date is as follows:

	31.12.2014 <i>HK\$'000</i> (unaudited)	30.6.2014 <i>HK\$'000</i> (audited)
0 – 30 days	36,436	47,046
31 – 60 days	16,570	21,253
61 – 90 days	14,268	17,102
91 – 365 days	13,498	25,477
Over 1 year but not exceeding 2 years	21,415	22,154
Over 2 years but not exceeding 5 years	9,231	9,332
	<hr/>	<hr/>
Trade payables to construction and of hospital operations	111,418	142,364
Other creditors and accrued charges	144,200	147,446
	<hr/>	<hr/>
	255,618	289,810
	<hr/> <hr/>	<hr/> <hr/>

15. CREDITORS AND ACCRUED CHARGES

As at 31 December 2014, included in the creditors and accrued charges, HK\$19,908,000 (30 June 2014: HK\$17,737,000) represents creditors from securities trading. The settlement terms of creditors from securities trading are 2 – 3 days after trade date and are aged within 2 – 3 days as at 31 December 2014 and 30 June 2014.

INTERIM DIVIDEND

During the interim period ended 31 December 2014 a special interim dividend satisfied by way of a distribution in specie of shares of APAC Resources Limited (“APAC”, “APAC Shares”) held by the Group in the proportion of 3.75 APAC Shares for every share held (“Distribution in Specie”) was declared. Based on the market value of the APAC Shares as at the date of despatch, this special interim dividend equates to HK\$0.48 per share (2013: nil), bringing the amount distributed to approximately HK\$254,551,000 (2013: nil).

Following this special interim dividend, the Directors do not recommend further payment of an interim dividend for the six months ended 31 December 2014 (2013: nil).

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL RESULTS

For the six months ended 31 December 2014, the Group recorded a total revenue of HK\$430,781,000 (2013: restated as HK\$305,185,000) and a loss for the period attributable to shareholders of HK\$249,740,000 compared to a profit of HK\$399,654,000 in the previous period. This was mainly due to the loss in fair value of investments held for trading of HK\$120,196,000 (2013: gain of HK\$277,535,000) and derivative financial instruments of HK\$28,810,000 (2013: gain of HK\$65,030,000). Further, the Group also recorded a loss from its share of results of associates of HK\$323,104,000 (2013: profit of HK\$385,926,000) which was partially offset by a net gain of reversal of impairment and result on distribution in specie of shares of an associate of HK\$261,266,000 (2013: impairment loss of HK\$302,633,000) and loss from its discontinuing operations in the PRC of HK\$90,562,000 (2013: HK\$34,742,000) due to an increase of finance cost and tax charge.

Loss per share (from continuing and discontinued operations)(basic and diluted) for the six months ended 31 December 2014 was HK\$0.47 compared to an earnings per share of HK\$0.74 in 2013.

The Group’s net asset value per share as at 31 December 2014 decreased to HK\$2.24 from HK\$2.48 in 2013.

REVIEW OF OPERATIONS – CONTINUING OPERATIONS

Securities Trading and Investments

The second half of 2014 saw severe volatility in the global financial markets and unprecedented collapse in commodity prices, particularly that of the price of oil, amid mounting worries caused by geopolitical tensions and conflicts in the energy producing and exporting regions. Added to this was the slower than expected growth from the industrialized economies, the People's Republic of China ("PRC") and the emerging markets. The continued deflation and fiscal headwinds in the euro zone area, and the negative effect of the imminent interest rate hike cycle in the United States ("US") also contributed to the uncertainties.

Despite such volatile market conditions the Group's business in securities trading and investments managed to increase its turnover to HK\$420,211,000 (2013: HK\$264,429,000) but a loss of HK\$127,512,000 (2013: profit of HK\$374,815,000) was recorded for the six months ended 31 December 2014, mainly due to the losses in fair value of investments held for trading of HK\$120,196,000 (2013: gain of HK\$277,535,000) and derivative financial instruments of HK\$28,810,000 (2013: gain of HK\$65,030,000) which were partially offset by the net gain on disposal of available-for-sale investments of HK\$31,259,000 (2013: HK\$62,752,000) inclusive of the on-market disposals of about 19 million shares of First Steamship Co., Ltd. (益航股份有限公司).

