

 **香港信貸**
Hong Kong Finance

香港信貸集團有限公司
Hong Kong Finance Group Limited

(Incorporated in the Cayman Islands with limited liability) Stock Code: 1273
(於開曼群島註冊成立之有限公司) 股份代號：1273



2019 ANNUAL REPORT 年報

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CORPORATE INFORMATION

公司資料

DIRECTORS AND BOARD COMMITTEES

Directors

Executive Directors

Chan Koung Nam
Chan Kwong Yin William (*Chairman*)
Tse Pui To (*Chief Executive Officer*)

Independent Non-executive Directors

Chan Siu Wing Raymond
Chu Yat Pang Terry
Cheung Kok Cheong

Board Committees

Audit Committee

Chan Siu Wing Raymond (*Chairman*)
Chu Yat Pang Terry
Cheung Kok Cheong

Remuneration Committee

Chu Yat Pang Terry (*Chairman*)
Chan Koung Nam
Cheung Kok Cheong

Nomination Committee

Chan Kwong Yin William (*Chairman*)
Chu Yat Pang Terry
Cheung Kok Cheong

COMPANY SECRETARY

Hui Chun Ho Eric

REGISTERED OFFICE

Cricket Square, Hutchins Drive
P.O. Box 2681
Grand Cayman, KY1-1111
Cayman Islands

HEADQUARTERS AND PRINCIPAL PLACE OF BUSINESS

Unit 3410, 34th Floor, Tower II
Lippo Centre
89 Queensway
Admiralty
Hong Kong

董事及董事委員會

董事

執行董事

陳光南
陳光賢 (*主席*)
謝培道 (*行政總裁*)

獨立非執行董事

陳兆榮
朱逸鵬
張國昌

董事委員會

審核委員會

陳兆榮 (*主席*)
朱逸鵬
張國昌

薪酬委員會

朱逸鵬 (*主席*)
陳光南
張國昌

提名委員會

陳光賢 (*主席*)
朱逸鵬
張國昌

公司秘書

許俊浩

註冊辦事處

Cricket Square, Hutchins Drive
P.O. Box 2681
Grand Cayman, KY1-1111
Cayman Islands

總部及 主要營業地點

香港
金鐘
金鐘道89號
力寶中心
二座34樓3410室

CORPORATE INFORMATION

公司資料

PRINCIPAL BANKER

DBS Bank (Hong Kong) Limited
Bank of China (Hong Kong) Limited

LEGAL ADVISERS

As to Hong Kong law:

Cheung & Choy Solicitors & Notaries

As to Cayman Islands law:

Conyers Dill & Pearman (Cayman) Limited

AUDITOR

PricewaterhouseCoopers

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE IN CAYMAN ISLANDS

Conyers Trust Company (Cayman) Limited
Cricket Square, Hutchins Drive
P.O. Box 2681
Grand Cayman, KY1-1111
Cayman Islands

BRANCH SHARE REGISTRAR AND TRANSFER OFFICE IN HONG KONG

Union Registrars Limited
Suites 3301-04, 33/F.
Two Chinachem Exchange Square
338 King's Road
North Point, Hong Kong

STOCK CODE

1273

COMPANY'S WEBSITE

www.hkfinance.hk

主要往來銀行

星展銀行(香港)有限公司
中國銀行(香港)有限公司

法律顧問

香港法律方面：

張世文蔡敏律師事務所

開曼群島法律方面：

Conyers Dill & Pearman (Cayman) Limited

核數師

羅兵咸永道會計師事務所

開曼群島股份登記及 過戶總處

Conyers Trust Company (Cayman) Limited
Cricket Square, Hutchins Drive
P.O. Box 2681
Grand Cayman, KY1-1111
Cayman Islands

香港股份過戶登記分處

聯合證券登記有限公司
香港北角
英皇道338號
華懋交易廣場2期
33樓3301-04室

股份代號

1273

公司網址

www.hkfinance.hk

CHAIRMAN'S STATEMENT

主席報告書

Dear Shareholders,

On behalf of the Board of Hong Kong Finance Group Limited, I am pleased to present to you our annual results and business review of our Group for the year ended 31 March 2019.

This financial year remained a challenging one to our money lending business. Although the demand for our loan products remained strong and energetic which gave us opportunity to grow our loan portfolio, the on-going Sino-US trade tension and Brexit (i.e. Britain exiting from the European Union) continued to create economic uncertainty and challenges to our money lending business. Even though the property market in Hong Kong experienced "Indian summer" momentum after the Lunar Chinese New year, we still continued to adopt a prudent and cautious approach when conducting our money lending business, particularly on our property-related loan products such as mortgage loan and unsecured personal loan for property owners. The prudent and cautious approach included stringent credit policy, strict control on loan-to-value ratio, providing more first mortgage loan to our high net worth customers, etc. Overall we recorded a steady growth in our loan portfolio which slightly increased by 4.5% from HK\$843.5 million in the last year to HK\$881.3 million for the current financial year.

Since the late 2016, we have diversified and launched our personal loan products to expand our position in the money lending market. During the current year, the personal loan business have already contributed interest income to our Group of HK\$46.5 million, which surged up our overall interest income from HK\$132.1 million for the last financial year to HK\$161.0 million for the current year, representing an increase of 21.9%. Our net interest margin continued to be improved to 14.2% as compared to 13.2% attained in the last year.

To reward and express gratitude to our Shareholders for their continuous support, the Board recommended the payment of a final dividend of HK1.3 cents per Share. Including an interim dividend of HK1.2 cents per Share paid during the year, total dividends paid and payable for the year ended 31 March 2019 would be HK2.5 cents per Share.

各位股東：

本人謹代表香港信貸集團有限公司董事會，欣然向閣下呈報本集團截至2019年3月31日止年度之全年業績及業務回顧。

於本財政年度，我們之放債業務仍然充滿挑戰。雖然旗下貸款產品仍然存在強勁需求，為我們擴充貸款組合締造良機，惟中美貿易關係持續緊張加上英國脫歐（即英國脫離歐盟）在即，繼續為經濟增添不明朗因素，令我們之放債業務面對重重挑戰。儘管香港樓市於中國農曆新年後呈現「小陽春」勢頭，我們仍繼續採取審慎措施進行放債業務（尤其是為業主提供按揭貸款及無抵押私人貸款等物業相關貸款產品）。該等審慎措施包括收緊信貸政策、嚴格控制按揭成數、向我們之高淨值客戶提供更多一按貸款等。整體而言，我們之貸款組合錄得穩定增長，由上年度之843,500,000港元略為增長4.5%至本財政年度之881,300,000港元。

自2016年底起，我們多元發展及推出私人貸款產品，以擴展我們在放債市場之地位。於本年度，私人貸款業務已為本集團帶來利息收入46,500,000港元，使整體利息收入由上個財政年度之132,100,000港元增至本年度之161,000,000港元，增幅為21.9%。我們之淨息差由上年度錄得之13.2%持續改善至14.2%。

為回饋及答謝股東長期支持，董事會建議派付末期股息每股1.3港仙。計及年內已派付之中期股息每股1.2港仙，就截至2019年3月31日止年度派付及應付之股息合共將為每股2.5港仙。

CHAIRMAN'S STATEMENT

主席報告書

For the next financial year, we anticipate that we shall continue to face various risk factors and great uncertainty in our money lending business. The on-going Sino-US trade tension and Brexit have escalated which seems impossible to be resolved within a short period of time. Both the stock market and property market in Hong Kong remained volatile and unpredictable. All the above challenges lead us to be more cautious and conservative in our money lending business in the next financial year. Apart from leveraging our professionalism and highly experience in our money lending business, we would continue to implement cautious and periodical prudent measures, instantly and effectively review and tighten our credit policy and tighten the loan-to-value ratio. We would also spend more resources to expand our money lending products in unsecured personal loan business. During the current financial year, we have already achieved an equilibrium and our unsecured personal loan business has started producing positive operating profits and cash flows to our Group. We believe that our personal loan business would be the other revenue and profit driver to our money lending business. By leveraging on our professionalism, our well-known brand name "**Hong Kong Finance**" and our profound experience in our money lending business, we expect a moderate growth of our loan portfolio with a more healthy and solid growth in our money lending business in the years to come.

On behalf of the Board, I would like to extend my sincere and heartfelt gratitude to our Shareholders for their unwavering support to our Group. I would also like to express my appreciation to the management and all of our employees for their long-standing loyalty, diligence and contributions to the success of our Group over the past years which help us achieving our fruitful results. We will enhance our performance to the best of our ability and will produce a more promising result and a great business expansion for a brighter future.

Chan Kwong Yin William
Chairman

Hong Kong, 27 June 2019

於下個財政年度，我們預計旗下放債業務將繼續面對各項風險因素及重大變數。中美貿易關係持續緊張加上英國脫歐越演越烈，似乎不可能於短期內得以解決。香港股市及樓市表現維持波動及難以預測。上述種種挑戰促使我們於下個財政年度在進行放債業務時更為審慎保守。除發揮本身之專業精神及在放債業務方面之豐富經驗外，我們將繼續保持警覺及定期採取審慎措施、不斷認真審視及收緊信貸政策及收緊按揭成數。我們亦將投放更多資源擴充無抵押私人貸款業務之放債產品。於本財政年度，我們已達致收支平衡，且旗下無抵押私人貸款業務開始為本集團帶來經營溢利及現金流量。我們相信旗下私人貸款業務將成為放債業務之另一股收益及溢利動力。憑藉我們之專業精神、昭著之「**香港信貸**」品牌及在放債業務方面之豐富經驗，未來數年貸款組合可望取得溫和增長，放債業務將有更穩健發展。

本人謹此代表董事會，衷心感謝股東一直以來對本集團堅定支持。本人亦感激管理層及全體僱員長久以來忠誠、盡責及對本集團過去幾年成就作出貢獻，幫助我們取得豐碩成果。我們將竭盡所能，提升表現，締造佳績，並於日後大力擴展業務，創造更輝煌成就。

主席
陳光賢

香港，2019年6月27日

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

BUSINESS REVIEW

Our Group was established in 1996. Through our operating history, we have principally engaged in the money lending business specialising in providing property mortgage loans in Hong Kong under the MLO. During the current year, we continued to focus on our core business in property mortgage loans under our well-known and highly recognised brand name “*Hong Kong Finance*”. We also expanded our money lending business to personal loan products in order to diversify ourselves in different money lending market segments, to capture new market opportunities and to enhance our overall interest margin.

Mortgage Loan Business

Mortgage loan business remained as the major source of the Group’s revenue, contributing more than 70.0% to the Group’s revenue during the current year. Interest income generated from mortgage loan business remained stable and increased by 7.7% to HK\$114.5 million during the current year. Gross mortgage loan portfolio grew by 7.9% to HK\$779.8 million as compared to that of the last year. During the current year, even though the demand on our mortgage loan products remained strong and energetic, the on-going Sino-US trade tension and Brexit (i.e. Britain exiting from the European Union) continued to create economic uncertainty and challenges to our mortgage loan business. Even though the property market in Hong Kong experienced “Indian summer” momentum after the Lunar Chinese New year, we still continued to adopt prudent and cautious approaches such as stringent credit policy, strict control on loan-to-value ratio, etc. These approaches have been applied for our mortgage loan business since the last market correction in property market in 2015/16, which persistently support the Group to maintain stable growth in its mortgage loan portfolio and to generate stable growth of interest income during the current year.

Personal Loan Business

Since the late 2016, we have diversified and launched our personal loan products to expand our position in the money lending market. During the current year, the interest income of the personal loan business increased by 80.2% to HK\$46.5 million, contributing about 30.0% to our Group’s revenue, which also constitutes the major driver to our Group’s revenue growth during the current year. Gross personal loan portfolio was maintained at HK\$134.3 million as at 31 March 2019, balance slightly reduced as compared to that as at 31 March 2018. Due to economic uncertainty and volatility, we conducted our personal loan business with caution in order to attain high interest margin with manageable rates of impairment and bad debts written off on our personal loan portfolio.

業務回顧

本集團於1996年成立，開業以來主要根據放債人條例於香港從事提供物業按揭貸款之放債業務。於本年度，我們繼續以知名及深入民心之「**香港信貸**」品牌專注經營物業按揭貸款之核心業務。我們亦擴充旗下放債業務至涵蓋私人貸款產品，藉以多元發展不同放債市場分部，從而把握市場新機遇及提高整體息差。

按揭貸款業務

按揭貸款業務仍為本集團之主要收益來源，佔本集團本年度收益逾70.0%。來自按揭貸款業務之利息收入維持穩定，於本年度升7.7%至114,500,000港元。按揭貸款組合總額較上年度增長7.9%至779,800,000港元。於本年度，雖然我們之按揭貸款產品仍然存在強勁需求，惟中美貿易關係持續緊張加上英國脫歐（即英國脫離歐盟）在即，繼續為經濟增添不明朗因素，令我們之按揭貸款業務面對重重挑戰。儘管香港樓市於中國農曆新年後呈現「小陽春」勢頭，我們仍繼續採取審慎措施，如收緊信貸政策、嚴格控制按揭成數等。我們自樓市上次於2015/16年出現調整以來已採取該等措施進行按揭貸款業務，此舉一直支持本集團按揭貸款組合維持穩健增長並於本年度締造穩定利息收入增長。

私人貸款業務

我們自2016年底起多元發展及推出私人貸款產品，以擴展我們在放債市場之地位。於本年度，私人貸款業務之利息收入增加80.2%至46,500,000港元，佔本集團收益約30.0%，成為本集團本年度收益之主要增長動力。於2019年3月31日之私人貸款組合總額為134,300,000港元，結餘較2018年3月31日略為減少。由於經濟不明朗及市況波動，我們須審慎進行私人貸款業務，以便在減值率控制得宜及撇銷私人貸款組合中之壞賬下爭取高息差。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

INDUSTRY REVIEW

The money lending market in Hong Kong remains highly competitive, as evidenced by the continuous increase in the number of money lenders licensees, with over 2,000 licensees in Hong Kong as at 31 March 2019. In October 2018, the Companies Registry, one of the governing authorities of money lending business in Hong Kong, has imposed additional licensing conditions to require all money lenders to comply with the “Guideline on Compliance of Anti-Money Laundering and Counter-Terrorist Financing Requirements for Licensed Money Lenders” issued in September 2018 (“**AML-CTF Guideline**”).

Prior to issuing the above additional licensing conditions, our Group has already established relevant guidelines and policies on dealing with anti-money laundering and counter-terrorist financing, which included procedures for customer due diligence, reporting suspicious transactions, record-keeping and staff training, in order to prevent and detect money laundering and terrorist financing. The issuance of AML-CTF Guideline assisted us to further strengthen our internal controls and procedures to counteract these kinds of illegal activities. Even though we are experienced and with strong sense on counteracting anti-money laundering and counter-terrorist financing, we shall strictly follow those requirements under the AML-CTF Guideline so that we can provide reliable and lawful loan products to our customers. Our Group will continue to co-operate with the government and other authorities in order to fight against such illegal activities, so as to retain the reputation of financial institutions and money lenders.

FINANCIAL REVIEW

Revenue

Our interest income from money lending business of providing property mortgage loans and personal loans in Hong Kong increased by HK\$28.9 million or 21.9% from HK\$132.1 million for the last year to HK\$161.0 million for the current year. Such increase was primarily due to the personal loan business which contributed interest income of HK\$46.5 million to our Group during the current year, increased by HK\$20.7 million or 80.2% from HK\$25.8 million for the last year.

As for our interest income from our mortgage loan business, it remained stable and increased by HK\$8.2 million or 7.7% from HK\$106.3 million for the last year to HK\$114.5 million for the current year.

行業回顧

香港放債市場仍然競爭激烈，從香港放債持牌人數目持續上升至2019年3月31日超過2,000名可見一斑。於2018年10月，香港放債業務監管機關之一公司註冊處已實施新增發牌條件，規定所有放債人均須遵從於2018年9月頒佈之「持牌放債人遵從打擊洗錢及恐怖分子資金籌集規定的指引」（「**打擊洗錢及恐怖分子資金籌集指引**」）。

於頒佈上述新增發牌條件前，本集團已制定處理打擊洗錢及恐怖分子資金籌集之相關指引及政策，包括有關對客戶進行盡職審查、報告可疑交易、簿記及員工培訓之程序，藉此防止及偵測洗錢及恐怖分子資金籌集活動。打擊洗錢及恐怖分子資金籌集指引之頒佈有助我們進一步加強打擊此類非法活動之內部監控及程序。雖然我們在打擊洗錢及恐怖分子資金籌集方面經驗豐富及意識甚強，我們仍須嚴格遵從打擊洗錢及恐怖分子資金籌集指引之規定，從而為客戶提供可靠合法之貸款產品。本集團將繼續與政府及其他機關合作打擊該等非法活動，從而維護金融機構及放債人之聲譽。

財務回顧

收益

本集團來自於香港提供物業按揭貸款及私人貸款放債業務之利息收入，由上年度之132,100,000港元增加28,900,000港元或21.9%至本年度之161,000,000港元。有關增加主要由於私人貸款業務於本年度為本集團貢獻利息收入46,500,000港元，較上年度之25,800,000港元增加20,700,000港元或80.2%。

我們之按揭貸款業務利息收入維持平穩，由上年度之106,300,000港元增加8,200,000港元或7.7%至本年度之114,500,000港元。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Fair value (losses)/gains on revaluation of investment properties

During the current year, the Group recorded a loss of HK\$1.5 million on revaluation of our investment properties, as the Group experienced a slight correction on Hong Kong property market during the current year. During the last year, the Group recorded a gain of HK\$21.6 million which reflected the upward revaluation of the commercial and residential properties held by our Group during the last year.

