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中 國 投 資

CHINA INVESTMENT FUND COMPANY LIMITED

中國投資基金有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 00612)

**ANNUAL RESULTS ANNOUNCEMENT
FOR THE YEAR ENDED 31 DECEMBER 2013**

The Board (the “Board”) of Directors (the “Directors”) of China Investment Fund Company Limited (the “Company”) is pleased to announce the audited consolidated financial results of the Company and its subsidiaries (collectively, the “Group”) for the year ended 31 December 2013, with the comparative figures for the year ended 31 December 2012 as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS*For the year ended 31 December 2013*

	<i>Notes</i>	2013 <i>HK\$</i>	2012 <i>HK\$</i>
Revenue	3	1,718,126	1,191,439
Net realised gain (loss) on disposal of available-for-sale financial assets		1,336,598	(3,304,002)
Net realised gain on disposal of financial assets designated as held for trading		993,920	2,551,329
Net unrealised (loss) gain on financial assets designated as held for trading		(8,448)	3,361,631
		4,040,196	3,800,397
Other income	3	247,983	150,000
Gain on disposal of subsidiaries	10	321,892	—
Administrative expenses		(24,500,899)	(24,872,414)
Finance costs	5	(107,240)	(15,171)
Loss before tax	6	(19,998,068)	(20,937,188)
Income tax expense	7	—	—
Loss for the year attributable to owners of the Company		<u>(19,998,068)</u>	<u>(20,937,188)</u>
Loss per share	9		
— Basic (<i>HK cents</i>)		<u>(2.61)</u>	<u>(2.74)</u>
— Diluted (<i>HK cents</i>)		<u>(2.61)</u>	<u>(2.74)</u>

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2013

	2013 <i>HK\$</i>	2012 <i>HK\$</i>
Loss for the year attributable to owners of the Company	<u>(19,998,068)</u>	<u>(20,937,188)</u>
Other comprehensive income (expenses)		
Items that may be reclassified subsequently to profit or loss:		
Exchange gain (loss) on translation of available-for-sale financial assets	3,011	(12,590)
Exchange differences arising on translation of a foreign operation	(586)	15,400
Reclassification of exchange differences upon disposal of subsidiaries	(14,814)	—
Net gain (loss) arising on revaluation of available-for-sale financial assets	18,010,793	(11,990,900)
Reclassification of investment revaluation reserve upon disposal of available-for-sale financial assets	<u>1,623,597</u>	<u>1,988,340</u>
Other comprehensive income (expenses) for the year, net of tax	<u>19,622,001</u>	<u>(9,999,750)</u>
Total comprehensive expenses attributable to owners of the Company	<u><u>(376,067)</u></u>	<u><u>(30,936,938)</u></u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION*At 31 December 2013*

	<i>Notes</i>	2013 <i>HK\$</i>	2012 <i>HK\$</i>
Non-current assets			
Property, plant and equipment		5,593,041	6,512,285
Available-for-sale financial assets	11	162,692,895	117,117,922
		168,285,936	123,630,207
Current assets			
Available-for-sale financial assets	11	—	5,523,640
Prepayments, deposits and other receivables		2,340,780	7,932,496
Financial assets designated as held for trading	12	234,696	20,424,000
Cash and cash equivalents		18,422,121	31,152,802
		20,997,597	65,032,938
Current liability			
Accruals and other payables		1,840,000	843,545
Net current assets			
		19,157,597	64,189,393
Total assets less current liability			
		187,443,533	187,819,600
Capital and reserves			
Share capital		38,256,000	38,256,000
Reserves		149,187,533	149,563,600
Equity attributable to owners of the Company			
		187,443,533	187,819,600
Net asset value per share			
	9	0.24	0.25

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2013

1. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”). In addition, the consolidated financial statements also include applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the disclosure requirements of Hong Kong Companies Ordinance.

The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values.

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

In the current year, the Group has applied the following new and revised HKFRSs issued by the HKICPA.