As at 31 December 2014, the Group maintained a portfolio of available-for-sale investments of HK\$67,816,000 (2013: HK\$243,246,000) and a trading portfolio of HK\$1,265,376,000 (2013: HK\$1,358,571,000).

Money Lending

During the interim period under review, the Group's money lending business recorded a reduction in interest income to HK\$8,658,000 (2013: HK\$38,731,000) and a loss of HK\$5,496,000 (2013: profit of HK\$14,499,000) from its loan portfolio mostly due to the hedging cost and finance cost for an Australian Dollar loan receivable which was subsequently fully repaid in July 2014. As at 31 December 2014, the Group's loan portfolio decreased to HK\$70,008,000 from HK\$496,292,000 in 2013.

Property Investments

The Group's investment properties located in Hong Kong and the PRC recorded a rental income of HK\$1,912,000 (2013: HK\$2,025,000) and a profit of HK\$1,014,000 (2013: HK\$1,153,000) for the interim period under review. As at 31 December 2014, the Group's investment properties portfolio amounted to HK\$213,660,000 (2013: HK\$202,162,000).

REVIEW OF OPERATIONS – DISCONTINUED OPERATIONS:

Through the Group's shareholding of 60.52% in Lianyungang Jiatai Construction Company Limited (連雲港嘉泰建設工程有限公司) ("Jiatai Construction", Jiatai Construction and its subsidiaries as "Jiatai Group"), the Group's hospital ownership and operation in the PRC consists of the Nanjing Tongren Hospital (南京同仁醫院), the Kunming Tongren Hospital (昆明同仁醫院) and the Yunnan Xinxinhua Hospital (雲南新新華醫院). All three are integrated hospitals offering a wide range of comprehensive clinical and healthcare services. The Jiatai Group's property development business in the PRC consists of the Kangya Garden (康雅苑) Phase III development project located in the Jiangning Development Zone in Nanjing in the PRC with a total gross floor area of approximately 40,650 sqm with construction expected to be completed by the end of 2015.

During the interim period under review, the Jiatai Group's hospital operation and property development in the PRC contributed an aggregated turnover of HK\$333,950,000 (2013: restated HK\$612,681,000) and a loss of HK\$90,562,000 (2013: HK\$34,742,000) mainly due to the reduction in property sales, as the contribution of the Kangya Garden Phase III development project will only be recorded in late 2015 and the increase in finance costs and tax charge.

In May 2014, the Company received a non-binding offer, subject to a formal agreement, for the acquisition of the Group's entire interest in the Jiatai Group. In July 2014, the Group entered into an agreement to dispose of its entire interest in Jiatai Construction for a total consideration of HK\$944,944,150 ("Disposal"). In September 2014, as a condition precedent to the Disposal, Jiatai Construction acquired a 10.2% equity interest in Yangpu Zhaohe Industrial Co. Ltd (洋浦兆合實業有限公司) ("Yangpu Zhaohe") for a consideration of RMB50 million. Together with the acquisition of the remaining 8.16% equity interest from another shareholder, Yangpu Zhaohe would then be wholly-owned by Jiatai Construction. The Jiatai Group has been loss-making and with its relatively high gearing level, it will require continued capital support. The Group believes the Disposal is an exit opportunity which will bring realized capital gain and cash flow under the current uncertain economic environment. As such, the relevant assets and liabilities of Jiatai Group are reclassified to "assets classified as held for sale" under current assets and "liabilities associated with assets held for sale" under current liabilities respectively.

As announced in August 2013, the Jiatai Group entered into a sale and purchase agreement to dispose of its interest in Kunming Tongren Industrial Development Company Limited (昆明同仁實業開發有限公司) for a consideration of RMB324.995 million. However, as the conditions precedent in the agreement were not fulfilled prior to the long stop date, the agreement was terminated on 15 October 2014.