重估投資物業之公平值(虧損)/收益

於本年度，本集團錄得重估投資物業虧損1,500,000港元，乃由於本集團於本年度受香港樓市輕微調整影響所致。於上年度，本集團錄得收益21,600,000港元，反映上年度本集團所持有商業及住宅物業之重估價值有所上升。

Provision for impairment and write-off of loans receivable, net

We have recorded the provision for impairment and write-off of loans and interest receivables of HK\$24.7 million for the year (2018: HK\$15.0 million).

應收貸款減值撥備及撇銷淨額

我們於本年度錄得應收貸款及利息減值撥備及撇銷24,700,000港元(2018年：15,000,000港元)。

Below is the breakdown of provision for impairment and write-off of loans receivable incurred from property mortgage loans and personal loans during the current year and the last year:

以下為本年度及上年度物業按揭貸款及私人貸款所產生應收貸款減值撥備及撇銷之分析：

		Property mortgage loans 物業按揭貸款		Personal loans 私人貸款	
		Year ended 31 March 截至3月31日止年度		Year ended 31 March 截至3月31日止年度	
		2019 2019年 HK\$' million 百萬港元	2018 2018年 HK\$' million 百萬港元	2019 2019年 HK\$' million 百萬港元	2018 2018年 HK\$' million 百萬港元
Provision for impairment	減值撥備	14.4	0.1	2.5	6.9
Loans receivable written-off	撇銷應收貸款	-	2.2	7.8	5.8
		14.4	2.3	10.3	12.7

The increase in provision for impairment assessment of loans receivable was mainly due to the provision for impairment of HK\$16.1 million made on a sub-ordinate mortgage loan balance during the current year, of which we considered its full recovery was in doubt. The write-off of loans receivable represented the write-off of personal loans receivable in which we considered them as uncollectible either due to (i) the long overdue payments; (ii) bankruptcy of the customers; or (iii) death of the customers.

應收貸款減值評估撥備增加乃主要由於本年度就一筆我們無法確定能否悉數收回之二按貸款結餘計提減值撥備16,100,000港元。撇銷應收貸款指撇銷因(i)長期逾期付款；(ii)客戶破產；或(iii)客戶離世而導致我們認為無法收回之應收私人貸款。

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Administrative expenses

We have incurred administrative expenses of HK\$53.9 million for the year (2018: HK\$58.9 million), which mainly comprised of employee benefit expenses, advertising and marketing expenses, referral fees, depreciation of property, plant and equipment and other miscellaneous expenses. The decrease in the administration expenses by HK\$5.0 million or 8.5% was mainly due to the reduction on relying our referral agents in our personal loan business, which reduced the overall referral fees during the current year.

Finance costs

We have incurred finance costs of HK\$34.6 million for the year (2018: HK\$27.5 million), which mainly comprised of interest on interest bearing bank and other borrowings, amount due to a fellow subsidiary and issuance of bonds. The increase in the finance costs by HK\$7.1 million or 25.8% was mainly attributable to the increase in utilisation of bank and other borrowings during the current year.

Net interest margin

The net interest margin of our money lending business increased from 13.2% for the last year to 14.2% for the current year, which was mainly attributed to the contribution from our personal loan business which generally offered relatively higher interest rates to personal loan customers than to mortgage loan customers.

Profit and total comprehensive income

As a result of the foregoing, our profit and total comprehensive income attributable to owners of our Company achieved HK\$42.2 million for the current year as compared to HK\$50.1 million for the last year, representing a decrease of 15.8%.

Should the non-operating item of fair value (losses)/gains on revaluation of investment properties be excluded, our profit and total comprehensive income attributable to owners of our Company would have achieved HK\$43.7 million for the current year as compared to HK\$28.5 million for the last year, representing an increase of 53.3%. Such significant increase was mainly attributable to the contribution of our personal loan business which turned around into a profit-making position during the current year.

行政開支

我們於本年度產生之行政開支為53,900,000港元(2018年：58,900,000港元)，主要包括僱員福利開支、廣告及營銷開支、轉介費用、物業、廠房及設備折舊，以及其他雜項開支。行政開支減少5,000,000港元或8.5%乃主要由於我們之私人貸款業務減少依賴轉介經紀令本年度整體轉介費用有所減少。

融資成本

我們於本年度產生之融資成本為34,600,000港元(2018年：27,500,000港元)，主要包括計息銀行及其他借款、應付一間同系附屬公司款項及發行債券之利息。融資成本增加7,100,000港元或25.8%，主要由於本年度增加動用銀行及其他借款。

淨息差

放債業務之淨息差由上年度之13.2%增至本年度之14.2%，主要由於私人貸款業務提供予私人貸款客戶之利率普遍較提供予按揭貸款客戶之利率為高，藉此帶來貢獻。

溢利及全面收入總額

因上文所述，本年度本公司擁有人應佔溢利及全面收入總額達42,200,000港元，較上年度之50,100,000港元減少15.8%。

倘剔除重估投資物業之公平值(虧損)/收益之非經營項目，本年度本公司擁有人應佔溢利及全面收入總額應達43,700,000港元，較上年度之28,500,000港元增加53.3%。出現顯著增幅主要由於私人貸款業務於本年度轉虧為盈，藉此帶來貢獻。

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LIQUIDITY AND SOURCES OF FINANCIAL RESOURCES

During the current year, our Group's operations and capital requirements were financed principally through retained earnings, loans or advances from our controlling shareholder, Tin Ching Industrial Company Limited, as well as banks and other borrowings, and the issue of bonds. Based on our current and anticipated levels of operations, barring unforeseeable market conditions, our future operations and capital requirements will be financed through loans from banks or other financial institutions that are independent third parties, retained earnings, proceeds from the issue of the bonds and our share capital. We had no significant commitments for capital expenditure during the current year.

The Group recorded net current assets of HK\$367.3 million as at 31 March 2019 while the net current assets as at 31 March 2018 was HK\$284.1 million.

As at 31 March 2019, cash and cash equivalent amounted to HK\$37.3 million (2018: HK\$33.7 million); amount due to a fellow subsidiary amounted to HK\$106.5 million (2018: HK\$125.3 million); interest bearing bank and other borrowings amounted to HK\$360.9 million (2018: HK\$322.4 million), and bonds amounted to HK\$98.2 million (2018: HK\$105.9 million).

During the current year, all interest bearing bank borrowings were repayable on demand and were secured by our Group's investment properties, land and buildings, certain properties mortgaged to our subsidiary and corporate guarantee of our Company, and interest bearing at a weighted average effective interest rate of 5.0% per annum. The amount due to a fellow subsidiary and the other borrowings were unsecured, interest bearing at a rate ranging from 4.5% to 24.0% per annum and with fixed terms of repayment. The bonds were unsecured, interest bearing at their respective pre-determined interest rate ranging from 4.5% to 6.0% per annum, and were repayable upon 7 years of their maturity.

During the current year, none of our banking facilities were subject to any covenants relating to financial ratio requirements or any material covenants that restrict our Group to undertake additional debt or equity financing. As at 31 March 2019, our unutilised banking facilities and other unutilised facility available to our Group for drawdown amounted to HK\$133.2 million and HK\$93.5 million, respectively. It is our Group's policy to prioritise the utilisation of our available facilities which offer the lowest finance cost to our Group.

During the current year, our bonds were subject to covenants relating to financial ratio requirements, such as interest coverage ratio, current ratio and debt to equity ratio.

流動資金及財務資源之來源

於本年度，本集團營運及資金需求主要由保留盈利、來自控股股東天晶實業有限公司之貸款或墊款以及銀行及其他借款與發行債券所得款項提供資金。根據我們目前及預期之營運水平，撇除不可預見之市況，本集團之未來營運及資金需求將以銀行或其他金融機構（均為獨立第三方）之貸款、保留盈利、發行債券所得款項及股本提供資金。於本年度，我們並無任何重大資本開支承擔。

本集團於2019年3月31日錄得流動資產淨額367,300,000港元，而於2018年3月31日之流動資產淨額則為284,100,000港元。

於2019年3月31日，現金及現金等價物為37,300,000港元（2018年：33,700,000港元）；應付一間同系附屬公司款項為106,500,000港元（2018年：125,300,000港元）；計息銀行及其他借款為360,900,000港元（2018年：322,400,000港元）；以及債券為98,200,000港元（2018年：105,900,000港元）。

於本年度，所有計息銀行借款均須按要求償還，並由本集團之投資物業、土地及樓宇、抵押予本公司附屬公司之若干物業以及本公司之企業擔保作抵押，且按加權平均實際年利率5.0%計息。應付一間同系附屬公司款項及其他借款為無抵押，按介乎4.5%至24.0%之年利率計息，並附帶固定還款期。債券為無抵押，按介乎4.5%至6.0%之相關預設年利率計息，並須於7年有效期屆滿時償還。

於本年度，銀行融資概無涉及與財務比率規定有關之任何契約或限制本集團承擔額外債務或股本融資之任何重大契約。於2019年3月31日，可供本集團提取之未動用銀行融資及其他未動用融資分別為133,200,000港元及93,500,000港元。本集團之政策為優先動用本集團只需承擔最低融資成本之可動用融資。

於本年度，債券附帶與財務比率規定有關之契約，如利息覆蓋率、流動比率及債務對權益比率。

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KEY FINANCIAL RATIOS

The following table sets forth the key financial ratios of our Group during the years ended 31 March 2019 and 2018 respectively:

		As at 31 March 於3月31日	
		2019 2019年	2018 2018年
Current ratio ⁽¹⁾	流動比率 ⁽¹⁾	1.77	1.59
Gearing ratio ⁽²⁾	負債比率 ⁽²⁾	0.93	0.97

		For the year ended 31 March 截至3月31日止年度	
		2019 2019年	2018 2018年
Net interest margin ratio ⁽³⁾	淨息差比率 ⁽³⁾	14.2%	13.2%
Return on equity ratio ⁽⁴⁾	股本回報率 ⁽⁴⁾	7.4%	9.3%
Interest coverage ratio ⁽⁵⁾	利息覆蓋率 ⁽⁵⁾	2.4 times 倍	2.2 times 倍

Notes:

- (1) Current ratio was calculated by dividing current assets by current liabilities as at the respective year-end date.
- (2) Gearing ratio was calculated by dividing net debts (being the total interest bearing bank and other borrowings, amount due to a fellow subsidiary and the bonds, less cash and cash equivalents) by total equity as at the respective year-end date.
- (3) Net interest margin ratio was calculated by dividing net interest income (being the interest income net of finance costs) by the monthly average balance of mortgage loan receivables at the respective year-end date.
- (4) Return on equity ratio was calculated by dividing profit and total comprehensive income for year attributable to owners of the Company by the total equity as at the respective year-end date.
- (5) Interest coverage ratio was calculated by dividing profit before finance costs and income tax expenses (excluding fair value gains on revaluation of investment properties) by the finance costs for the corresponding year.

主要財務比率

下表載列本集團分別於截至2019年及2018年3月31日止年度之主要財務比率：

		As at 31 March 於3月31日	
		2019 2019年	2018 2018年
Current ratio ⁽¹⁾	流動比率 ⁽¹⁾	1.77	1.59
Gearing ratio ⁽²⁾	負債比率 ⁽²⁾	0.93	0.97

		For the year ended 31 March 截至3月31日止年度	
		2019 2019年	2018 2018年
Net interest margin ratio ⁽³⁾	淨息差比率 ⁽³⁾	14.2%	13.2%
Return on equity ratio ⁽⁴⁾	股本回報率 ⁽⁴⁾	7.4%	9.3%
Interest coverage ratio ⁽⁵⁾	利息覆蓋率 ⁽⁵⁾	2.4 times 倍	2.2 times 倍

附註：

- (1) 流動比率按於各年度結算日之流動資產除以流動負債計算得出。
- (2) 負債比率按於各年度結算日之債務淨額(即計息銀行及其他借款總額、應付一間同系附屬公司款項以及債券減現金及現金等價物)除以權益總額計算得出。
- (3) 淨息差比率按於各年度結算日之利息收入淨額(即經扣除融資成本之利息收入)除以應收按揭貸款平均每月結餘計算得出。
- (4) 股本回報率按於各年度結算日之本公司擁有人應佔年度溢利及全面收入總額除以權益總額計算得出。
- (5) 利息覆蓋率按相關年度之除融資成本及所得稅開支前溢利(不包括重估投資物業之公平值收益)除以融資成本計算得出。

SIGNIFICANT INVESTMENTS HELD, MATERIAL ACQUISITIONS AND DISPOSALS

Our Group did not have any significant investments held, material acquisitions and disposals of subsidiaries and associated companies during the current year.

所持有之重大投資、重大收購及出售事項

於本年度，本集團並無持有任何重大投資、有關附屬公司及聯營公司之重大收購及出售事項。

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IMPORTANT EVENTS OCCURRED AFTER THE END OF THE FINANCIAL YEAR

Our Group did not have any important events affecting our Company and our subsidiaries since the end of the financial year ended 31 March 2019 and up to the date of this report.

COMPLIANCE WITH MONEY LENDERS ORDINANCE

Our Group is required to and has, at all times, strictly complied with all relevant laws and regulations. In the opinion of our Directors, in addition to the Listing Rules on the Stock Exchange, MLO constituted a significant influence on our Group's money lending business during the current year.

The MLO is the principal ordinance which governs the money lending business in Hong Kong. Our money lending business has been conducted through the subsidiaries of our Company. Since the first granting of money lenders licences to our subsidiaries, we have never received any objection from and have never been investigated by the Registrar of Money Lenders nor the Commissioner of Police regarding the renewal of the money lenders licences.

To the best of our knowledge, our Group has complied with the MLO in all material aspects, and that our Directors are not aware of any matter that might come to their attention that our money lenders licence would be suspended, terminated or would not be renewed in foreseeable future.

CUSTOMERS

During the current year, our customers comprised individuals and corporations in Hong Kong and were all independent third parties (within the meaning of Chapter 14A of the Listing Rules), which were not connected persons or senior management to our Group.

During the current year, our top five customers (as determined by interest income generated) accounted for approximately 12.3% (2018: 10.5%) of our total revenue and our single largest customer accounted for approximately 3.4% (2018: 2.3%) of our total revenue.

財政年度結算日後發生之重要事件

自截至2019年3月31日止財政年度結算日起直至本報告日期止，本集團並無發生任何影響本公司及其附屬公司之重要事件。

遵守放債人條例

本集團須於並已於任何時間嚴格遵守所有相關法律及法規。董事認為，除聯交所上市規則外，於本年度放債人條例對本集團之放債業務構成重大影響。

放債人條例為規管香港放債業務之主要條例。我們之放債業務乃透過本公司之附屬公司進行。自我們之附屬公司首次獲發放債人牌照以來，我們從未就續領放債人牌照事宜接獲放債人註冊處處長或警務處處長發出之任何反對或受其調查。

據我們所深知，本集團已於各重大方面遵守放債人條例，而董事並不知悉任何事宜可導致我們之放債人牌照於可見將來遭吊銷、終止或不獲重續。

客戶

於本年度，旗下客戶包括於香港之個人及企業，全部均為獨立第三方（定義見上市規則第十四A章），且並非本集團之關連人士或高級管理層。

於本年度，五大客戶（按所產生利息收入釐定）佔總收益約12.3%（2018年：10.5%），而單一最大客戶則佔總收益約3.4%（2018年：2.3%）。

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EMPLOYEES AND REMUNERATION POLICY

As at 31 March 2019, our Group employed 40 (2018: 47) full time employees. The total staff costs of our Group for the current year were HK\$23.7 million (2018: HK\$22.0 million).