Amendments to HKFRSs	Annual Improvements to HKFRSs 2009–2011 Cycle
Amendments to HKFRS 1	Government Loans
Amendments to HKFRS 7	Disclosures — Offsetting Financial Assets and Financial Liabilities
Amendments to HKFRS 10, HKFRS 11 and HKFRS 12	Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities: Transition Guidance
HKFRS 10	Consolidated Financial Statements
HKFRS 11	Joint Arrangements
HKFRS 12	Disclosure of Interests in Other Entities
HKFRS 13	Fair Value Measurement
HKAS 19 (as revised in 2011)	Employee Benefits
HKAS 27 (as revised in 2011)	Separate Financial Statements
HKAS 28 (as revised in 2011)	Investments in Associates and Joint Ventures
Amendments to HKAS 1	Presentation of Items of Other Comprehensive Income
HK(IFRIC) — Int 20	Stripping Costs in the Production Phase of a Surface Mine

Except as described below, the application of the new and revised HKFRSs in the current year has had no material impact on the Group’s financial performance and positions for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

Impact of the application of HKFRS 10

HKFRS 10 replaces the parts of HKAS 27 “Consolidated and Separate Financial Statements” that deal with consolidated financial statements and HK(SIC) Int — 12 “Consolidation — Special Purpose Entities”. HKFRS 10 changes the definition of control such that an investor has control over an investee when (a) it has power over the investee, (b) it is exposed, or has rights, to variable returns from its involvement with the investee and (c) has the ability to use its power to affect its returns. All three of these criteria must be met for an investor to have control over an investee. Previously, control was defined as the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. Additional guidance has been included in HKFRS 10 to explain when an investor has control over an investee.

The Directors of the Company made an assessment as at the date of initial application of HKFRS 10 (i.e. 1 January 2013) in respect of the Group’s control in its investees under the new definition in the new and revised HKFRSs, and concluded that the application of the new standard has no impact on the classification of investees currently reported in the consolidated financial statements.

HKFRS 13 Fair Value Measurement

The Group has applied HKFRS 13 for the first time in the current year. HKFRS 13 establishes a single source of guidance for, and disclosures about, fair value measurements. The scope of HKFRS 13 is broad: the fair value measurement requirements of HKFRS 13 apply to both financial instrument items and non-financial instrument items for which other HKFRSs require or permit fair value measurements and disclosures about fair value measurements, except for share-based payment transactions that are within the scope of HKFRS 2 “Share-based Payment”, leasing transactions that are within the scope of HKAS 17 “Leases”, and measurements that have some similarities to fair value but are not fair value (e.g. net realisable value for the purposes of measuring inventories or value in use for impairment assessment purposes).

HKFRS 13 defines the fair value of an asset as the price that would be received to sell an asset (or paid to transfer a liability, in the case of determining the fair value of a liability) in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions. Fair value under HKFRS 13 is an exit price regardless of whether that price is directly observable or estimated using another valuation technique. Also, HKFRS 13 includes extensive disclosure requirements.

HKFRS 13 requires prospective application. In accordance with the transitional provisions of HKFRS 13, the Group has not made any new disclosures required by HKFRS 13 for the 2012 comparative period. Other than the additional disclosures, the application of HKFRS 13 has not had any material impact on the amounts recognised in the consolidated financial statements.

Amendments to HKAS 1 Presentation of Items of Other Comprehensive Income

The Group has applied the amendments to HKAS 1 “Presentation of Items of Other Comprehensive Income”. Upon the adoption of the amendments to HKAS 1, the Group’s ‘statement of comprehensive income’ is renamed as the ‘statement of profit or loss and other comprehensive income’ and the ‘income statement’ is renamed as the ‘statement of profit or loss’. The amendments to HKAS 1 retain the option to present profit or loss and other comprehensive income in either a single statement or in two separate but consecutive statements. Furthermore, the amendments to HKAS 1 require additional disclosures to be made in the other comprehensive income section such that items of other comprehensive income are grouped into two categories: (a) items that will not be reclassified subsequently to profit or loss and (b) items that may be reclassified subsequently to profit or loss when specific conditions are met. Income tax on items of other comprehensive income is required to be allocated on the same basis — the amendments do not change the option to present items of other comprehensive income either before tax or net of tax. The amendments have been applied retrospectively, and hence the presentation of items of other comprehensive income has been modified to reflect the changes. Other than the above mentioned presentation changes, the application of the amendments to HKAS 1 does not result in any impact on profit or loss, other comprehensive income and total comprehensive income.