PRINCIPAL ASSOCIATED COMPANIES

For the six months ended 31 December 2014, the loss from its share of results of associates and the net gain of reversal of impairment on interest in an associate and result on distribution in specie of shares of an associate was HK\$323,104,000 (2013: profit of HK\$385,926,000) and HK\$261,266,000 (2013: impairment loss of HK\$302,633,000) respectively. As at 31 December 2014, following the Distribution in Specie, the Group's investment in associates decreased to HK\$54,692,000 (2013: HK\$377,324,000).

Mabuhay Holdings Corporation (“MHC”) – approximately 29.85% owned by the Group

MHC is a company incorporated in the Philippines with its shares listed on the Philippine Stock Exchange (“PSE”) and is engaged in investment in securities, properties, and other investments in the Philippines. MHC's major asset is an approximately 37.3% interest in IRC Properties, Inc. (“IRC”), whose shares are also listed on the PSE. IRC is principally engaged in real estate development with various real estate projects, inclusive of three affordable socialize housing projects (in joint venture, in development or final phase) and a condominium project (temporarily put on hold), in the Binangonan area of Rizal Province close to Metro-Manila in the Philippines. IRC is in continuing negotiation with a key real estate industry player to develop another portion of its Binangonan property. The Group has incorporated the consolidated results of MHC based on its unaudited management accounts.

Think Future Investments Limited (“Think Future”) – 30% owned by the Group

Think Future is an investment holding company and through its subsidiaries (collectively the “Think Future Group”), engaged in property development and project management businesses in the PRC. Currently, the Think Future Group has a project located in Zhu Jia Jiao County, Shanghai in the PRC which is developing into a showcase project comprising health industry headquarters and base, offering health and care services packages to the elderly. Project construction is in progress and the relevant pre-sale program has commenced.

APAC Resources Limited (“APAC”) – formerly owned as to approximately 33.32% by the Group

APAC is an established natural resources investment and commodities business company listed on the Hong Kong Stock Exchange. Focused on natural resources, its business lines comprise primary strategic investment, resource investment and commodity business. After completion of the Distribution in Specie in December 2014, APAC ceased to be classified as an associate of the Group.

FINANCIAL RESOURCES, BORROWINGS, CAPITAL STRUCTURE AND EXPOSURES TO FLUCTUATIONS IN EXCHANGE RATES

As at 31 December 2014, the Group's non-current assets of HK\$293,238,000 (2013: HK\$2,194,478,000) consisted of investment properties of HK\$213,660,000 (2013: HK\$202,162,000), property, plant and equipment of HK\$17,512,000 (2013: HK\$1,442,590,000), no prepaid lease payments (2013: HK\$65,450,000), interests in associates of HK\$54,692,000 (2013: HK\$377,324,000), available-for-sale investments of HK\$7,374,000 (2013: HK\$69,744,000), no intangible assets (2013: HK\$15,852,000) and no deposits for acquisition of property, plant and equipment (2013: HK\$21,356,000). These non-current assets are principally financed by the Group's shareholders' funds. As at 31 December 2014, the Group's net current assets increased to HK\$1,288,727,000 (2013: HK\$194,615,000) mainly attributed to the reclassification of the relevant assets and liabilities of the Jiatai Group as current assets and current liabilities respectively.

As at 31 December 2014, the total borrowings of the Group amounted to HK\$850,263,000 (2013: HK\$3,180,762,000) consisting of securities margin loans of HK\$550,263,000 (2013: HK\$1,298,403,000), unsecured term loan of HK\$300,000,000 (2013: HK\$488,021,000), no secured bank borrowings (2013: HK\$249,232,000), no unsecured bank borrowings (2013: HK\$722,991,000), no unsecured other borrowings (2013: HK\$44,547,000), no discounted bills (2013: HK\$130,568,000) and no bonds (2013: HK\$247,000,000). Among the total borrowings of the Group, an amount of HK\$850,263,000 (2013: HK\$2,758,739,000) was with maturity on demand or within one year, no borrowings (2013: HK\$196,727,000) was with maturity of more than one year but less than two years and no borrowings (2013: HK\$225,296,000) was with maturity of more than two years but less than five years.