Our Group adopts a remuneration policy covering the position, duties and performance of our employees. The remuneration of our employees include salary, overtime allowance, bonus and various subsidies. We conduct performance appraisal on an annual basis. Our Company has also adopted the share option scheme on 4 September 2013, the purpose of which is to provide incentives to our employees who made contributions to our Group with a view to motivating them and/or attracting and retaining them for the long term growth of our Group. No share option was granted during the current year. As at 31 March 2019, 18,800,000 share options were outstanding, which represents approximately 4.5% of the issued ordinary shares of our Company.

CHARGES ON GROUP ASSETS

As at 31 March 2019, our land and buildings of HK\$75.8 million (2018: HK\$77.7 million), our investment properties of HK\$84.7 million (2018: HK\$86.2 million) and certain properties mortgaged to our subsidiary with aggregate fair values of these properties of approximately HK\$479.2 million (2018: HK\$524.4 million) were secured for the Group's bank borrowings.

FOREIGN EXCHANGE EXPOSURE

During the current year, the business activities of our Group were denominated in Hong Kong dollars. Our Directors do not consider that our Group was exposed to any significant foreign exchange risks. Our Group did not use derivative financial instruments to hedge against the volatility associated with foreign currency transactions and other financial assets and liabilities arising in the ordinary course of business.

CONTINGENT LIABILITIES

As at 31 March 2019, our Group had no material contingent liabilities (2018: Nil).

僱員及薪酬政策

於2019年3月31日，本集團聘有40名(2018年：47名)全職僱員。本集團本年度之員工成本總額為23,700,000港元(2018年：22,000,000港元)。

本集團採納與僱員之職位、職責及表現有關之薪酬政策。僱員之薪酬包括工資、加班津貼、花紅及各種補貼。我們每年進行表現評估。本公司亦於2013年9月4日採納購股權計劃，目的為獎勵對本集團作出貢獻之僱員，以鼓勵彼等及／或吸引以及留聘彼等為本集團之長期增長努力。於本年度，並無授出任何購股權。於2019年3月31日，18,800,000份購股權仍未行使，相當於本公司已發行普通股約4.5%。

本集團資產抵押

於2019年3月31日，價值75,800,000港元(2018年：77,700,000港元)之土地及樓宇、價值84,700,000港元(2018年：86,200,000港元)之投資物業以及公平值總額約為479,200,000港元(2018年：524,400,000港元)之若干抵押予旗下附屬公司之物業已用作本集團銀行借款之抵押。

外匯風險

於本年度，本集團業務活動以港元計值。董事認為本集團並無承受任何重大外匯風險。本集團並無使用衍生金融工具對沖與外幣交易以及於日常業務過程中產生之其他金融資產及負債有關之波幅。

或然負債

於2019年3月31日，本集團並無任何重大或然負債(2018年：無)。

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OUTLOOK

For our mortgage loan business, although we maintained stable growth in our interest income and mortgage loan portfolio during the current year, we have to face various risk factors and great uncertainty in the next financial year. The on-going Sino-US trade tension and Brexit have escalated which seem impossible to be resolved within a short period of time. Both the stock market and property market in Hong Kong remained volatile and unpredictable. All the above challenges lead us to be more cautious and conservative in our mortgage loan business in the next financial year. To prepare ourselves in facing these challenges and future fluctuation in property market, apart from leveraging our professionalism and highly experience in our mortgage loan business, we would continue to implement cautious and periodical prudent measures, instantly and effectively review and tighten our credit policy, increase the proportion of first mortgage loans and high net-worth customers and tighten the loan-to-value ratio. Currently we have already reduced the loan portfolio from high risk customers in order to minimise the potential default risk. We expect that the market condition is likely to remain highly unstable and unpredictable but the demand for our mortgage loan products will remain strong. By leveraging on our professionalism, our well-known brand name “*Hong Kong Finance*” and our profound experience in our mortgage loan business, we expect a moderate growth of our mortgage loan portfolio with a more healthy and solid growth in our mortgage loan business in the years to come.

As for our personal loan business, we have already achieved an equilibrium and were started producing positive operating profits and cash flows to our Group. We believe that our personal loan business would be the other revenue and profit driver and we shall continue to invest resources in our personal loan business. In fact, the above-mentioned market uncertainty and fluctuation have pushed us to be more conservative for growing our personal loan portfolio. We would not blindly and significantly grow our personal loan portfolio without any vigorous and effective controls on credit and default risks to counteract the then adverse market conditions. Based on our professionalism and enthusiasm in money lending market, and on our capital investment in the personal loan business, we expect our personal loan business would grow with fruitful results which would increase our overall interest income and margin and the profitability of our Group in the foreseeable future.

PRINCIPAL RISKS AND UNCERTAINTIES

During the current year, our Group faced a number of risks and uncertainties which might have affected our Group's financial performance and conditions, results of operations and our growth potential. Some of these risks and uncertainties which were significant to our Group for the current year are set out below. Risks and uncertainties other than those outlined below may not be material for the current year but could become material in the future.

展望

按揭貸款業務方面，儘管本年度利息收入及按揭貸款組合均維持穩定增長，但下個財政年度我們不得不面對各項風險因素及重大變數。中美貿易關係持續緊張加上英國脫歐越演越烈，似乎不可能於短期內得以解決。香港股市及樓市表現維持波動及難以預測。上述種種挑戰促使我們於下個財政年度在進行按揭貸款業務時更為審慎保守。我們已就應對此等挑戰及日後樓市反覆波動作好準備，除發揮本身之專業精神及在按揭貸款業務方面之豐富經驗外，我們將繼續保持警覺及定期採取審慎措施、不斷認真審視及收緊信貸政策、提高一按貸款及高淨值客戶之比例及收緊按揭成數。目前我們已減少高風險客戶之貸款組合，盡量降低潛在違約風險。我們預期市況可能維持極不穩定及難以預測，但我們按揭貸款產品仍將存在殷切需求。憑藉我們之專業精神、昭著之「*香港信貸*」品牌及在按揭貸款業務方面之豐富經驗，未來數年按揭貸款組合可望取得溫和增長，按揭貸款業務將有更穩健發展。

至於私人貸款業務方面，我們已達致收支平衡，開始為本集團帶來經營溢利及現金流量。我們相信旗下私人貸款業務將成為另一股收益及溢利動力，並將繼續於私人貸款業務投放資源。事實上，上述市場不明朗因素及波動已促使我們在擴大私人貸款組合上更為保守。為抗衡不利市況，我們不會在未有積極及有效控制信貸及違約風險下盲目擴大私人貸款組合。憑藉我們在放債市場之專業知識及熱誠，加上就私人貸款業務作出之資本投資，預期我們之私人貸款業務將取得豐碩成果，將於可見未來增加本集團整體利息收入及息差，提升盈利能力。

主要風險及不明朗因素

於本年度，本集團面對多種可能已影響本集團財務表現及狀況、經營業績以及增長潛力之風險及不明朗因素。於本年度對本集團而言屬重大之該等部分風險及不明朗因素載於下文。下文所概述以外之風險及不明朗因素於本年度並不重大，惟可能於日後變得重大。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Financial risk

Our Group's activities are exposed to various types of financial risks such as market risk (including cash flow and fair value interest rate risk), credit risk and liquidity risk. Our Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on our Group's financial performance. Details of the aforesaid financial risk factors and the respective risk management measures during the current year are elaborated in Note 3.1 "Financial risk factors" to the consolidated financial statements of this annual report.

Operational risk

Operational risk is the risk of actual losses in values caused by the events that these actual losses arise from due to the inadequacy of or failed internal processes, people and systems, or from external events (including legal risk), which differ from the expected losses. Our executive Directors are responsible for determining an overall operational risk control framework, devising and updating policies and procedures that are adequate to control these operational risks. Our executive Directors meet regularly to review operational issues, conduct sample checks on our loan files for proper security documentation. Our senior management is responsible for supervising the day-to-day adherence of operational control procedures and maintenance of security documentation. We also provide training to our employees on our policies and procedures, as well as update them of current legislation and practices. We have formulated credit monitoring policies and operational procedures (which are continuously updated) to ensure that our employees comply with our internal procedures and requirements.

Market risk

The performance of our money lending business may be affected by the changes in economic conditions, business environment and property market in Hong Kong. Our executive Directors are responsible for determining an overall market risk control framework, monitoring and assessing market conditions and devising refined policies in light of the above adverse factors affecting our Group's performance and market position. Our senior management is responsible for making sure that the policies so developed are duly implemented and executed.

Valuation of pledged collaterals and investment properties

We have granted our secured mortgage loans to our customers based on the values of the properties that these customers can mortgage to us as collaterals. Therefore, any fluctuation of the values of these collaterals of our customers will affect both the amount of our mortgage loans granted and the risk of recovering the full amount of mortgage loans in the event of default. These will in turn affect our interest income and the amount of provision for impairment assessment. We will closely monitor the safety margin of our mortgage loans and assess the relevant risk from time to time. Our loan officers will also assess our mortgage loans individually to see whether such amount of mortgage loans can be fully recovered with reference to the loan repayment ability of that customer.

財務風險

本集團之業務活動承受多類財務風險：市場風險（包括現金流量及公平值利率風險）、信貸風險及流動資金風險。本集團之整體風險管理計劃專注於金融市場之不可預測性，並致力盡量減低其可能對本集團財務表現造成之不利影響。有關上述財務風險因素及本年度相關風險管理措施之詳情於本年報綜合財務報表附註3.1「財務風險因素」內闡述。

營運風險

營運風險為某事件造成實際價值損失之風險，事件中所產生該等實際損失乃因內部流程、人員及制度不完善或失誤，或由外部事件（包括法律風險）引致，有別於預期損失。執行董事負責釐定整體營運風險控制框架、制定及更新政策及程序以確保可控制該等營運風險。執行董事定期召開會議檢討營運事宜，並抽樣檢查適當抵押文件之貸款檔案。高級管理層負責監察日常遵守營運控制程序之情況及保存抵押文件。我們亦向僱員提供關於我們政策及程序之培訓，並向彼等提供現行法例及實務之最新資料。我們已制定信貸監察政策及營運程序（將持續予以更新），以確保僱員遵守我們之內部程序及規定。

市場風險

本集團放債業務之表現可能受香港經濟狀況、營商環境及物業市場變動影響。執行董事負責釐定整體市場風險控制框架、監控及評估市場狀況以及因應上述影響本集團表現及市場地位之不利因素制定精準政策。高級管理層負責確保妥善實行及執行所制定政策。

已質押抵押品及投資物業之估值

我們根據客戶可質押予我們作為抵押品之物業之價值，向該等客戶授出有抵押按揭貸款。因此，如該等客戶抵押品價值出現任何波動，將影響我們授出之按揭貸款額及我們在違約情況下收回按揭貸款全額之風險，繼而影響我們之利息收入及減值評估撥備金額。我們將密切監察按揭貸款之安全邊際及不時評估有關風險。我們之貸款部職員亦將參考該客戶之貸款償還能力，個別評估按揭貸款，以了解有關按揭貸款額能否全額收回。

CORPORATE GOVERNANCE REPORT

企業管治報告

CORPORATE GOVERNANCE PRACTICES

Our Company is committed to achieving and maintaining high standards of corporate governance consistent with the needs and requirements of our business and our Shareholders for enabling them to evaluate how the principles of corporate governance have been applied. The corporate governance principles of our Company emphasis a quality board, sound internal controls, and transparency and accountability to all Shareholders.

Our Company has adopted and complied with the Code Provisions during the year ended 31 March 2019.

During the year ended 31 March 2019, the Board had reviewed our Company's corporate governance policies. The Directors will carry out a regular review and will propose any amendment, if and when necessary, to ensure compliance with the Code Provisions from time to time.

The below sets out the corporate governance principles and practices adopted by the Group which indicate how the Group has applied relevant principles in the CG Code.

企業管治常規

本公司致力達致及維持符合其業務及股東需要及要求之高水平企業管治，讓股東評估企業管治原則之應用方式。本公司之企業管治原則著眼於高質素董事會、有效內部監控，以及對全體股東保持透明及問責。

截至2019年3月31日止年度，本公司已採納及遵守守則條文。

截至2019年3月31日止年度，董事會已檢討本公司之企業管治政策。董事將定期檢討並於有需要時建議任何修訂，以確保遵守不時生效之守則條文。

下文載列本集團採納之企業管治原則及常規，顯示本集團應用企業管治守則相關原則之方式。

CORPORATE GOVERNANCE REPORT

企業管治報告

BOARD OF DIRECTORS

Board composition

The Board currently comprises six Directors, including three executive Directors and three independent non-executive Directors, with a variety and a balance of skills and experience in accounting, business, marketing, finance, investment and legal profession. During the year and up to the date of this report, the composition of the Board was as follows:

Directors

董事

Executive Directors:

執行董事：

Mr. Chan Koung Nam
陳光南先生
Mr. Chan Kwong Yin William (*Chairman of the Board*)
陳光賢先生 (*董事會主席*)
Mr. Tse Pui To (*Chief Executive Officer*)
謝培道先生 (*行政總裁*)

Independent Non-executive Directors:

獨立非執行董事：

Mr. Chan Siu Wing Raymond
陳兆榮先生
Mr. Chu Yat Pang Terry
朱逸鵬先生

Mr. Cheung Kok Cheong
張國昌先生

The Chairman of the Board is Mr. Chan Kwong Yin William and the Chief Executive Officer of the Company is Mr. Tse Pui To. The roles of the Chairman of the Board and the Chief Executive Officer are separate and exercised by different individuals.

During the year, the Chairman has met with all of three independent non-executive Directors without the executive Directors present.

董事會

董事會成員

董事會目前由六名董事組成，包括三名執行董事及三名獨立非執行董事，彼等擁有多樣化之均衡技術及經驗，涵蓋會計、商業、營銷、金融、投資及法律專業。於年內及直至本報告日期，董事會現任成員列載如下：

Membership of Board Committee(s)

董事委員會成員職務

Member of Remuneration Committee
薪酬委員會成員
Chairman of Nomination Committee
提名委員會主席

Chairman of Audit Committee
審核委員會主席
Chairman of Remuneration Committee
薪酬委員會主席
Member of Audit Committee
審核委員會成員
Member of Nomination Committee
提名委員會成員
Member of Audit Committee
審核委員會成員
Member of Remuneration Committee
薪酬委員會成員
Member of Nomination Committee
提名委員會成員

董事會主席為陳光賢先生，而本公司行政總裁為謝培道先生。董事會主席及行政總裁之職責有所區分，由不同人士承擔。

於年內，主席在執行董事並無列席之情況下與全體三名獨立非執行董事會面。

CORPORATE GOVERNANCE REPORT

企業管治報告

Our Company has complied with Rules 3.10(1) and (2) and 3.10A of the Listing Rules that the Board contains at least three independent non-executive Directors representing at least one-third of the Board, and at least one of whom must have appropriate professional qualifications, or accounting or related financial management expertise. The independent non-executive Directors have dedicated to provide our Company with professional advice with respect to the steady operation and development of our Company. They also exercised supervision and coordination to safeguard the interests of our Company and our Shareholders.

Mr. Chan Siu Wing Raymond (independent non-executive Director and Chairman of the Audit Committee) is regarded as the appropriate person to fulfill such qualifications of having appropriate professional qualifications, or accounting or related financial management expertise as required under the Listing Rules.

Each of the independent non-executive Directors has confirmed in writing to our Company their independence in particularly in regard to the requirements under Rule 3.13 of the Listing Rules. The Board considers that the independent non-executive Directors are free from any business or other relationship that may influence their exercise of independent judgement and are considered to be independent in accordance with the guidelines set out in Rule 3.13 of the Listing Rules.

The operation of the board

The Board's main task is to supervise and direct the management of our Company to operate under good corporate governance in order to maximise value of our Shareholders while balancing the interest of our various stakeholders.

The Board holds meetings to monitor the performance of our Company and to be briefed with market developments, to discuss and decide on major corporate, strategic and operational issues, and to appraise any good investment opportunities available.