New and revised HKFRSs issued but not yet effective

The Group has not early applied the following new and revised HKFRSs that have been issued but are not yet effective:

Amendments to HKFRSs	Annual Improvements to HKFRSs 2010–2012 Cycle ³
Amendments to HKFRSs	Annual Improvements to HKFRSs 2011–2013 Cycle ²
HKFRS 9	Financial Instruments ⁴
Amendments to HKFRS 7 and HKFRS 9	Mandatory Effective Date of HKFRS 9 and Transition Disclosures ⁴
Amendments to HKFRS 10, HKFRS 12 and HKAS 27	Investment Entities ¹
HKFRS 14	Regulatory Deferral Accounts ⁵
Amendments to HKAS 19	Defined Benefit Plans: Employee Contributions ²
Amendments to HKAS 32	Offsetting Financial Assets and Financial Liabilities ¹
Amendments to HKAS 36	Impairment of Assets — Recoverable Amount Disclosures for Non-financial Assets ¹
Amendments to HKAS 39	Financial Instruments: Recognition and Measurement — Novation of Derivatives and Continuation of Hedge Accounting ¹
HK (IFRIC) — Int 21	Levies ¹

- ¹ Effective for annual periods beginning on or after 1 January 2014, with early application permitted.
- ² Effective for annual periods beginning on or after 1 July 2014, with early application permitted.
- ³ Effective for annual periods beginning on or after 1 July 2014, with limited exceptions.
- ⁴ Available for application — the mandatory effective date will be determined when the outstanding phase of HKFRS 9 is finalised.
- ⁵ Effective for annual periods beginning on or after 1 January 2016.

The Directors of the Company anticipate that the application of these new and revised standards, amendments and interpretations will have no material impact on the consolidated financial statements.

3. REVENUE AND OTHER INCOME

Revenue represents interest income and dividend income from financial assets for the year. An analysis of the Group's revenue and other income for the year is as follows:

	2013	2012
	HK\$	HK\$
Revenue		
Interest income from:		
Deposits in bank and financial institutions	11,105	415,607
Available-for-sale financial assets	1,167,123	484,932
Dividend income from:		
Financial assets designated as held for trading	539,898	290,900
	1,718,126	1,191,439
Other income		
Option fee income	—	150,000
Exchange gain	7,020	—
Written back on over provision of rental expenses	200,000	—
Sundry income	40,963	—
	247,983	150,000

4. SEGMENT INFORMATION

For the years ended 31 December 2013 and 2012 respectively, the Group's revenue were mainly derived from the interest income and dividend income from investments. The Directors consider that these activities constitute one business segment since these transactions are subject to common risks and returns. Given the nature of the Group's operation is investment holding, it is not considered meaningful to provide a business segment analysis of operating profits. The Group's segment revenue, assets and liabilities for the year, analysed by geographical markets, are as follows:

	Hong Kong		Others		Consolidated	
	2013 HK\$	2012 HK\$	2013 HK\$	2012 HK\$	2013 HK\$	2012 HK\$
Segment revenue:						
Interest income from deposits in bank and financial institutions	11,105	415,454	—	153	11,105	415,607
Interest income from available-for-sale financial assets*	—	—	1,167,123	484,932	1,167,123	484,932
Dividend income from financial assets designated as held for trading	539,898	290,900	—	—	539,898	290,900
	<u>551,003</u>	<u>706,354</u>	<u>1,167,123</u>	<u>485,085</u>	<u>1,718,126</u>	<u>1,191,439</u>
Total assets	<u>186,200,946</u>	<u>178,907,553</u>	<u>3,082,587</u>	<u>9,755,592</u>	<u>189,283,533</u>	<u>188,663,145</u>
Total liabilities (unallocated)					<u>1,840,000</u>	<u>843,545</u>
Other segment information:						
Additions to property, plant and equipment	<u>652,993</u>	<u>7,478,919</u>	<u>—</u>	<u>2,513</u>	<u>652,993</u>	<u>7,481,432</u>

* During the year 2013 and 2012, interest income from available-for-sale financial assets is derived from convertible notes issued by companies incorporated outside Hong Kong.

5. FINANCE COSTS

	2013 HK\$	2012 HK\$
Interest expenses on bank and broker overdrafts wholly repayable within five years	<u>107,240</u>	<u>15,171</u>

6. LOSS BEFORE TAX

	2013 <i>HK\$</i>	2012 <i>HK\$</i>
The Group's loss before tax has been arrived at after charging (crediting):		
Directors' remuneration:		
Fees	300,000	319,188
Other emoluments	1,470,914	947,127
Provident fund contributions	29,000	26,000
Staff costs:		
Salaries	5,235,722	4,953,160
Provident fund contributions	120,695	147,033
Total staff costs (including Directors' remuneration)	<u>7,156,331</u>	<u>6,392,508</u>
Auditor's remuneration		
Current year	<u>300,000</u>	<u>140,000</u>
Investment management fee	971,667	900,000
Depreciation on property, plant and equipment	1,565,013	991,484
Write off of property, plant and equipment	4,791	—
Financial advisory fee	—	3,000,000
Net foreign exchange (gain) loss	(7,020)	71,511
Operating lease charges in respect of office premises	<u>4,115,852</u>	<u>4,111,939</u>

7. INCOME TAX EXPENSE

No Hong Kong Profits Tax has been provided as the Group had no assessable profits in Hong Kong for the year.

The tax expense for the year can be reconciled to the loss before tax per the consolidated statement of profit or loss as follows:

	2013 <i>HK\$</i>	2012 <i>HK\$</i>
Loss before tax	<u>(19,998,068)</u>	<u>(20,937,188)</u>
Tax at the domestic income tax rate of 16.5% (2012: 16.5%)	(3,299,681)	(3,454,636)
Tax effect of income not taxable for tax purpose	(564,325)	(671,217)
Tax effect of expenses not deductible for tax purpose	1,506,245	3,614,495
Tax effect of temporary differences previously not recognised	120,726	(660,457)
Effect of different tax rates of subsidiaries operating in other jurisdiction	—	(209,843)
Utilisation of tax losses previously not recognised	(447,185)	—
Tax effect of tax losses not recognised	<u>2,684,220</u>	<u>1,381,658</u>
Tax expense for the year	<u>—</u>	<u>—</u>

The domestic tax rate (which is Hong Kong Profits Tax rate) in the jurisdiction where the operation of the Group is substantially based is used.

8. DIVIDEND

No dividend was paid or proposed during 2013, nor has any dividend been proposed since the end of the reporting period (2012: Nil).

9. NET ASSET VALUE PER SHARE AND LOSS PER SHARE

Net asset value per share

The net asset value per share is calculated by dividing the net assets included in the consolidated statement of financial position of HK\$187,443,533 (2012: HK\$187,819,600) by the number of shares in issue as at 31 December 2013, being 765,120,000 (2012: 765,120,000).

Loss per share

The calculation of the basic and diluted loss per share is based on the loss for the year attributable to owners of the Company of HK\$19,998,068 (2012: HK\$20,937,188) and the weighted average number of 765,120,000 (2012: 765,120,000) ordinary shares in issue during the year.