As at 31 December 2014, the total borrowings of the Jiatai Group (classified in liabilities associated with assets held for sale) amounted to HK\$1,293,262,000 (2013: HK\$1,147,338,000) consisting of secured bank borrowings, unsecured bank borrowings, unsecured other borrowings and discounted bills.

As at 31 December 2014, the Group's gearing ratio, calculated on the basis of the Group's net borrowings (after pledged bank deposits and bank balances and cash) over total equity, was 46.0% (2013: 146.8%). The Group's gearing ratio would be adjusted to zero (2013: 63.3%) with marketable securities inclusive of available-for-sale investments (current) and investments held for trading deducted from the net borrowings.

As at 31 December 2014, the Group's gearing ratio would be adjusted to 104.3% with the Group's borrowings aggregated with Jiatai Group's borrowings (classified in liabilities associated with assets held for sale). The Group's gearing ratio would be adjusted to 20.5% with marketable securities inclusive of available-for-sale investments (current) and investments held for trading deducted from the aggregated net borrowings.

During the interim period under review, the Group's assets, liabilities and transactions were mainly denominated in Hong Kong Dollar, Australian Dollar, US Dollar, Taiwan Dollar, Renminbi, Malaysian Ringgit and Japanese Yen. Because of the short term nature, the Group partially hedged risks arising from its Australian Dollar denominated assets and transaction and did not actively hedge risks arising from its Malaysian Ringgit and Japanese Yen denominated assets and transactions. The exchange rate of the Taiwan Dollar and Renminbi were relatively stable during the period. The Group was not materially affected by its exposure to these currencies.

As at 31 December 2014, the Group had capital commitments of HK\$1,295,000 contracted but not provided for (2013: HK\$1,295,000). In September 2014, Jiatai Construction entered into two sale and purchase agreements with the two shareholders of Yangpu Zhaohe to acquire their respective 10.2% and 8.16% interest in Yangpu Zhaohe's issued share capital, for a consideration of RMB50 million and RMB40 million respectively.

In July 2013, the Jiatai Group entered into a mutual guarantee agreement with China Huali Holdings Group Company Limited (中國華力控股集團有限公司) ("Huali"), a connected person of the Company, pursuant to which both parties agreed that should any party (inclusive of their subsidiaries) apply for a loan or loans from a bank or financial institution, and if the lender so requires, then the other party shall provide a corporate guarantee for the obligations of the borrower under the loan ("Mutual Guarantee"). The total loan amounts guaranteed by each party shall not exceed RMB300 million. A corporate guarantee from PRC corporations is commonly required as a security or additional security for financial transactions in the PRC to secure the obligations of the borrower and the mutual guarantee agreement would enable and facilitate the Jiatai Group to obtain loans from third party lenders in order to support its ordinary and usual course of business in the PRC. As at 31 December 2014, Jiatai Group provided guarantees of RMB90 million to Huali while Huali and its subsidiaries provided guarantees of RMB240 million to the Jiatai Group.

Subsequent to the interim period under review, a supplemental agreement was entered into between Jiatai Group and Huali to extend the effective period of the Mutual Guarantee for one year to 31 December 2015.

During the interim period under review, the Company repurchased a total of 760,000 shares (2013: 5,760,000 shares) in the capital of the Company for an aggregate consideration of HK\$2,057,000 (2013: HK\$12,544,000). These shares have been cancelled.

CHARGE ON GROUP ASSETS

As at 31 December 2014, the Group's investments held for trading of HK\$1,220,560,000 (2013: HK\$1,333,661,000), interests in associates of HK\$36,209,000 (2013: HK\$328,889,000), pledged bank deposits of HK\$21,532,000 (2013: HK\$127,663,000), available-for-sale investments of HK\$6,628,000 (2013: HK\$227,835,000), together with amounts included in assets classified as held for sale-building (included in property, plant and equipment) of HK\$574,286,000 (2013: HK\$619,225,000), prepaid lease payment of HK\$92,641,000 (2013: HK\$97,324,000), properties under development for sale of HK\$706,884,000 (2013: HK\$25,337,000), properties held for sale of HK\$20,681,000 (2013: HK\$23,231,000) and pledged bank deposits of HK\$235,918,000 (2013: HK\$134,364,000) were pledged to banks and securities houses to secure credit facilities granted to the Group (inclusive of the Jiatai Group).