The major duties performed by our Board are as follows:

1. setting our Company's values and standards, the objectives of our Company and responsibilities of the Board and its various committees;
2. establishing the strategic direction for our Company;
3. setting targets for and monitoring the performance of the management of our Group;
4. supervising the annual and interim results of our Group;

本公司已遵守上市規則第3.10(1)及(2)條以及第3.10A條，其規定董事會須設有最少三名獨立非執行董事，佔董事會成員人數至少三分之一，及其中最少一名獨立非執行董事必須具備適當專業資格，或具備適當會計或相關財務管理專長。獨立非執行董事致力向本公司提供專業意見，讓本公司可穩定經營及發展。彼等亦作出監督及協調，以保障本公司及股東利益。

陳兆榮先生(獨立非執行董事兼審核委員會主席)被視為適當人選，彼符合該等資格，擁有上市規則規定之適當專業資格，或具備適當會計或相關財務管理專長。

各獨立非執行董事已書面向本公司確認彼等為獨立人士，尤其就上市規則第3.13條之規定而言。董事會認為，獨立非執行董事並無任何可能影響其行使獨立判斷之任何業務或其他關係，且根據上市規則第3.13條所載指引獲視為獨立人士。

董事會運作

董事會之主要職務為監督及指導本公司管理層根據良好企業管治運作，以為股東爭取最大價值，同時平衡各持份者之利益。

董事會舉行會議，以監察本公司之表現及獲簡介市場發展、討論及決定重大公司、策略及營運事宜，以及評核任何現有投資良機。

董事會履行之主要職責如下：

1. 制定本公司之價值觀與標準、本公司之目標，以及董事會及其各個委員會之職責；
2. 制定本公司策略方針；
3. 為本集團制定目標及監察管理層之表現；
4. 監督本集團之年度及中期業績；

CORPORATE GOVERNANCE REPORT

企業管治報告

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|---|---|
| 5. ensuring that a framework of prudent and effective internal control is in place to assess and manage the risk of our Group and implementing appropriate systems to manage these risks; | 5. 確保推行審慎及有效之內部監控框架，以評估及管理本集團之風險，並實施適當制度以管理該等風險； |
| 6. overseeing the relationships between our Company and our Shareholders, customers, the community, various government authorities, interest groups and others who have a legitimate interest in the responsible conduct of our Group's business; | 6. 監督本公司與股東、客戶、社區、各個政府機構、權益群體及其他對本集團以負責任態度經營業務擁有合法權益之其他人士之關係； |
| 7. identifying and assessing any matters involving a conflict of interest for a substantial Shareholder or a Director; | 7. 識別及評估任何涉及主要股東或董事之利益衝突之事宜； |
| 8. determining (if any and available) any material acquisitions and/or disposals of assets, investments, capital, projects, authority levels, major treasury policies, risk management policies and key human resources issues; and | 8. 決定(如有及可獲得)重大收購及/或資產出售、投資、資本、項目、權力水平、重大庫務政策、風險管理政策及主要人力資源事宜；及 |
| 9. considering and determining issues which are the responsibilities of the Board pursuant to our Company's Memorandum and Articles of Association and the relevant laws and regulations in force by which our Company is governed from time to time. | 9. 考慮及決定根據本公司組織章程大綱及細則以及不時規管本公司之有關法律及法規屬董事會責任之事宜。 |

The Board is also responsible for the following corporate governance duties:

董事會亦負責處理以下企業管治職務：

- | | |
|---|--|
| 1. developing and reviewing our Company's policies and practices on corporate governance and making recommendations on any amendment or updates (if any); | 1. 制定及檢討本公司之企業管治政策及常規，並就任何修訂或更新(如有)作出推薦建議； |
| 2. reviewing and monitoring the training and continuous professional development of Directors and our Company's senior management; | 2. 檢討及監督董事及本公司高級管理層之培訓及持續專業發展； |
| 3. reviewing and monitoring our Company's policies and practices on compliance with legal and regulatory requirements; | 3. 檢討及監督本公司政策及常規是否遵守法律及監管規定； |
| 4. developing, reviewing and monitoring the code of conduct and compliance manual (if any) applicable to our Company's employees and Directors; | 4. 制定、檢討及監督適用於本公司僱員及董事之行為守則及合規手冊(如有)； |
| 5. reviewing our Company's compliance with the CG Code and disclosure in the Corporate Governance Report under the CG Code; and | 5. 檢討本公司就企業管治守則之合規情況及根據企業管治守則於企業管治報告所作披露；及 |
| 6. being responsible for performing any other corporate governance duties and functions set out in the CG Code and the Listing Rules (as amended from time to time), or delegating the responsibility to a committee or committees (if applicable). | 6. 負責履行企業管治守則及上市規則(經不時修訂)所載之任何其他企業管治職務及職能，或將職責授予一個或多個委員會(如適用)。 |

CORPORATE GOVERNANCE REPORT

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The Board delegates to the management of the Company in respect of the major corporate matters as stated below:

1. preparation of the annual and interim results of the Group to be approved by the Board;
2. giving clear directions to the management team as to their powers of management, and circumstances in which the management team should report back;
3. implementation of sufficient systems of internal control and risk management procedures of the Group;
4. execution of the corporate strategies and directions of the Group adopted by the Board; and
5. carrying out day-to-day management, administration and operation of the Group, etc.

董事會將以下所述有關主要企業事宜授予本公司管理層處理：

1. 編製將由董事會批准之本集團年度及中期業績；
2. 就管理團隊之管理權力及管理團隊須匯報之情況向其發出清晰指示；
3. 實行本集團之充足內部監控及風險管理制度；
4. 執行董事會所採納之本集團企業策略及方針；及
5. 進行本集團日常管理、行政及營運等工作。

The Board members are required to meet regularly at least four times a year. During the year, all the Board members have met four times and have attended the annual general meeting of our Company. The attendance of each Director at these meetings are stated as follows:

董事會須每年至少舉行四次常規會議。於年內，全體董事會成員已舉行四次會議，並出席本公司舉行之股東週年大會。各董事出席該等會議之情況載列如下：

Members of the Board	Attendance/ Number of Board meetings regularly held 出席次數/ 董事會常規 會議舉行次數	Attendance/ Number of annual general meeting held 出席次數/ 股東週年大會 舉行次數
Members of the Board		
董事會成員		
Executive Directors:		
執行董事：		
Mr. Chan Koung Nam 陳光南先生	4/4	1/1
Mr. Chan Kwong Yin William (<i>Chairman of the Board</i>) 陳光賢先生(董事會主席)	4/4	1/1
Mr. Tse Pui To (<i>Chief Executive Officer</i>) 謝培道先生(行政總裁)	4/4	1/1
Independent Non-executive Directors:		
獨立非執行董事：		
Mr. Chan Siu Wing Raymond 陳兆榮先生	4/4	1/1
Mr. Chu Yat Pang Terry 朱逸鵬先生	4/4	1/1
Mr. Cheung Kok Cheong 張國昌先生	4/4	1/1

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Board meetings regularly held during the year were scheduled in advance and notices of not less than fourteen days were given to all Directors so as to give them an opportunity to attend. Board papers were circulated to Directors not less than three days in advance before the date of the Board meeting to enable the Directors to be well informed on matters to be raised and discussed at the Board meetings. All Directors were given an opportunity to include matters in the agenda for Board meetings.

In addition, Directors at all times had full and timely access to all information of our Group and may seek independent professional advice at our Company's expense in carrying out their functions, after making a request to the Board.

The Chairman of the Board, Mr. Chan Kwong Yin William, is the brother of Mr. Chan Koung Nam, and both of them are the executive Directors and substantial Shareholders of the Company. The biographies of the Chairman and the Directors are set out on in the section headed "Directors and Senior Management". Save as disclosed on those pages as set out above or any pages in this annual report, the Board members do not have any family, financial, business or other material/relevant relationship with each other and in particular, between the Chairman of the Board and the Chief Executive Officer as disclosed therein.

The list of Directors and their roles and functions have been published on the websites of our Company and of the Stock Exchange pursuant to the Listing Rules from time to time.

Appointment and re-election of retiring Director

Each of the executive Directors has entered into a service contract with our Company for an initial term of three years and is renewable automatically for successive terms of three years, and each of the independent non-executive Directors has been appointed for an initial term of two years and thereafter it may be extended for such period as he and our Company may agree in writing.

Pursuant to Article 84 of the Articles of Association of our Company, at each annual general meeting one-third of the directors for the time being or, if their number is not a multiple of three, the number nearest to but not less than one-third) shall retire from office by rotation provided that every director shall be subject to retirement at an annual general meeting at least once every three years. A retiring director shall be eligible for re-election at such meeting. Accordingly, Mr. Tse Pui To (executive Director and Chief Executive Officer) and Mr. Chan Siu Wing Raymond (independent non-executive Director) will retire and, being eligible, offer themselves for re-election at the forthcoming annual general meeting of the Company.

於年內舉行之董事會常規會議均提早作出安排，並至少向全體董事發出不少於14日通知，讓彼等安排出席。董事會文件於董事會會議舉行日期前不少於3日向董事傳閱，以便董事得悉將於董事會會議提出及討論之事宜。全體董事均可以於董事會會議議程加入討論事項。

此外，董事可隨時全面及適時地得悉本集團所有資訊，並可於履行職能時向董事會提出要求後尋求獨立專業意見，費用由本公司承擔。

董事會主席陳光賢先生為陳光南先生之胞弟，彼等均為本公司執行董事兼主要股東。主席及董事履歷載於標題為「董事及高級管理層」內。除上述頁數或在本年報任何頁數所披露者外，董事會成員之間概無任何家族、財務、業務或其他重大／相關關係，尤其是董事會主席與行政總裁（見該部分所披露者）。

董事名單與其角色及職能已不時根據上市規則刊載於本公司及聯交所網站。

委任及重選退任董事

各執行董事已與本公司訂立服務合約，初步任期為三年，可自動重續，後續任期為三年。各獨立非執行董事已按初步任期兩年獲委任，其後彼與本公司可按書面協定延長有關任期。

根據本公司組織章程細則第84條，佔當時三分之一的董事（或倘人數並非三之倍數，則按最接近但不少於三分之一之人數計）將於每屆股東週年大會輪席告退，惟每名董事須至少每三年於股東週年大會退任一次。退任董事將符合資格於會上接受重選。因此，謝培道先生（執行董事兼行政總裁）及陳兆榮先生（獨立非執行董事）將於本公司應屆股東週年大會退任，並符合資格重選連任。

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Training and support for Directors

During the year ended 31 March 2019, briefings and reading materials had been provided and funded by our Company to develop and refresh the Directors' knowledge and skills (including but not limited to corporate governance matters and any development or updates on the Listing Rules and other relevant regulatory requirements) as their continuous professional development so as to keep abreast of their collective responsibilities and to emphasis on the roles, functions and duties of a director of a listed company.

During the year ended 31 March 2019, all Directors had participated in the continuous professional development, by attending external seminars or in-house trainings, and reading materials on various topics covering regulations, corporate governance, finance and business, etc. Our Company will also continuously update our Directors on the latest developments regarding the Listing Rules and other applicable regulatory requirements, to ensure compliance and enhance their awareness of good corporate governance practices, and to ensure that their contribution to the Board remains informed and relevant.

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS

The Board has adopted the Model Code to monitor the code of conduct regarding securities transactions by our Directors.

Having made specific enquiry of all Directors, they all have confirmed that they have complied with the required standards as set out in the Model Code during the year under review.

BOARD COMMITTEES

The Board has established three committees, namely the Audit Committee, the Remuneration Committee and the Nomination Committee to oversee the relevant aspects of our Group's affairs. The three Board committees are provided with sufficient resources to discharge their duties.

董事培訓及支援

截至2019年3月31日止年度，本公司已為董事提供簡介及閱讀資料並承擔有關費用，以增進及重溫彼等知識及技能(包括但不限於企業管治事宜以及有關上市規則及其他有關監管規定之任何發展或最新資料)，作為董事之持續專業發展，讓彼等充分了解彼等整體職責，以及突出上市公司董事之角色、職能及職責。

截至2019年3月31日止年度，全體董事已參與持續專業發展，當中包括出席外部研討會或內部培訓以及閱讀涵蓋規例、企業管治、財務及業務等不同議題之材料。本公司亦將持續知會董事有關上市規則及其他適用監管規定之最新發展，從而確保彼等遵守及培養良好企業管治常規之意識，並確保彼等持續對董事會作出知情及相關之貢獻。

遵守證券交易之標準守則

董事會已採納標準守則作為規範董事進行證券交易之行為守則。

經向所有董事查詢後，彼等確認於回顧年度內一直遵守標準守則所規定之準則。

董事委員會

董事會已成立三個委員會，即審核委員會、薪酬委員會及提名委員會，以監督本集團事務之有關方面。三個董事委員會獲提供充裕資源以履行職責。

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Audit Committee

The Audit Committee of our Company was established with specific written terms of reference in compliance with the Listing Rules.

During the year, the roles and functions of Audit Committee included:

- (a) making recommendations to the Board on the appointment, re-appointment and removal of the external auditor, and approving the remuneration and other terms of engagement of the external auditor, and any questions of its resignation or dismissal;
- (b) reviewing and monitoring the external auditor's independence and objectivity and the effectiveness of the audit process in accordance with applicable standards;
- (c) developing and implementing policy on engaging an external auditor to supply non-audit services;
- (d) monitoring the integrity of our Company's financial statements and annual report and accounts, interim report, and reviewing significant financial reporting judgments contained in them;
- (e) reviewing our Company's financial controls, risk management and internal control systems;
- (f) discussing the risk management and internal control systems with management to ensure that management has performed its duty to have an effective systems;
- (g) considering major investigation findings on risk management and internal control matters as delegated by the Board or on its own initiative and management's response to these findings;
- (h) reviewing our Group's financial and accounting policies and practices;
- (i) reviewing our external auditor's management letter, any material queries raised by the auditor to management about accounting records, financial accounts or systems of risk management and control and management's response;
- (j) ensuring that the Board will provide a timely response to the issues raised in the external auditor's management letter;
- (k) reporting to the Board on the matters set out above;

審核委員會

本公司審核委員會已成立，具體書面職權範圍符合上市規則。

於年內，審核委員會之角色及職能包括：

- (a) 就外聘核數師之委任、續聘及罷免向董事會提出推薦建議，批准外聘核數師之薪酬及其他聘用條款，以及處理任何有關核數師辭任或解聘之問題；
- (b) 按適用標準檢討及監察外聘核數師是否獨立客觀以及核數程序是否有效；
- (c) 就委聘外聘核數師提供非核數服務制定政策，並予以執行；
- (d) 監察本公司之財務報表以及年報及賬目及中期報告之完整性，並審閱報告及賬目所載有關財務匯報之重大判斷；
- (e) 檢討本公司之財務監控、風險管理及內部監控制度；
- (f) 與管理層討論風險管理及內部監控制度，確保管理層已履行職責建立有效制度；
- (g) 應董事會之委派或主動就有關風險管理及內部監控事宜之重要調查結果及管理層對調查結果之回應進行研究；
- (h) 檢討本集團之財務及會計政策以及常規；
- (i) 審閱外聘核數師給予管理層之《審核情況說明函件》、核數師就會計記錄、財務賬目或風險管理及監控制度向管理層提出之任何重大疑問以及管理層之回應；
- (j) 確保董事會及時回應於外聘核數師給予管理層之《審核情況說明函件》中提出之事宜；
- (k) 就上述事宜向董事會匯報；

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- | | |
|---|---|
| (l) reviewing arrangements employees of our Company can use, in confidence, to raise concerns about possible improprieties in financial reporting, risk management, internal control or other matters as well as our whistleblowing policy; | (l) 檢討安排使本公司員工可以私下就財務匯報、風險管理、內部監控或其他方面可能發生之不正當行為提出關注以及舉報政策； |
| (m) acting as the key representative body for overseeing our Company's relations with the external auditor; and | (m) 擔任本公司與外聘核數師間關係之主要代表組織，及 |
| (n) considering other matters, as defined or assigned by the Board from time to time. | (n) 考慮董事會不時界定或委派之其他事項。 |

The Audit Committee discharged its responsibilities as required in accordance with its terms of reference during the year ended 31 March 2019 and the major of which are stated as:

截至2019年3月31日止年度，審核委員會根據職權範圍履行職責，主要職責如下：

- | | |
|--|--|
| 1. reviewing and monitoring the integrity of the interim results, annual results and financial statements of our Company and of our Group and reviewing significant financial reporting judgments, and making recommendation to the Board for approval; | 1. 檢討及監察本公司及本集團中期業績、年度業績及財務報表之完整性，並檢討重大財務申報判斷以及作出推薦建議以獲董事會批准； |
| 2. reviewing and monitoring the reporting, accounting and financial policies and practices of our Company; | 2. 檢討及監察本公司之申報、會計及財務政策及常規； |
| 3. reviewing the interim report, annual report, and results announcements of our Company; | 3. 審閱本公司之中期報告、年報及業績公佈； |
| 4. considering and recommending to the Board for the re-appointment of our Company's independent external auditors; | 4. 考慮續聘本公司獨立外聘核數師，並就此向董事會提出推薦建議； |
| 5. reviewing the connected transactions and discloseable transactions; and | 5. 審閱關連交易及須予披露交易；及 |
| 6. reviewing the effectiveness of the risk management and internal control systems of the Group, and reviewing the works performed by the independent internal control advisor, RSM Consulting (Hong Kong) Limited ("RSM"), on the risk management and internal control systems. | 6. 檢討本集團風險管理及內部監控制度之成效，並檢討獨立內部監控顧問羅申美諮詢顧問有限公司(「羅申美」)對風險管理及內部監控制度進行之工作。 |

The members of the Audit Committee comprise Mr. Chan Siu Wing Raymond (Chairman of Audit Committee), Mr. Chu Yat Pang Terry and Mr. Cheung Kok Cheong, all of them are independent non-executive Directors whereas Mr. Chan Siu Wing Raymond possesses the appropriate professional qualifications and experience in accounting or related financial management expertise as required under the Listing Rules.