10. GAIN ON DISPOSAL OF SUBSIDIARIES

During the year, the Group disposed of its 100% equity interest in Conqueringly Victory Investments Limited, which holds directly 100% equity interest in Prospect King Investment Development Limited and indirectly 100% equity interest in 中投基(深圳)投資諮詢有限公司 to an independent third party for consideration of HK\$400,000.

11. AVAILABLE-FOR-SALE FINANCIAL ASSETS

	2013	2012
	HK\$	HK\$
Overseas convertible notes, at cost	—	6,000,000
Fair value adjustment	—	(476,360)
	<u>—</u>	<u>5,523,640</u>
Equity securities listed overseas, at cost	19,080,813	19,080,813
Fair value adjustment	(15,998,226)	(15,159,433)
	<u>3,082,587</u>	<u>3,921,380</u>
Equity securities listed in Hong Kong, at cost	139,845,479	113,431,547
Fair value adjustment	19,764,829	(235,005)
	<u>159,610,308</u>	<u>113,196,542</u>
Total	<u>162,692,895</u>	<u>122,641,562</u>
Analysed for reporting purpose as:		
Non-current assets	162,692,895	117,117,922
Current assets	—	5,523,640
Total	<u>162,692,895</u>	<u>122,641,562</u>

12. FINANCIAL ASSETS DESIGNATED AS HELD FOR TRADING

	2013	2012
	HK\$	HK\$
Financial assets at fair value through profit or loss		
Held for trading assets:		
— Equity securities listed in Hong Kong, at market value	<u>234,696</u>	<u>20,424,000</u>

The fair values of listed securities are based on their quoted market closing prices in an active market.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

The uncertainty on tapering the Quantitative Easing Programs under US Federal Reserve System has caused the uncertainty and volatility in the global financial market during last year. Facing such unfavorable investment environment, the Directors have taken the cautiously defensive measure and prudent investment strategy to manage the portfolio of investments of the Group.

For the year ended 31 December 2013, the Group recorded a net loss of approximately HK\$19,998,000 (2012: approximately HK\$20,937,000), representing a decrease in net loss of approximately HK\$939,000 or 4.5% as compared to last year. The decrease was mainly attributable for the improvement in sentiment of the Hong Kong Stock Market that the Company recorded realised gain on the listed securities.

SECURITIES INVESTMENTS

The Board exercised caution when managing the investment process during the year. For the year ended 31 December 2013, the Group recorded an audited revenue of approximately HK\$1,718,000 (2012: approximately HK\$1,191,000), increased by approximately 44% over the previous year. The Group made a net realised gain on disposal of available-for-sale financial assets of approximately HK\$1,337,000 (2012: loss of approximately HK\$3,304,000).

Given the recent fluctuation in the worldwide financial markets, the Board will continue to identify any investment opportunities and manage the investment portfolio in accordance with the Company's investment objective and policy with a view of gaining good investment yields for our shareholders. We will monitor market development closely with a view of identifying attractive and long-term investment opportunities.

LIQUIDITY AND FINANCIAL RESOURCES

The Group had cash and cash equivalents of approximately HK\$18,422,000 as at 31 December 2013 (2012: approximately HK\$31,153,000).

The Group's gearing ratio, representing the total debt divided by equity attributable to equity holders of the Company, was not applicable as the Group did not have any bank loans or borrowings as at 31 December 2013 and 2012.

There were no capital commitments as at 31 December 2013 which would require a substantial use of the Group's present cash resources or external funding.

Exchange risk of the Group is minimal as the assets of the Group comprised substantially of bank deposits denominated in Hong Kong dollars and US dollars. It is the Group's policy to adopt a prudent financial management strategy to meet risk fluctuation and investment opportunities.

ESTABLISHMENT OF SUBSIDIARIES AND DISPOSAL OF SUBSIDIARIES

Total 11 subsidiaries were established and 4 subsidiaries were disposed of during the year ended 31 December 2013.

CAPITAL STRUCTURE

The shares of the Company were listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). During the year, there is no movement in the Company's share capital.