The Jiatai Group's obligations under finance leases are secured by the Jiatai Group's charge over the leased assets. At 31 December 2014, the carrying amount of the Jiatai Group's medical equipment includes an amount of HK\$125,008,000 (2013: HK\$141,534,000) in respect of assets held under finance leases.

EMPLOYEES

The Group had 2,102 employees as at 31 December 2014 inclusive of discontinued operations (2013: 2,116). The Group ensures that its employees are remunerated in line with market conditions and individual performance and the remuneration policies are reviewed on a regular basis.

POST BALANCE SHEET EVENT

As additional time is required to finalize certain financial and other information to be disclosed in the circular relating to the Disposal, the Company has extended the despatch date of the circular to 31 March 2015. However, given that certain conditions precedent in the agreement relating to the Disposal have not been satisfied prior to the long stop date provided therein, the Group is in further discussion with the purchasers on how to progress the transaction. Further announcement will be made as and when applicable.

PROSPECTS

The global financial markets remained volatile since the beginning of 2015 with the dramatic fall in the prices of oil and commodities caused by continuing global glut and falling demand in a slowing global economy. The escalating geopolitical conflicts and the weakness in the economic situation in some of the industrialized economies and euro zone countries, the PRC and the emerging markets have greatly contributed to the volatility. In the face of such uncertainties, central banks from some of the euro zone and other developed economies have promptly added monetary stimulus to their economies and there are growing signs that the PRC will join this latest wave of global monetary easing.

As a value investor, the Group will continuously review and adjust its investment strategies and investment portfolio to the prevailing uncertain economic and investment environment and seek grossly undervalued investment and business opportunities in China, Hong Kong and the Asia Pacific region to enhance value for shareholders.

PURCHASE, SALE AND REDEMPTION OF LISTED SECURITIES

During the period, the Company repurchased a total of 760,000 ordinary shares in the capital of the Company on The Stock Exchange of Hong Kong Limited in the range from HK\$2.43 to HK\$3.15 for a total consideration of HK\$2,057,000. The said shares were subsequently cancelled.

The issued share capital of the Company was accordingly reduced by the par value of the repurchased ordinary shares so cancelled. The above repurchases were effected by the Directors pursuant to the mandate from shareholders, with a view to benefit Shareholders as a whole in enhancing the net assets value and/or earnings per share of the Company.

Save as disclosed above, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the period.

AUDIT COMMITTEE REVIEW

The Audit Committee has reviewed with the management of the Company (the "Management") the accounting principles and practices adopted by the Group and discussed internal controls and financial reporting matters including a general review of the interim report (including unaudited interim condensed consolidated financial statements for the six months ended 31 December 2014). In carrying out this review, the Audit Committee has relied on a review conducted by the Group's external auditor, Deloitte Touche Tohmatsu, in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the HKICPA as well as reports obtained from the Management. The Audit Committee has not undertaken detailed independent audit checks.

COMPLIANCE WITH CORPORATE GOVERNANCE CODE

The Company has complied with the applicable code provisions of the Corporate Governance Code and Corporate Governance Report as set out in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") throughout the six months ended 31 December 2014.

COMPLIANCE WITH MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 of the Listing Rules as the Company's code of conduct regarding Director's securities transactions. Having made specific enquiry with all Directors, they have confirmed their compliance with the required standard as set out in the Model Code throughout the six months ended 31 December 2014.

By Order of the Board
COL Capital Limited
Chong Sok Un
Chairman

Hong Kong, 27 February 2015

As at the date of this announcement, the Board comprises Ms. Chong Sok Un (Chairman), Dato' Wong Peng Chong and Mr. Kong Muk Yin as Executive Directors; and Mr. Lau Siu Ki, Mr. Ma Wah Yan and Mr. Zhang Jian as Independent Non-Executive Directors.