審核委員會成員為陳兆榮先生(審核委員會主席)、朱逸鵬先生及張國昌先生，彼等均為獨立非執行董事，陳兆榮先生擁有上市規則規定之會計或相關財務管理專長之適當專業資格及經驗。

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During the year ended 31 March 2019, all the committee members have met two times, with the attendance of our Company's external auditor in compliance with the Code Provisions and the Audit Committee's terms of reference. The attendance of each member at these meetings are stated as follows:

Members of the Audit Committee	Attendance/ Number of Audit Committee meetings held 出席次數/ 審核委員會會議舉行次數
審核委員會成員	
Independent Non-executive Directors:	
獨立非執行董事：	
Mr. Chan Siu Wing Raymond (<i>Chairman of the Audit Committee</i>) 陳兆榮先生 (審核委員會主席)	2/2
Mr. Chu Yat Pang Terry 朱逸鵬先生	2/2
Mr. Cheung Kok Cheong 張國昌先生	2/2

The Audit Committee has reviewed the contents of this annual report. The Audit Committee has also discussed and reviewed with the management and the external auditor of our Company the matters regarding the internal controls, risk management, and financial reporting including the accounting principles and practices related to the preparation of the consolidated financial statements for the year ended 31 March 2019, and recommended them to the Board for approval.

The terms of reference of the Audit Committee are available on the websites of our Company and of the Stock Exchange, respectively.

Auditor's Remuneration

The Audit Committee of our Company is responsible for considering the appointment and re-election of our Company's external auditor and reviewing any non-audit services provided by our external auditor. During the year, our Group has paid or payable to our external auditor, PricewaterhouseCoopers, the audit service in relation to the audit of annual consolidated financial statements for the year ended 31 March 2019 of HK\$1,150,000 (2018: HK\$1,050,000) and the non-audit service in relation to the review of interim condensed consolidated financial statements for the six-month ended 30 September 2018 of HK\$250,000 (30 September 2017: HK\$250,000), totalling HK\$1,400,000 (2018: HK\$1,300,000) in aggregate. The Audit Committee considered that the non-audit service has no adverse effect on the independence of the auditor. There was no disagreement between the Board and the Audit Committee on the selection, appointment, resignation or dismissal of the external auditor.

截至2019年3月31日止年度，全體審核委員會成員已舉行兩次會議(本公司外聘核數師已經出席，符合守則條文及審核委員會職權範圍)。各成員於該等會議之出席記錄如下：

審核委員會已審閱本年報之內容。審核委員會亦已與本公司管理層及外聘核數師討論及檢討有關內部監控、風險管理及財務申報事宜，包括與編製截至2019年3月31日止年度之綜合財務報表有關之會計原則及常規，並建議董事會通過。

審核委員會職權範圍分別於本公司及聯交所網站可供查閱。

核數師酬金

本公司審核委員會負責考慮委任及續聘本公司外聘核數師，以及審閱外聘核數師提供之任何非審核服務。於年內，本集團就審核服務向外聘核數師羅兵咸永道會計師事務所已付或應付款項涉及有關審核截至2019年3月31日止年度之年度綜合財務報表之審核服務1,150,000港元(2018年：1,050,000港元)，以及有關審閱截至2018年9月30日止六個月之中期簡明綜合財務報表之非審核服務250,000港元(2017年9月30日：250,000港元)，合共為1,400,000港元(2018年：1,300,000港元)。審核委員會認為，非審核服務對核數師之獨立身份並無不利影響。於外聘核數師挑選、委任、辭任或罷免方面，董事會與審核委員會之間並無意見分歧。

CORPORATE GOVERNANCE REPORT

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Remuneration Committee

The Remuneration Committee of our Company was established with specific written terms of reference in compliance with the Listing Rules.

The roles and functions of the Remuneration Committee include:

- (a) making recommendations to the Board on our Company's policy and structure for all Directors' and senior management remuneration and on the establishment of a formal and transparent procedure for developing Remuneration Policy;
- (b) reviewing and approving the management's remuneration proposals with reference to the Board's corporate goals and objectives;
- (c) making recommendations to the Board on the remuneration of non-executive Directors;
- (d) considering salaries paid by comparable companies, time commitment and responsibilities and employment conditions elsewhere in our Group;
- (e) reviewing and approving compensation payable to executive Directors and senior management for any loss or termination of office or appointment to ensure that it is consistent with contractual terms and is otherwise fair and not excessive;
- (f) reviewing and approving compensation arrangements relating to dismissal or removal of Directors for misconduct to ensure that they are consistent with contractual terms and are otherwise reasonable and appropriate; and
- (g) ensuring that no Director or any of his associates is involved in deciding his own remuneration.

During the year ended 31 March 2019, the Remuneration Committee (i) had reviewed the remuneration packages and bonus of executive Directors and our Company's senior management in relation to the terms of their service agreements and in accordance with the written remuneration policy of the Company (which had been reviewed during the said year); (ii) had assessed the performance of executive Directors and the Company's senior management; and (iii) had reviewed the Group's remuneration policy.

薪酬委員會

本公司薪酬委員會已成立，具體書面職權範圍符合上市規則。

薪酬委員會之角色及職能包括：

- (a) 就本公司全體董事及高級管理人員之薪酬政策及架構，及就制定薪酬政策設立正規而具透明度之程序，向董事會提出推薦建議；
- (b) 因應董事會所訂企業方針及目標而檢討及批准管理人員之薪酬建議；
- (c) 就非執行董事之薪酬向董事會提出推薦建議；
- (d) 考慮同類公司支付之薪酬、須付出之時間及職責以及集團內其他職位之僱傭條件；
- (e) 檢討及批准向執行董事及高級管理人員就其失去或終止職務或委任而須支付之賠償，以確保該等賠償與合約條款一致；若未能與合約條款一致，賠償亦須公平合理，不致過多；
- (f) 檢討及批准因董事行為失當而解僱或罷免有關董事所涉及之賠償安排，以確保該等安排與合約條款一致；若未能與合約條款一致，有關賠償亦須合理適當；及
- (g) 確保任何董事或其任何聯繫人不得參與釐定其本身薪酬。

截至2019年3月31日止年度，薪酬委員會(i)已就服務協議之條款及根據本公司已於上述年度檢討之書面薪酬政策，檢討執行董事及本公司高級管理人員之薪酬組合及花紅；(ii)評估執行董事及本公司高級管理人員之表現；及(iii)檢討本集團之薪酬政策。

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Our Company has adopted and the Remuneration Committee has been delegated with responsibility by the Board to determine the remuneration packages of individual executive Directors and the senior management of our Company.

The members of the Remuneration Committee include Mr. Chu Yat Pang Terry (Chairman of Remuneration Committee) and Mr. Cheung Kok Cheong, both are independent non-executive Directors, and Mr. Chan Koung Nam, an executive Director.

During the year ended 31 March 2019, all the committee members have met two times. The attendance of each member at these meetings are stated as follows:

本公司已採納及薪酬委員會已獲董事會授予職責釐定本公司個別執行董事及高級管理層之薪酬組合。

薪酬委員會成員包括獨立非執行董事朱逸鵬先生(薪酬委員會主席)及張國昌先生，以及執行董事陳光南先生。

截至2019年3月31日止年度，全體委員會成員已舉行兩次會議。各成員於該等會議之出席記錄如下：

Members of the Remuneration Committee	Attendance/ Number of Remuneration Committee meetings held 出席次數/ 薪酬委員會會議舉行次數
薪酬委員會成員	
Independent Non-executive Directors:	
獨立非執行董事：	
Mr. Chu Yat Pang Terry (<i>Chairman of Remuneration Committee</i>) 朱逸鵬先生(薪酬委員會主席)	2/2
Mr. Cheung Kok Cheong 張國昌先生	2/2
Executive Directors:	
執行董事：	
Mr. Chan Koung Nam 陳光南先生	2/2

The terms of reference of the Remuneration Committee are available on the websites of our Company and of the Stock Exchange, respectively.

薪酬委員會職權範圍分別於本公司及聯交所網站可供查閱。

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Nomination Committee

The Nomination Committee of our Company was established with specific written terms of reference in compliance with the Listing Rules.

The roles and functions of the Nomination Committee include:

- (a) 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 our Company's corporate strategy;
- (b) identifying individuals suitably qualified to become members of the Board and selecting or making recommendations to the Board on the selection of individuals nominated for directorships;
- (c) assessing the independence of the independent non-executive Directors;
- (d) making recommendations to the Board on the appointment or reappointment of directors and succession planning for directors in particular the chairman and the chief executive; and
- (e) reviewing regularly the Nomination Policy and Board Diversity Policy of the Company to ensure the effectiveness of these policies and reviewing any progress on achieving those objectives in these policies.

The members of the Nomination Committee include Mr. Chan Kwong Yin William, an executive Director and Chairman of the Board (Chairman of the Nomination Committee), Mr. Chu Yat Pang Terry and Mr. Cheung Kok Cheong, both are independent non-executive Directors.

During the year ended 31 March 2019, one meeting of the Nomination Committee was held to (i) assess the independence of independent non-executive Directors; (ii) review the re-appointment of retiring Directors at the 2018 annual general meeting of the Company; (iii) review the structure, size, diversity and composition of the Board and determine the policy; (iv) review the roles of the existing Directors and ascertain whether any conflict of interests had been arisen for the Directors; and (v) review the Nomination Policy and Board Diversity Policy of the Company to ensure their effectiveness.

提名委員會

本公司提名委員會已成立，具體書面職權範圍符合上市規則。

提名委員會之角色及職能包括：

- (a) 至少每年檢討董事會之架構、人數及組成(包括技能、知識及經驗)，並就任何為配合本公司之企業策略而擬對董事會作出之變動提出推薦建議；
- (b) 物色具備合適資格可擔任董事會成員之人士，並挑選提名有關人士出任董事或就此向董事會提出推薦建議；
- (c) 評估獨立非執行董事之獨立身份；
- (d) 就董事委任或連任以及董事(尤其是主席及最高行政人員)繼任計劃向董事會提出推薦建議；及
- (e) 定期檢討本公司之提名政策及董事會成員多元化政策，確保該等政策行之有效，並檢討達成該等政策目標之任何進展。

提名委員會成員包括執行董事兼董事會主席陳光賢先生(提名委員會主席)、獨立非執行董事朱逸鵬先生及張國昌先生。

截至2019年3月31日止年度，提名委員會已舉行一次會議，以(i)評估獨立非執行董事之獨立身份；(ii)檢討於本公司2018年股東週年大會再度委任退任董事之事宜；(iii)檢討董事會之架構、人數、成員多元化及組成並釐定政策；(iv)檢討現任董事之角色及查明董事有否任何利益衝突；及(v)檢討本公司之提名政策及董事會成員多元化政策，確保該等政策行之有效。

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During the year ended 31 March 2019, one meeting of the Nomination Committee was held and all members had attended this meeting with their respective record of attendance as follows:

截至2019年3月31日止年度，提名委員會已舉行一次會議，全體成員均有出席是次會議，彼等各自之出席記錄如下：

Members of the Nomination Committee	Attendance/ Number of Nomination Committee meeting held 出席次數/ 提名委員會會議舉行次數
提名委員會成員	
Executive Directors:	
執行董事：	
Mr. Chan Kwong Yin William (<i>Chairman of the Nomination Committee</i>) 陳光賢先生(提名委員會主席)	1/1
Independent Non-executive Directors:	
獨立非執行董事：	
Mr. Chu Yat Pang Terry 朱逸鵬先生	1/1
Mr. Cheung Kok Cheong 張國昌先生	1/1

The terms of reference of the Nomination Committee are available on the websites of our Company and of the Stock Exchange, respectively.

提名委員會職權範圍分別於本公司及聯交所網站可供查閱。

Nomination policy

The Board has adopted a "Nomination Policy" which governs the criteria, procedures and process of nomination of Directors, so as to ensure that the Board should (i) have a balance of skills and experience; (ii) always maintain the minimum number of independent non-executive Directors as required under the Listing Rules; and (iii) ensure the independency of those independent non-executive Directors.

提名政策

董事會已採納「提名政策」，規管提名董事之準則、程序及流程，從而確保董事會將(i)具備均衡之技能與經驗；(ii)時刻保持上市規則所規定最少數目之獨立非執行董事；及(iii)確保該等獨立非執行董事具備獨立身份。

When identifying, assessing and recommending suitable candidates for directorship for the Board's consideration, the Nomination Committee will take into account our Company's current needs and qualities needed for the Board's service, including but not limited to:

於物色、評估及推薦合適出任董事之人選以供董事會考慮時，提名委員會將考慮本公司現行需要及為董事會服務所需具備之質素，包括但不限於：

- (a) his/her ethical, integrity and maturity characters, educational and professional backgrounds, experience in money lending business or other relevant industry, and expertise in that area;

- (a) 彼之道德、誠信及成熟性格、教育及專業背景、於放債業務或其他相關行業之經驗以及於該範疇之專業知識；

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| <p>(b) his/her willingness to devote the required amount of time to carrying out the duties and responsibilities of the Board and various committees' membership for multiple terms. In this regards, the numbers of offices held by the candidates in other public companies or organisations, and other significant commitments, etc. will be considered;</p> <p>(c) any potential conflict of interest with the Group's business and assessment of the independence if he/she is appointed as independent non-executive Directors; and</p> <p>(d) his/her willingness to comply with the Listing Rules and other regulatory requirements in full for discharging his/her liabilities.</p> | <p>(b) 彼就於多個任期內履行董事會職務及職責以及擔任各委員會成員投放所需時間之意願。就此而言，候選人於其他公眾公司或組織擔任之職位數目以及其他重大承擔將納入考慮；</p> <p>(c) 倘彼獲委任為獨立非執行董事，任何可能與本集團業務產生之利益衝突及評估彼之獨立身份；及</p> <p>(d) 彼全面遵守上市規則及其他監管規定或履行彼之責任之意願。</p> |
|--|---|

For those potential candidates who appear upon first consideration to meet the above criteria, the Nomination Committee will conduct appropriate inquiries and arrange for in-person meeting with such candidates. Depending on the results of such inquiries and interview, the Nomination Committee will propose this candidate to the Board for election at the forthcoming annual general meeting of the Company.

就於首輪考慮中似乎符合上述標準之潛在候選人而言，提名委員會將作出適當查詢，並安排親身與該名候選人會面。提名委員會將視乎有關查詢及面談結果而向董事會建議該名候選人於本公司應屆股東週年大會接受選舉。

Board diversity policy

The Board has adopted a "Board Diversity Policy", which requires the Nomination Committee of our Company to review annually the structure, size, diversity and composition of the Board and where appropriate, make recommendations on any proposed changes to the Board for achieving diversity to our Board members, so as to enhance the quality of our performance. In relation to reviewing and assessing the Board's composition, the Nomination Committee has considered a number of aspects, including but not limited to gender, age, cultural and educational background, professional qualifications, skills, knowledge and industry and regional experience.

董事會成員多元化政策

董事會已採納「董事會成員多元化政策」。本公司提名委員會須就此每年檢討董事會架構、人數、成員多元化及組成，並就(如適用)任何為達致董事會成員多元化而擬對董事會作出之變動提出推薦建議，從而提升本公司表現水平。就檢討及評估董事會組成而言，提名委員會已考慮多項因素，包括但不限於性別、年齡、文化及教育背景、專業資格、技能、知識以及行業及地區經驗。

The Nomination Committee will consider all the measurable objectives that have been set for implementing the Board Diversity Policy for achieving diversity on the Board and recommend them to the Board as selection criteria for potential candidate to the Board. The Company aims to build and maintain an appropriate balance of diversity perspectives of the Board that are considered beneficial to the Company, and will regularly review the progress on achieving those measurable objectives set out in the Board Diversity Policy.

提名委員會將考慮所有就實行董事會成員多元化政策而制定之可計量目標，務求達致董事會成員多元化，並向董事會建議該等目標，作為董事會對候選人之遴選準則。本公司擬建立及適當平衡董事會成員多元化觀點，此舉對本公司有利，並將定期檢討達致董事會成員多元化政策所載該等可計量目標之進展。

The Nomination Committee have reviewed and will continue to review this policy, as appropriate, and discuss any revisions that may be required, and recommend any such revisions to the Board for consideration and approval.