PROSPECTS

Under the new leadership of Mr. Xi Jinping, who became President in 2013, China is going through a transitional period. Growing problems associated with high-yield debts (or “shadow banking” products) increase the uncertainties in the domestic financial sector. Escalating tension in Eurasia and continuing liquidity injection into the financial sector could bring great volatility in the global market. Overall, the economic recovery in the developed countries remain weak while economic growth in China could reach 7.2%, which is the “bottom line” for Premier Mr. Li Keqiang. Therefore, the Directors remain cautious about overall economic environment but will look for investment opportunities in high growth companies in China.

EMPLOYEE INFORMATION

As at 31 December 2013, the Company had 17 employees (2012: 18), including executive Directors and independent non-executive Directors. The Group’s remuneration policies are in line with the prevailing market practice and are determined on the basis of the performance and experience of individual employees.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY’S LISTED SECURITIES

During the year ended 31 December 2013, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company’s listed securities.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors by Listed Issuers (the “Model Code”) set out in Appendix 10 of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the “Listing Rules”). Upon enquiry by the Company, all Directors of the Company have confirmed that they have complied with the required standards set out in the Model Code throughout the year ended 31 December 2013.

CORPORATE GOVERNANCE PRACTICES

Following the issue of the Code on Corporate Governance Practices (the “CG Code”), as set out in Appendix 14 of the Listing Rules, the Company has carefully reviewed and considered its provisions, and carried out a detailed analysis on the corporate governance practices of the Company against the requirements of the CG Code. We have, throughout the year ended 31 December 2013, complied with the code provisions of the CG Code as and when they were/are applicable and in force, except for the deviations from code provisions A.2.1 and E.1.2 set out as below:

Code Provision A.2.1

In accordance with Code Provision A.2.1, it stipulates that the roles of the chairman and the chief executive are segregated and assumed by two separate individuals who have no relationship with each other to strike a balance of power and authority so that the job responsibilities are not concentrated on any one individual.

The Board has not appointed individuals to the posts of chairman and chief executive. The Board is in the process of identifying suitable candidates to fill in the vacancies for chairman and chief executive in compliance with the requirement of the Code Provision A.2.1. Further announcement will be made by the Company with regard to the new appointment of chairman and chief executive of the Company in due course.

Code Provision E.1.2

In accordance with Code Provision E.1.2, it stipulates that the chairman of the Board should attend the annual general meeting (“AGM”). No chairman of the Board had attended the AGM of the Company held on 27 June 2013 as the Board is in the process of identifying suitable candidate to fill in the vacancy for chairman. The said AGM was chaired by an executive Director.

AUDIT COMMITTEE

Audit Committee currently comprised solely of independent non-executive Directors, namely, Mr. Wong Chung Kin, Quentin (chairman), Mr. Ng Man Fai, Matthew and Mr. Tsang Kwok Wa, Edward. The composition and members of the Audit Committee comply with the requirements under Rule 3.21 of the Listing Rules.

The Audit Committee is mainly responsible for overseeing the Company’s financial reporting system and internal control procedures; making recommendations to the Board on the appointment, reappointment and removal of the external auditors, and to approve the remuneration and terms of engagement of the external auditors, and any questions of the resignation or dismissal of such auditors; and reviewing the interim and annual reports and accounts of the Company.

The Audit Committee meets regularly to review the financial reporting process and internal controls of the Group. The Audit Committee has reviewed the accounting policies and practices adopted by the Group and discussed internal controls and financial reporting matters with management including a review of the consolidated financial statements for the year ended 31 December 2013.

The Group’s 2013 audited financial statements had been duly reviewed by the Audit Committee with the auditor. The members of the Audit Committee unanimously recommended for approval by the Board. The Audit Committee has concluded that it is satisfied with the professional performance of the auditor and therefore recommends the Board that HLM CPA Limited (“HLM”) be re-appointed as our auditor in the AGM.