提名委員會已檢討並將繼續檢討(視適用情況而定)此政策及討論任何須對此政策作出之修訂，並向董事會提出修訂建議，以供董事會考慮及批准。

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ACCOUNTABILITY AND AUDIT

Financial reporting

Financial results of our Group are announced in a timely manner in accordance with all statutory requirements, particularly the timeframe as stipulated in Rule 13.49(1) and Rule 13.49(6) of the Listing Rules.

All Directors acknowledged their responsibility for preparing the financial statements of our Group on a going concern basis, with supporting assumptions or qualifications as necessary, for each financial period which gives a true and fair view of our Group's financial affairs for the year ended 31 March 2019.

The statement of the auditors about their reporting responsibilities on the financial statements of our Group is set out in the section headed "Independent Auditor's Report".

Risk management and internal control

The maintenance of a sound and effective risk management and internal control systems in our Group is important to safeguard our Shareholders' investment and our Company's assets.

The Board acknowledges that it is its duty to oversee our Company's risk management and internal control systems on an ongoing basis and to review their effectiveness at least annually. These systems are designated to manage rather than eliminate the risk of failure to achieve our business objectives, and could only provide reasonable but not absolute assurance against material misstatement or loss.

During the year, with the assistance from RSM, our Group has identified and evaluated the relevant risks of our Group through a series of interviews. During the risk identification and evaluation processes, relevant risks were identified, evaluated and categorised into four sections, namely financial, compliance, strategic and operational, and our Group maintained a risk register to keep track of all identified risks which provided to our Board, the Audit Committee and our management a profile of those major and significant risks and a record of management's action taken to mitigate these risks. Each risk is evaluated at least annually based on its likelihood of occurrence and potential impact to our Group. This risk register is updated by our management as the risk owners with addition of new risks and/or removal of existing risks, if applicable, at least annually, after the annual risk evaluation and review have been performed.

問責及審核

財務申報

本集團之財務業績根據所有法律規定(尤其是上市規則第13.49(1)及13.49(6)條指明之期限),在適當時間公佈。

全體董事確認彼等有責任就各個財政期間,按持續經營基準編製本集團之財務報表,連同佐證假設或資歷(倘需要),以真實及公平地反映本集團截至2019年3月31日止年度之財政事務。

核數師就其對本集團財務報表之申報責任發表之聲明載於標題為「獨立核數師報告」內。

風險管理及內部監控

本集團維持穩健及有效之風險管理及內部監控制度對保障股東投資及本公司資產而言極為重要。

董事會深明其有責任持續監督本公司之風險管理及內部監控制度,並至少每年檢討其成效。此等制度旨在管理而非消除無法達成業務目標之風險,並僅就避免出現重大錯誤陳述或損失提供合理而非絕對保證。

於年內,在羅申美之協助下,本集團透過進行一連串會面而識別及評估本集團之相關風險。於風險識別及評估過程中,相關風險已獲識別及評估,並分為財務、合規、策略及營運四類。本集團設有風險記錄以追蹤所有已識別風險,為董事會、審核委員會及管理層提供該等主要及重大風險概要,並記錄管理層為減輕該等風險而採取之行動。各項風險根據其發生可能性及對本集團之潛在影響至少每年進行評估。進行年度風險評估及檢討後,風險記錄至少每年由管理層以風險擁有人身份更新,加入新風險及/或移除現有風險(如適用)。

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During the year, the Board has appointed RSM to review and assess our Group's effectiveness of the risk management and internal control systems, covering all material controls, including financial, operational, and compliance controls, with a view to ensure the adequacy of resources, staff qualification and experience, training programmes and budget of our accounting, internal audit and financial reporting functions. RSM had prepared the risk assessment report and internal control report to the Audit Committee and the Board for their review, which covered all material controls, including financial, operational, compliance and strategical controls and risk management function and control of our Group. Moreover, improvements in internal control system as recommended by RSM to enhance the risk management and internal control systems of our Group were also adopted by the Board. Based on the review findings and recommendation of RSM as well as the comments and suggestion of our Audit Committee, our Board considered the risk management and internal control systems are effective and adequate.

Function of internal audit

Currently our Group has no internal audit function. The Board has discussed and reviewed the need for an internal audit function and is of the view that in light of the size, nature and complexity of the business of our Group, it would be more cost effective to appoint external independent professionals to perform our internal audit functions and to review, at least annually, our risk management and internal control systems. Although our Group did not establish internal audit function during the year, the Board will continue to review a least annually the need for the function of internal audit.

Inside information

The Board has implemented procedures and internal controls for the handling and dissemination of inside information. Our Company has adopted the inside information policy which aims to set out guidelines to the Group's directors, officers and all relevant employees to ensure inside information (as defined below) of the Company is to be disseminated to the public in an equal and timely manner in accordance with the applicable laws and regulations.

The term "relevant employee" refers to employee of the Group, because of his office or employment, who is likely to be in possession of the unpublished inside information (as defined below).

於年內，董事會已委聘羅申美檢討及評估本集團風險管理及內部監控制度之成效，涵蓋所有重大監控方面，包括財務、營運及合規監控，務求確保資源、員工資歷及經驗、培訓計劃以及會計、內部審核及財務申報職能之預算充分。羅申美已編製風險評估報告及內部監控報告以供審核委員會及董事會審閱，當中涵蓋本集團所有重大監控方面，包括財務、營運、合規及策略監控以及風險管理職能及監控。此外，董事會亦已採納羅申美建議之內部監控制度改善措施，以提升本集團風險管理及內部監控制度。根據羅申美之檢討結果及推薦建議以及審核委員會之意見及建議，董事會認為風險管理及內部監控制度有效及充分。

內部審計職能

本集團目前不設內部審計職能。董事會已討論及檢討是否需要設立內部審計職能，並基於本集團業務規模、性質及複雜程度，認為委聘外聘獨立專業人士至少每年履行內部審計職能以及檢討風險管理及內部監控制度更符合成本效益。儘管本集團於年內不設內部審計職能，惟董事會將繼續至少每年檢討是否需要設立內部審計職能。

內幕消息

董事會已就處理及發佈內幕消息實施程序及內部監控。本公司已採納內幕消息政策，旨在為本集團董事、高級職員及所有相關僱員制定指引，確保本公司之內幕消息(定義見下文)根據適用之法律及法規，以平等基準適時發放予公眾。

「相關僱員」一詞指本集團之僱員，因為其職務或委聘，可能持有未經公佈之內幕消息(定義見下文)。

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Under the new Part XIVA of the SFO, inside information is the specific information about the company, its shareholder or officer or its listed securities or derivatives, which is not generally known to the persons who are accustomed, or would be likely, to deal in the company's listed securities but would, if generally known to them, be likely to materially affect the price of the company's listed securities.

During the year ended 31 March 2019, the Board had reviewed the Company's inside information policy.

COMPANY SECRETARY

During the year ended 31 March 2019, our Company Secretary undertook no less than 15 hours of relevant professional training.

COMMUNICATION WITH SHAREHOLDERS AND INVESTOR RELATIONS

The Board has established a Shareholders' communication policy for maintaining an on-going dialogue with our Shareholders and other stakeholders and encouraging them to communicate actively with our Company.

This policy sets out the principles of our Company in relation to Shareholders' communications, with the objective of ensuring that the communications with our Shareholders and other stakeholders (including potential investors) with ready, equal and timely access to balanced and understandable information about our Company (including its financial performance, strategic goals and plans, material developments, corporate governance and risk profile), in order to enable our Shareholders and other stakeholders to exercise their rights in an informed manner mainly through our Company's corporate communications (such as interim reports and annual reports, announcements and circulars, and notices of meetings), annual general meetings and other general meetings, as well as disclosure on the websites of our Company and of the Stock Exchange, respectively.

Announcements, interim reports, annual reports and circulars and associated explanatory documents etc. are despatched to our Shareholders and are also published on the websites of our Company and of the Stock Exchange under a dedicated "Investor Relations" section thereon as soon as practicable in plain language and in both English and Chinese versions or where permitted, in single language, and will be updated on a regular basis and in a timely manner.

根據證券及期貨條例全新第XIVA部，內幕消息指關於公司、其股東或高級職員，或其上市證券或衍生工具並非普遍為慣常（或相當可能會）買賣公司上市證券之人士所知之具體資料，但該等消息或資料如普遍為彼等所知，則相當可能會對公司上市證券之價格造成重大影響。

截至2019年3月31日止年度，董事會已檢討本公司之內幕消息政策。

公司秘書

截至2019年3月31日止年度，公司秘書已接受不少於15個小時之相關專業培訓。

與股東溝通及投資者關係

董事會已制定股東通訊政策以與股東及其他持份者持續對話，以及鼓勵彼等積極與本公司溝通。

此政策載列本公司有關股東通訊之原則，旨在確保與股東及其他持份者（包括潛在投資者）保持溝通，並容易、公平及適時取得平衡及易於理解之本公司資料（包括其財務表現、策略目標及計劃、重大發展、企業管治及風險概況），以確保股東及其他持份者主要透過本公司之公司通訊（例如中期報告及年報、公佈及通函以及大會通告）、股東週年大會及其他股東大會，以及分別於本公司及聯交所網站上之披露資料，在知情之情況下行使其權利。

公佈、中期報告、年報及通函，以及相關解釋文件已在切實可行之情況下盡快以淺白語言，並以中英文（或在許可情況下以單一語言）寄發予股東，亦已刊載於本公司及聯交所網站內標題為「投資者關係」內，並將定時及適時更新。

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Our Company's website provides our Shareholders and other stakeholders with the corporate information, such as our principal business activities and products, the development of corporate governance and the corporate social responsibilities of our Group, etc.

Our Company continues to commit to a proactive policy of promoting investor relations and effective communication with our Shareholders and analysts by maximising the use of our Company's website as a channel to disclose our Company's updated information and corporate communications to our Shareholders, stakeholders and the public on a timely basis. Our Company also encourages our Shareholders to attend shareholders' meetings to stay informed of our Group's businesses and convey any concerns they may have to the Directors and senior management.

Shareholders' rights

1. Procedures for Shareholders to convene an extraordinary general meeting

Pursuant to Article 58 of our Company's Articles of Association, any one or more Shareholders holding, at the date of deposit of the requisition, not less than one-tenth of the paid up capital of our Company carrying the right of voting at general meetings of our Company, shall at all times have the right to require an extraordinary general meeting (the "EGM") to be called by the Board.

Such requisition shall be made in writing to the Board or the Company Secretary of our Company at our principal place of business in Hong Kong for the purpose of requiring an EGM of our Company to be called by the Board for the transaction of any business specified in such requisition.

Such EGM will be held within two months after the deposit of such requisition.

If the requisition is in order, an EGM will be convened by serving sufficient notice in accordance with the requirements under the Articles of Association of the Company and the Listing Rules to all Shareholders. On the contrary, if the requisition is invalid, the Shareholders concerned will be advised of this outcome and accordingly, an EGM will not be convened as requested.

本公司網站向其股東及其他持份者提供主要業務活動及產品、企業管治之發展以及本集團之企業社會責任等公司資料。

本公司繼續奉行積極進取之政策，盡量使用本公司網站作為適時向股東、持份者及公眾披露本公司最新資料及公司通訊之渠道，促進投資者關係以及與股東及分析員間有效溝通。本公司亦鼓勵股東出席股東大會，以緊貼有關本集團業務之資訊，並向董事及高級管理層提出彼等之關注。

股東之權利

1. 股東召開股東特別大會之程序

根據本公司組織章程細則第58條，任何一名或以上於遞交呈請日期持有本公司繳入股本(附帶於本公司股東大會之表決權)不少於十分之一之股東，有權隨時要求董事會召開股東特別大會(「股東特別大會」)。

有關呈請須以書面形式寄至香港主要營業地點向董事會或本公司之公司秘書作出，以要求董事會就處理該呈請列明之任何事務召開本公司股東特別大會。

有關股東特別大會須於該呈請遞交後兩個月內舉行。

倘要求適當，將根據本公司組織章程細則及上市規則之規定向全體股東發出充分通知後召開股東特別大會。相反，倘要求無效，相關股東將獲告知此結果，亦不會應要求召開股東特別大會。

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Depending on the nature of the proposals, any EGM of our Company at which the passing of a special resolution is to be considered shall be called by notice of not less than twenty-one clear days and not less than ten clear business days. All other EGM of our Company may be called by notice of not less than fourteen clear days and not less than ten clear business days (whereas the notice shall be exclusive of the day on which it is served or deemed to be served and of the day for which it is given), together with the accompanying circular which also sets out details of each proposed resolution and other relevant information as required under the Company's Articles of Association and the Listing Rules.

2. Procedures for raising enquiries

Shareholders may direct their queries such as their shareholdings, share transfer and registration, change of name or address, loss of share certificates or dividend warrants, registration and payment of dividend, etc. to our Company's branch share registrar and transfer office in Hong Kong, Union Registrars Limited:

Address : Suites 3301-04, 33/F.
Two Chinachem Exchange Square
338 King's Road
North Point, Hong Kong

Email : info@unionregistrars.com.hk

Tel : (852) 2849 3399

Fax : (852) 2849 3319

Shareholders and other stakeholders may also raise enquiries in respect of our Company's matters in writing to the Board or the Company Secretary whose contact details are as follows:

Address : Unit 3410, 34th Floor
Tower II, Lippo Centre
89 Queensway, Admiralty, Hong Kong

Email : ir@hkfinance.com.hk

Tel : (852) 2525 3535

Fax : (852) 2525 3534

按建議之性質，將於會上考慮通過特別決議案之本公司任何股東特別大會須透過發出不少於二十一個完整日子及不少於十個完整營業日之通知召開。本公司所有其他股東特別大會可藉由發出不少於十四個完整日子及不少於十個完整營業日之通知召開（通知期不包括送達或被視為送達當日及發送當日），連同隨附之通函，當中亦載列各項建議決議案之詳情以及本公司組織章程細則及上市規則規定之其他相關資料。

2. 查詢程序

股東可將彼等持股權、股份轉讓及登記、更改姓名或地址、遺失股票或股息證、登記及派付股息等查詢發送至本公司之香港股份過戶登記分處聯合證券登記有限公司：

地址 : 香港北角
英皇道338號
華懋交易廣場2期
33樓3301-04室

電郵 : info@unionregistrars.com.hk

電話 : (852) 2849 3399

傳真 : (852) 2849 3319

股東及其他持份者可將有關本公司之查詢以書面形式發送至董事會或公司秘書，聯繫詳情如下：

地址 : 香港金鐘金鐘道89號
力寶中心二座
34樓3410室

電郵 : ir@hkfinance.com.hk

電話 : (852) 2525 3535

傳真 : (852) 2525 3534

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3. Procedures for putting forward proposals at shareholders' meetings

(i) *Proposal for election of a person other than a Director as a Director:*

Pursuant to Articles 83(2) and 85 of the Company's Articles of Association and the "Procedures for Shareholders to Propose a Person for Election as a Director of the Company", which is available at our Company's website, a Shareholder who wishes to propose a person other than a retiring Director for election to the office of Director at any general meeting should lodge:

- (a) notice in writing signed by him/her concerned of his/her intention to propose a candidate for election as a Director which must include the personal particulars of this nominated candidate as required by Rule 13.51(2) of the Listing Rules; and
- (b) notice in writing signed by this nominated candidate to be proposed indicating his/her willingness to be elected and his/her consent to publish his/her information on our Company's announcement.

The above-mentioned notices should be lodged and addressed to the Chairman of the Board or Chief Executive Officer of our Company at our principal place of business in Hong Kong, and the period for lodgment of these notices shall commence on the day after the despatch of the notice of the general meeting and end no later than ten business days prior to the date of such general meeting.

(ii) *Procedures for putting other forward proposals at general meetings:*

To put forward proposals other than the above at a general meeting, Shareholders should submit a written notice of those proposals with their detailed contact information to our Company Secretary at the principal place of business of our Company in Hong Kong. The notice period to be given to all Shareholders for consideration of the proposal raised by the Shareholders concerned at general meetings varies according to the nature of the proposal.

3. 於股東大會上提呈建議之程序

(i) 建議推選董事以外之人士擔任董事：

根據本公司組織章程細則第83(2)及85條，以及「股東提名人選參選為公司董事的程序」(可於本公司網站查閱)，股東如欲建議退任董事以外之人士於任何股東大會上參選董事，應遞交：

- (a) 由有意建議候選人參選董事之人士簽署之通知書，必須載列上市規則第13.51(2)條所規定該提名候選人之詳情；及
- (b) 獲建議推選之該提名候選人簽署之通知書，表明其參選意願及同意於本公司公佈上刊發其資料。

上述通知書須提交並寄至香港主要營業地點予本公司董事會主席或行政總裁，該等通知書之遞交期由寄發股東大會通告翌日開始，並於有關股東大會日期前不遲於十個營業日結束。

(ii) 於股東大會提出其他建議之程序：

擬在股東大會上提出上述以外之建議，股東須提交該等建議之書面通知，連同詳細聯絡資料，送交本公司在香港之主要營業地點予公司秘書。就有關股東提出於股東大會考慮之提案而向全體股東發出通告之通知期因應建議之性質而有所不同。

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Constitutional Documents

During the year ended 31 March 2019, there was no change in the amended Articles of Association of our Company.

Our Company's latest versions of Memorandum of Association and Articles of Association are available on the websites of our Company and of the Stock Exchange, respectively.

Dividend policy

The Board has adopted a Dividend Policy to allow Shareholders to participate in our Company's profit whilst retaining adequate reserves for our Company's future growth. Any distribution of dividends shall be in accordance with the Articles of Association of our Company and with the applicable laws and regulations. The Board may distribute dividends by way of cash, shares, or by other means as the Board considers as appropriate.

Profit distribution shall achieve continuity, stability and sustainability and should take into account of (i) the earning per share of our Company; (ii) reasonable return in investment of the investors and the shareholders; (iii) general financial conditions, cash flow situation, and business plan, future operations and earnings, capital requirements and surplus of our Company; (iv) any restrictions on payment of dividends by our Company's or the Group's lenders; (v) the general market sentiment and circumstances; and (vi) other factors the Board deems appropriate.

The Board will continue to review this policy as appropriate, and may declare and distribute final dividends, interim dividends or special dividends from time to time.

憲章文件

截至2019年3月31日止年度，本公司之經修訂組織章程細則概無變動。

本公司組織章程大綱及組織章程細則之最新版本分別於本公司及聯交所網站可供查閱。

股息政策

董事會已採納股息政策，以便與股東分享本公司溢利，同時為本公司日後發展保留充足儲備。任何股息分派均須符合本公司組織章程細則以及適用法律及規例之規定。董事會可以現金、股份或董事會認為適當之其他方式分派股息。

溢利分派應實現持續、穩定及可持續發展，並應計及(i)本公司每股盈利；(ii)投資者及股東之合理投資回報；(iii)整體財務狀況、現金流量狀況以及本公司業務計劃、未來營運及盈利、資金需要及盈餘；(iv)本公司或本集團貸款人對股息派付之限制；(v)整體市場氛圍及情況；及(vi)董事會視為適當之其他因素。

董事會將繼續於適當時候檢討此政策，並可能不時宣派及分派末期股息、中期股息或特別股息。

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INTRODUCTION

Since the establishment of our Group for more than twenty years, our Group is principally engaged in money lending business of providing property mortgage loans and personal loans in Hong Kong. In October 2013, our Group was listed on the Main Board of the Stock Exchange and we are the first Hong Kong listed company specialising in property mortgage with solid financial background and high transparency. We are still focusing on our core business in property mortgage loans under our well-known and highly recognised brand name “*Hong Kong Finance*”. We also expanded our money lending business in personal loan products in order to diversify ourselves in different money lending market segments, to capture new market opportunity and to enhance our overall interest margin.

We aim to provide “professional, reliable and flexible” mortgage services to our customers. Our experienced mortgage managers provide customised, property-pledged mortgage solutions based on the specific needs of customers. In order to build a harmonious community, our Group strives to maintain a sustainable business and contribute to the society.

Sustainable development is an integral part of our business strategy in order to achieve business excellence and enhance capabilities for long-term competitiveness. Our Group is committed to maintaining our operation in manner that is economically, socially and environmentally sustainable while balancing the interests of our various stakeholders and foster a positive impact on the society. Our sustainability strategy is based on the compliance with the applicable legal requirements, principle of sustainability and opinions from stakeholders. We have established and implemented various policies to manage and monitor the risks related to the environment, employment, operating practices and community. Details of the management approaches to sustainable development of different areas are illustrated in this environmental, social and governance report.

緒言

自本集團成立二十多年以來，本集團主要於香港從事提供物業按揭貸款及私人貸款之放債業務。於2013年10月，本集團於聯交所主板上市，為首間專門從事物業按揭之香港上市公司，具有穩健財務背景及高透明度。我們仍以知名及深入民心之「*香港信貸*」品牌專注經營物業按揭貸款之核心業務。我們亦擴充旗下私人貸款產品之放債業務，藉以多元發展不同放債市場分部，從而把握市場新機遇及提高整體息差。

我們之目標乃為客戶提供「專業、可靠及靈活」之按揭服務。我們經驗豐富之按揭經理根據客戶個別需要提供度身制定之物業抵押按揭解決方案。為創建和諧社區，本集團矢志維持可持續發展業務，並為社會作出貢獻。

可持續發展為我們業務策略其中一部分，藉以取得卓越業務表現及提升長遠競爭力。本集團銳意以經濟、社會及環境可持續之方式營運，同時兼顧各持份者之利益，並為社會帶來積極影響。可持續策略乃基於遵守適用法律規定、可持續原則及持份者之意見。我們已制定及實施各項政策管理及監察有關環境、僱傭、營運慣例及社區之風險。有關不同範疇可持續發展之管理方針詳情於本環境、社會及管治報告中詳述。

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環境、社會及管治報告

STAKEHOLDER ENGAGEMENT AND MATERIALITY ASSESSMENT

The Group understands the success of the Group's business depends on the support from its key stakeholders, who (a) have invested or will invest in the Group; (b) have the ability to influence the outcomes within the Group; and (c) are interested in or affected by or have the potential to be affected by the impact of the Group's activities, products, services and relationships. It allows the Group to understand risks and opportunities. The Group will continue to ensure effective communication and maintain good relationship with each of its key stakeholders.

Stakeholders are prioritised from time to time in view of the Group's roles and duties, strategic plan and business initiatives. The Group engages with its stakeholders to develop mutually beneficial relationships and to seek their views on its business proposals and initiatives as well as to promote sustainability in the marketplace, workplace, community and environment.

The Group acknowledges the importance of intelligence gained from the stakeholders' insights, inquiries and continuous interest in the Group's business activities. The Group has identified key stakeholders that are important to our business and established various channels for communication. The following table provides an overview of the Group's key stakeholders, and various platforms and methods of communication are used to reach, listen and respond.

持份者參與及重大性評估

本集團深明本集團業務成功有賴(a)現已投資或將投資本集團；(b)能夠影響本集團內部成果；及(c)於本集團活動、產品、服務及關係中擁有權益或受到或可能會受到有關影響之主要持份者之支持，讓本集團了解所涉及風險及掌握機遇。本集團將繼續確保與各主要持份者有效溝通及維持良好關係。

基於本集團之角色與職責、策略規劃及業務計劃，持份者不時獲優先考慮。本集團與持份者合作發展互利關係，並向彼等徵詢有關業務建議及計劃之意見，以及促進市場、工作場所、社區及環境可持續發展。

本集團明白到向持份者了解彼等對本集團業務活動之見解、疑問及持續權益攸關重要。本集團已識別對我們業務至關重要之主要持份者，並設立各種溝通渠道。下表概述本集團主要持份者以及用以聯絡、聆聽及回應之各個平台和溝通方法。

Stakeholders 持份者	Issues of concern 關注事項	Engagement channels 接觸渠道
Government and regulatory authorities 政府及監管機關	<ul style="list-style-type: none"> Comply with the applicable laws and regulations Proper tax payment Promote regional economic development and employment <ul style="list-style-type: none"> 遵守適用法律及法規 依法納稅 推動區域經濟發展及就業 	<ul style="list-style-type: none"> On-site inspections and checks Research and discussion through work conferences, work reports preparation and submission for approval Annual reports and announcements Website of the Company <ul style="list-style-type: none"> 實地檢驗及檢查 透過工作會議、編製工作報告及提交批准展開研究及討論 年報及公佈 本公司網站

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Stakeholders 持份者	Issues of concern 關注事項	Engagement channels 接觸渠道
Shareholders and Investors 股東及投資者	<ul style="list-style-type: none"> Return on the investment Information disclosure and transparency Protection of interests and fair treatment of shareholders <ul style="list-style-type: none"> 投資回報 資料披露及透明度 保障股東利益及公平待遇 	<ul style="list-style-type: none"> Annual general meeting and other shareholder meetings Annual reports and announcements Newsletter Meeting with investors and analysts Websites of the Company and of the Stock Exchange Company contact information <ul style="list-style-type: none"> 股東週年大會及其他股東大會 年報及公佈 新聞稿 與投資者及分析員會面 本公司網站及聯交所網站 本公司聯絡資料
Employees 僱員	<ul style="list-style-type: none"> Safeguard the rights and interests of employees Working environment Career development opportunities Self-actualisation Occupational health and safety Staff remuneration, benefits and well-being <ul style="list-style-type: none"> 保障僱員權利及權益 工作環境 事業發展機會 自我實現 職業健康與安全 員工薪酬、福利及福祉 	<ul style="list-style-type: none"> Meetings and conferences Trainings, seminars, briefing sessions Labour union Entertainment, cultural and sport activities Feedback box <ul style="list-style-type: none"> 會面及會議 培訓、研討會及簡介會 工會 娛樂、文化及體育活動 意見反饋箱
Customers 客戶	<ul style="list-style-type: none"> Safe and high-quality products Stable relationship Information transparency Business ethics <ul style="list-style-type: none"> 合法及優質產品 穩定關係 資料透明 商業道德 	<ul style="list-style-type: none"> Email and customer service hotline Visits and meetings <ul style="list-style-type: none"> 電郵及客戶服務熱線 觀訪及會面

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Stakeholders 持份者	Issues of concern 關注事項	Engagement channels 接觸渠道
Banks 銀行	<ul style="list-style-type: none"> To repay loans on schedule, monitor operating conditions and risks and operate with honesty and credibility 按時償還貸款、監察營運狀況及風險，並以誠信方式營運 	<ul style="list-style-type: none"> Work conferences, On-site visits, post-loan tracking and various business communication 工作會議 實地訪查、貸後追蹤及各種商業通訊
Financial Institution 財務機構	<ul style="list-style-type: none"> Compliance with the applicable law and regulations 遵守適用法律及法規 	<ul style="list-style-type: none"> Financial Institution 財務機構
Peers/Industry Associations 同業／行業協會	<ul style="list-style-type: none"> Experience sharing and cooperation Fair competition 經驗分享與合作 公平競爭 	<ul style="list-style-type: none"> Industry conference and seminars Site visit 行業會議及研討會 實地訪查
Media 傳媒	<ul style="list-style-type: none"> Transparent information 資料透明 	<ul style="list-style-type: none"> Media 傳媒
Public and Communities 公眾人士及社區	<ul style="list-style-type: none"> Community involvement Social responsibilities 社區參與 社會責任 	<ul style="list-style-type: none"> Volunteering Village visiting Charity and social investment 義工服務 村莊探訪 慈善及社會投資

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Through general communication with stakeholders, the Group understands the expectations and concerns from stakeholders. The feedbacks obtained allow the Group to make more informed decisions, and to better assess and manage the resulting impact.

The Group has adopted the principle of materiality in this reporting by understanding the key environmental, social and governance (the “ESG”) issues that are important to the business of the Group. All the key ESG issues and key performance indicators (the “KPIs”) are reported in the Report according to recommendations of the ESG Reporting Guide and the Global Reporting Initiative Guidelines.

The Group has evaluated the materiality and importance in ESG aspects through the following steps:

Step 1: Identification — Industry Benchmarking

- Relevant ESG areas were identified through the review of relevant ESG reports of the local and international industry peers.
- The materiality of each ESG areas was determined based on the important of each ESG area to the Group through internal discussion of the management and the recommendation of ESG Reporting Guide.

Step 2: Prioritisation — Stakeholder Engagement

- The Group discussed with key stakeholders on key ESG areas identified above to ensure all the key aspects were covered.

Step 3: Validation — Determining Material Issues

- Based on the discussion with key stakeholders and internal discussion among the management, the Group’s management ensured that all the key and material ESG areas, which were important to the business development, were reported and in compliance with ESG Reporting Guide.

As a result of the above processes, those important ESG areas to the Group were discussed in this Report.

藉著與持份者之平常溝通，本集團理解到持份者之期望與關注，而所獲得反饋意見讓本集團得以作出更明智決策以及更有效評估及管理因此產生之影響。

本集團了解對本集團業務至關重要之關鍵環境、社會及管治(「環境、社會及管治」)事宜，故於此報告中採取重大性原則。根據《環境、社會及管治報告指引》及《全球報告倡議組織指引》(Global Reporting Initiative Guidelines)之建議，於報告中匯報所有關鍵環境、社會及管治事宜以及關鍵績效指標(「關鍵績效指標」)。

本集團透過以下步驟評估環境、社會及管治範疇之重大性及重要性：

第一步：識別 — 行業基準

- 透過檢視本地及國際同業之有關環境、社會及管治報告識別相關環境、社會及管治範疇。
- 基於透過管理層內部討論得出對本集團至關重要之各環境、社會及管治範疇以及《環境、社會及管治報告指引》之建議，釐定各環境、社會及管治範疇之重大性。

第二步：優先考慮 — 持份者參與

- 本集團與主要持份者討論上述所識別關鍵環境、社會及管治範疇，以確保涵蓋所有關鍵範疇。

第三步：有效驗證 — 釐定重大事宜

- 基於與主要持份者之討論及管理層間之內部討論，本集團管理層確保就所有對業務發展至關重要之關鍵及重大環境、社會及管治範疇作出報告並符合《環境、社會及管治報告指引》規定。

基於進行了以上程序，故於本報告內討論該等對本集團至關重要之環境、社會及管治範疇。

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環境、社會及管治報告

A. ENVIRONMENTAL ASPECTS

The Group is mainly involved in office operations and its business activities do not have significant impact on the environment or natural resources. In spite of this, as a financial services provider, we recognise that we have an obligation to reduce the impact of our operations on the environment and be accountable for the resources and materials that are used in our daily operations. We are committed to continuously improving our environmental sustainability by responsibly managing our operation, reducing our carbon footprint and using resources effectively.

Throughout the year, the Group fully complied with all of the relevant environmental laws and regulations in Hong Kong, such as the Air Pollution Control Ordinance (Cap. 311), the Water Pollution Control Ordinance (Cap. 358), the Sewage Services Ordinance (Cap. 463) and the Waste Disposal Ordinance (Cap. 354). Besides, no concluded cases regarding environmental issues were brought against us or our employees. We also regularly update ourselves with the latest development of the applicable laws and regulations on environmental protection.

Apart from complying with the environmental protection rules and standards, the Group emphasises environmental protection and seeks ways to enhance efficiency in the use of natural resources and reduce the environmental impact of its business operation. We take the initiative to formulate and implement the “Corporate Environmental Policy” to establish relevant emissions reduction and energy saving initiatives internal policies and campaigns to facilitate the effective use of natural resources and eco-friendly operation. We also encourage employees to build up environmentally friendly habits through notice and promotion to save resources and minimise pollution.

A. 環境方面

本集團主要於辦公室進行業務且業務活動對環境或天然資源並無重大影響。儘管如此，我們作為金融服務供應商明白到有義務減少營運對環境之影響，並須對我們日常營運中使用之資源及材料負責。我們致力以負責任方式管理業務、減少碳足跡及善用資源，不斷改善環境方面之可持續發展。

本集團於整個年度一直全面遵守香港所有相關環境法律及法規，例如《空氣污染管制條例》(第311章)、《水污染管制條例》(第358章)、《污水處理服務條例》(第463章)及《廢物處置條例》(第354章)。此外，概無任何針對我們或我們之僱員提出有關環境事宜之已終結案件。我們亦定期獲取有關適用環保法律及法規最新發展之資料。

除遵守環保規則及標準外，本集團亦重視環保，並尋求提高天然資源使用效率及減少業務營運對環境影響之方法。我們主動制定並實施「公司環境政策」，制定相關減排及節能舉措內部政策和運動，以促進善用天然資源及以對生態友善之方式營運。我們亦鼓勵僱員透過通知及宣傳養成環保習慣，從而節省資源及盡量減少污染。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

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A1. Emissions

Air Pollutant Emissions

Air pollutant emissions control is essential to mitigate the impact on the environment and to protect the health of employees. As the Group is mainly involved in general office activities, the amount of air pollutant emissions is insignificant. Our air pollutant emissions are mainly generated from the mobile sources. We take initiative to formulate plans in transportation management for the reduction of air pollutant emissions in our daily business operation, for example encouraging employees and clients to take video conference instead of unnecessary transportation. The slight decrease in air pollutant emissions in the current year was mainly attributable to the effective implementation of transportation management measures for reducing vehicle use during the year.