With the consent of the Audit Committee, the Board hereby confirms that, in the preparation of the 2013 consolidated financial statements of the Company, the Directors, both collectively and individually applied such degree of skill, care and diligence as may reasonably be expected of under the Rule 3.08 of the Listing Rules.

HLM was appointed as auditor of the Company until conclusion of the AGM. During the year, the remuneration paid for the services provided by the auditor is as follow:

Audit services	HK\$300,000
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REMUNERATION COMMITTEE

Remuneration Committee currently comprised solely of independent non-executive Directors, namely, Mr. Ng Man Fai, Matthew (chairman), Mr. Wong Chung Kin, Quentin and Mr. Tsang Kwok Wa, Edward.

The Remuneration Committee is mainly responsible for making recommendations to the Board on the Company’s policy and structure for all Directors’ and senior management’s remuneration and making recommendations to the Board on the remuneration packages of individual executive Director and senior management.

NOMINATION COMMITTEE

The Nomination Committee comprised of executive Director, namely, Mr. Luk Hong Man, Hammond, independent non-executive Directors, Mr. Ng Man Fai, Matthew and Mr. Tsang Kwok Wa, Edward. Mr. Tsang Kwok Wa, Edward is the chairman of the Nomination Committee.

The Nomination Committee is mainly responsible for reviewing the structure, size and composition (including the skills, knowledge and experience) of the Board at least annually and making recommendations on any proposed changes to the Board to complement the Company's corporate strategy; identifying individuals suitably qualified to become Board members and selecting or making recommendations to the Board on the selection of individuals nominated for directorships; assessing the independence of the independent non-executive Directors; and making recommendations to the Board on the appointment or re-appointment of Directors and succession planning for Directors.

The Nomination Committee formulated the Board diversity policy and the Company has adopted the Board diversity policy in August 2013. The Company recognises and embraces the benefits of diversity in Board members. Selection of Board members will be based on a range of diversified perspectives, including but not limited to gender, age, ethnicity, cultural and educational background, or professional experience. All Board appointments will be based on merit and the needs of the Company's business while taking into account diversity. The Nomination Committee also monitors the implementation of this policy and reports to the Board on the achievement of the measurable objectives for achieving diversity under this policy.

CLOSURE OF REGISTER OF MEMBERS

The register of member of the Company will be closed from Tuesday, 24 June 2014 to Thursday, 26 June 2014, both days inclusive, during which period no transfer of shares of the Company will be registered. In order to qualify for attending the AGM to be held on Thursday, 26 June 2014, all completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's branch share registrar and transfer office at 26/F, Tesbury Centre, 28 Queen's Road East, Hong Kong (which will be relocated to Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong with effect from 31 March 2014) for registration not later than 4:00 p.m. on Monday, 23 June 2014.

PUBLICATION OF FINAL RESULTS ANNOUNCEMENT AND ANNUAL REPORT

This final results announcement is published on the Stock Exchange's website at www.hkexnews.hk and the website of the Company at www.cifund.com.hk. The Company's annual report for the year ended 31 December 2013 will be published at the same websites and will be despatched to the Company's shareholders in due course.

SCOPE OF WORK OF HLM CPA LIMITED

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss and consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the year ended 31 December 2013 as set out in this announcement have been agreed by the Group's auditor, HLM, to the amounts set out in the Group's audited consolidated financial statements for the year. The work performed by HLM in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the HKICPA and consequently no assurance has been expressed by HLM on this announcement.

By Order of the Board
China Investment Fund Company Limited
Luk Hong Man, Hammond
Executive Director

Hong Kong, 26 March 2014

As at the date of this announcement, the executive Directors are Mr. Luk Hong Man, Hammond, Mr. Ye Yinggang and Mr. Zhang Xi; and the independent non-executive Directors are Mr. Wong Chung Kin, Quentin, Mr. Tsang Kwok Wa, Edward and Mr. Ng Man Fai, Matthew.

* *For identification purpose only*