The details of air pollutant emissions of the Group during the years ended 31 March 2019 and 2018 was as follows:

Type of Air Pollutant 空氣污染物類別	Unit 單位	2019 2019年	2018 2018年
Nitrogen oxides (NO _x) 氮氧化物(NO _x)	kg 公斤	8.88	9.52
Sulphur dioxide (SO ₂) 二氧化硫(SO ₂)	kg 公斤	0.15	0.16
Particulate matter (PM) 懸浮粒子(PM)	kg 公斤	0.65	0.70

Greenhouse Gas (the “GHG”) Emission

GHG is considered as one of the major contributors to the climate change and global warming. The Group recognises that climate change is gradually concerned by the community as it affects our daily life and poses a risk to its business. Hence, we are committed to mitigating the effects of climate change and to protecting the health of employees.

A1. 排放物

空氣污染物排放

控制空氣污染物排放乃減輕對環境之影響及保障僱員健康之重要一環。由於本集團主要涉及一般辦公室活動，故空氣污染物排放量甚微。我們之空氣污染物排放主要源自移動源。我們主動制定交通管理計劃，以減少日常業務中之空氣污染物排放，例如鼓勵僱員和客戶採用視像會議取替不必要交通安排。本年度之空氣污染物排放量輕微下降，主要由於年內有效實施交通管理措施，以減少使用車輛。

於截至2019年及2018年3月31日止年度，本集團空氣污染物排放詳情如下：

For the year ended 31 March 截至3月31日止年度

溫室氣體(「溫室氣體」)排放

溫室氣體被視為造成氣候變化及全球暖化之其中一項主要因素。由於氣候變化影響我們日常生活及對本集團業務構成風險，故本集團深明氣候變化日漸備受社會關注。因此，我們致力盡量將氣候變化之影響降至最低，並保障僱員健康。

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The major sources of our GHG emission are the fuel used by vehicles and indirect emission through electricity consumption for our office operation. The Group strives to improve energy efficiency and reduce energy consumption so as to minimise GHG emission by adopting energy saving initiatives mentioned in the section "Use of Resources" of this ESG Report. During the current year, the slight decrease in GHG Scope 1 emission was mainly attributable to the effective implementation of transportation management measures for reducing vehicle use during the year. The increase in GHG Scope 2 emission was mainly due to the new personal loans business which required more electricity consumed for our office during the year.

The details of GHG emission of the Group during the years ended 31 March 2019 and 2018 was as follows:

我們之溫室氣體排放主要源自汽車所用燃料及透過辦公室營運耗電而間接排放。我們致力透過採納本環境、社會及管治報告內「資源使用」一節所述節能措施，提高能源效益及減少耗用能源，從而盡量減少溫室氣體排放。於本年度，溫室氣體範圍1之排放量輕微下降，主要由於年內有效實施交通管理措施，以減少使用車輛。溫室氣體範圍2之排放量增加，主要由於新增私人貸款業務導致年內辦公室耗電量增加。

於截至2019年及2018年3月31日止年度，本集團溫室氣體排放詳情如下：

Type of GHG Emission 溫室氣體排放類別	Unit 單位	For the year ended 31 March 截至3月31日止年度	
		2019 2019年	2018 2018年
Scope 1 ¹ 範圍1 ¹	tonnes of CO ₂ e 噸二氧化碳當量	26.94	28.96
Scope 2 ² 範圍2 ²	tonnes of CO ₂ e 噸二氧化碳當量	37.09	36.19
Total GHG emission 溫室氣體總排放量	tonnes of CO ₂ e 噸二氧化碳當量	64.03	65.15
GHG emission intensity 溫室氣體排放密度	tonnes of CO ₂ e/area in sq. ft. 噸二氧化碳當量／ 每平方呎面積	0.02	0.02

¹ Scope 1: Direct emission from sources that are owned or controlled by our Group.

² Scope 2: Indirect emissions from the generation of purchased electricity consumed by our Group.

¹ 範圍1：來自本集團擁有或控制來源之直接排放。

² 範圍2：來自產生本集團所用購入電力之間接排放。

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Hazardous and Non-hazardous Wastes

Waste management is considered as one of the material topics in environmental protection. The Group recognises the importance of waste reduction. Waste management measures have been introduced and implemented to minimise the amount of waste generated and the impact on the environment. With our business nature, no hazardous waste is generated or discharged during the office operation.

For non-hazardous waste, the waste is mainly generated from daily office operation. The Group takes initiative to reduce waste by formulating effective measures. Generally, we have engaged qualified recycling companies to collect and handle the waste in accordance to the Waste Disposal Ordinance (Cap. 354) in Hong Kong. The major source of our non-hazardous waste is paper waste.

With the aim to reduce the amount of waste generated, the Group endeavours to cultivate environmental awareness among employees. In order to reduce the paper consumption, we encourage our employees to consider environmental-friendly printing such as double-sided printing and copying. We also encourage employees to reuse single sided non-confidential print out. The waste paper is re-used as fillers for packing when practicable.

On top of that, the Group actively promotes electronic communication such as emails to reduce the amount of paper used. In addition to paper saving, we also encourage employees to reuse stationery such as envelopes and use reusable items such as reusable cutleries and cups. All these measures are geared at reducing waste such as paper waste which can help mitigate the global greenhouse effect as well. Recycling bags are available for paper collection. All paper boxes, paper, newspaper and magazines are collected for recycling purpose.

有害及無害廢棄物

廢棄物管理被視為重要環保議題之一。本集團深明減少廢棄物攸關重要，已推行及實施廢棄物管理措施，務求盡量減少所產生廢棄物量及對環境之影響。基於我們之業務性質，於辦公室營運期間並無產生或排放任何有害廢棄物。

就無害廢棄物而言，廢棄物主要源自日常辦公室營運。本集團透過制定有效措施，主動減少浪費。一般而言，我們已聘請合資格回收公司根據香港《廢物處置條例》(第354章)收集及處理廢棄物。我們之無害廢棄物來源主要為廢紙。

為減少所產生廢棄物量，本集團致力加強僱員之環保意識。為減少用紙，我們鼓勵僱員考慮採用雙面打印及複印等環保印刷措施。我們亦鼓勵僱員重用經單面非機密打印之紙張，並在切實可行情況下，重用廢紙作為包裝填充物。

更重要的是，本集團積極推廣使用電郵等電子通訊方式，以減少用紙量。除節省用紙外，我們亦鼓勵僱員重用信封等文儀用品，並使用可重複使用之餐具及水杯等可重用物品。所有此等措施均旨在減少廢紙等廢棄物，此舉有助減輕全球溫室效應。我們設有環保袋收集紙張。我們收集所有紙箱、紙張、報紙和雜誌作回收之用。

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The details of non-hazardous waste generated by the Group during the years ended 31 March 2019 and 2018 was as follows:

於截至2019年及2018年3月31日止年度，本集團所產生無害廢棄物詳情如下：

Type of Wastes Disposal 處置廢棄物類別	Unit 單位	For the year ended 31 March 截至3月31日止年度	
		2019 2019年	2018 2018年
Non-hazardous waste 無害廢棄物	tonnes 噸	5.48	N/A ³
Non-hazardous waste intensity 無害廢棄物密度	tonnes/employee 噸／僱員	0.14	N/A ³

During the years ended 31 March 2019 and 2018, non-hazardous waste recycled by the Group was as follows:

於截至2019年及2018年3月31日止年度，本集團所回收無害廢棄物情況如下：

Type of Wastes Recycled 回收廢棄物類別	Unit 單位	For the year ended 31 March 截至3月31日止年度	
		2019 2019年	2018 2018年
Paper recycled 回收紙張	tonnes 噸	0.65	N/A ³
Paper recycled intensity 回收紙張密度	tonnes/employee 噸／僱員	0.02	N/A ³

³ "N/A" refers to "not available". The amounts were not available for the year ended 31 March 2018.

³ 「N/A」指「無法獲得」。於截至2018年3月31日止年度無法獲得有關數量。

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A2. Use of Resources

The Group considers environmental protection as an essential component of a sustainable and responsible business. We have an in-depth understanding of the importance of safeguarding sustainable development of the environment and this to attach importance to efficient utilisation of resources by introducing various measures in daily office operation. We understand that staff participation is the key to achieve such goals. We strive to build up a working environment that emphasises the “green office” policy such as a set of guidelines to improve the efficient use of resources for long-term sustainability. We also motivate our employees to participate in resources conservation activities to promote resources saving.

Energy Consumption

The Group considers environmental protection as an essential component of a sustainable and responsible business. With aims of resource saving and implementation of energy saving measures, we actively promote the concept of energy saving and emission reduction into the entire process of its business development and operation and implements different energy saving measures.

Regarding energy consumption of the Group, petrol and purchased electricity mainly result from fuel used by vehicles and premises operation respectively. The Group endeavours to reduce the energy consumption by advocating various energy conservation strategies. For examples, we choose to use power-saving facilities and reduce the number of equipment used. Computers are switched to energy-saving mode when they are not in use for a long period of time. All power supply in the area is switched off while idle. Besides, the temperature of air-conditioners is maintained at an energy-efficient level to reduce the energy consumption. Energy conservation reminders are placed to increase employees’ awareness of energy saving. We will consistently seek ways to improve energy efficiency and reduce energy consumption in our facilities in the future. The slight decrease in petrol consumption during the current year was mainly attributable to the effective implementation of transportation management measures for reducing vehicle use during the current year. The increase in electricity consumption in the current year was mainly due to the new personal loans business which required more electricity consumed for our office.

A2. 資源使用

本集團視環保為可持續及負責任企業之重要元素。我們深明保障環境可持續發展至關重要，故於日常辦公室營運中推行各項措施，重視有效運用資源。我們明白到達致該等目標之關鍵在於員工參與。我們努力為實現長期可持續發展營造強調「綠色辦公室」政策之工作環境，有關政策包括一套旨在更有效運用資源之指引。我們亦鼓勵僱員參與資源保護活動，以促進節約資源。

能源耗用

本集團視環保為可持續及負責任企業之重要元素。為節約資源及實施節約能源措施，我們於整個業務發展及營運過程中積極推廣節約能源及減少排放物概念，並實施不同節約能源措施。

關於本集團能源耗用方面，汽油及購入電力分別主要源自汽車所用燃料及物業營運。本集團致力藉倡導各項節能策略減少能源耗用。舉例而言，我們選擇使用省電設施並減少所用設備數量；將長時間未使用之電腦切換至節能模式；關閉區內所有閒置電源。此外，我們將空調溫度維持在節能水平，以減少能源耗用。我們設有節能提示，以提高僱員之節能意識。我們日後將不斷尋求各種方法，以提高設施之能源效益及減少能源耗用。於本年度之汽油消耗量略有下降，主要由於本年度有效實施交通管理措施，以減少使用車輛。於本年度之耗電量增加，主要由於新增私人貸款業務導致辦公室耗電量增加。

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The details of energy consumption of the Group during the years ended 31 March 2019 and 2018 was as follows:

於截至2019年及2018年3月31日止年度，本集團能源耗用詳情如下：

Type of Energy 能源類別	Unit 單位	For the year ended 31 March 截至3月31日止年度	
		2019 2019年	2018 2018年
Purchased electricity 購入電力	MWh 兆瓦時	46.36	45.82
Petrol 汽油	MWh 兆瓦時	88.43	95.06
Total energy consumption 能源總耗量	MWh 兆瓦時	134.79	140.88
Energy intensity 能源密度	MWh/area in sq. ft. 兆瓦時／每平方呎面積	0.03	0.04

Water Consumption

Water is another important resource used for the daily operation. The business of our Group is operated in office premises where water supply is solely controlled and centrally managed by its respective property management of the buildings. In this case, it is not feasible for the Group to provide all relevant water consumption data as there is no separate meter for the individual office unit to record water usage. In spite of this, we strive to prevent unnecessary water consumption by promptly reporting to the relevant department in case of leaking faucet. We also actively raise employees' awareness of water saving through green office policy such as reminding employees to turn faucet off tightly and conducting regular inspection and maintenance of water facilities.

用水

水乃於日常營運中使用之另一重要資源。本集團於辦公室物業經營業務，而物業內之供水乃由樓宇各自之物業管理全權控制及集中管理。在此情況下，本集團無法提供所有相關用水數據，原因為個別辦公室單位並無獨立儀錶記錄用水數據。儘管如此，我們致力透過即時向相關部門報告水龍頭滲漏情況，避免不必要用水。我們亦藉著綠色辦公室政策積極提高僱員之節水意識，例如提醒僱員關緊水龍頭以及定期檢查及維護供水設施。

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A3. The Environment and Natural Resources

The Group's two main operating segments: (i) property mortgage loans and (ii) personal loans have no significant impact on the environment and natural resources. Notwithstanding, we continue to enhance the environmental awareness of our employees, customers, shareholders and business partners and enlist their supports in improving our environmental performance. With the integration of policies and measures to reduce air pollutants and GHG emissions, waste generation and resources consumption, we strive to enhance environmental sustainability and minimise our impacts on the environment. We will review our environmental policy from time to time and will consider implementing further eco-friendly measures and practices in order to enhance environmental sustainability.

B. SOCIAL ASPECTS

EMPLOYMENT AND LABOUR PRACTICES

B1. Employment

The Group believes people are our most important asset to the continuing development and success of our Group. As such, we aim to attract and motivate talents, maintain a safe and equal working environment and promote health and well-being of our employees. We pay special attention to our employees' rights and strictly complies with the Employment Ordinance (Cap. 57), the Minimum Wage Ordinance (Cap. 608), Mandatory Provident Fund Schemes Ordinance (Cap. 485) and other relevant regulations in Hong Kong. The staff handbook covers our Group's standard in respect of compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination and other benefits and welfare.

The Group strives to construct a diverse and inclusive workplace where all our employees are treated with dignity and respect. We strongly oppose to all discriminatory behaviours against any individual on their gender, age, nationality, race, colour, disability, creed, religion, sexual orientation, marital status or family status. The principle of equal opportunities is applied in all employment practices, including but not limited to recruitment, promotion and transfer, work allocation, benefits and training and development.

A3. 環境及天然資源

本集團旗下兩大經營分部(即(i)物業按揭貸款及(ii)私人貸款)對環境及天然資源均無任何重大影響。儘管如此，我們不斷提高僱員、客戶、股東及業務夥伴之環保意識，爭取其支持改善環境績效。隨著納入政策及措施以減少空氣污染物及溫室氣體排放、廢棄物產生以及資源耗用，我們矢志加強環境可持續發展及盡量降低對環境帶來之影響。我們將不時檢討環境政策，並將考慮實施其他環保措施及慣例，務求加強環境可持續發展。

B. 社會方面

僱傭及勞工常規

B1. 僱傭

本集團深信，員工為本集團持續發展及邁向成功之最重要資產。因此，我們努力吸引及留聘人才，並營造安全及平等的工作環境以及促進僱員身心健康。我們尤其注重僱員權利，並嚴格遵守《僱傭條例》(第57章)、《最低工資條例》(第608章)、《強制性公積金計劃條例》(第485章)及香港其他相關規例。員工手冊載列本集團有關薪酬及解僱、招聘及晉升、工作時數、假期、平等機會、多元化、反歧視以及其他待遇及福利之標準。

本集團竭力建立多元化及共融的工作環境，禮待及尊重全體僱員。我們強烈反對一切因任何個別人士之性別、年齡、國籍、種族、膚色、傷健、信仰、宗教、性取向、婚姻狀況或家庭狀況而出現之歧視行為。所有僱傭常規均應用平等機會原則，包括但不限於招聘、晉升及調遷、工作分配、福利以及培訓及發展。

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The Group has formulated competitive remuneration packages to retain and motivate employees in achieving key goals of our Group. We provide remuneration for its employees according to their qualifications, experience, performance, job duties and service years as well as to the market benchmark. We perform salary review on an annual basis to ensure its remuneration practices are competitive and aligned with market rate. In addition to salary, we provide mandatory provident fund, allowances, required social security benefits, medical benefits and variable incentive-based remuneration such as discretionary bonus to our employees. Employees are also entitled to various types of leave including annual leave, sick leave, maternity leave and paternity leave.

The Group acknowledges the importance of work-life balance and strives to maintain a supportive and relaxing working environment for our employees. We organise activities such as annual dinner for employees to relax and to strengthen their sense of belongings. In addition to those specified in the Employment Ordinance (Cap. 57), we provide paid or partially paid leaves and support services or activities for our employees to handle urgent personal and family matters. We also provide family care and supports to our employees and/or their family members to bring a positive impact on their family life. We are committed to building a pleasant working environment to enhance the happiness of our employees. Our principal subsidiary, Hong Kong Finance has received the “Happy Company” 2018 logo issued by the Promoting Happiness Index Foundation and the Hong Kong Productivity Council as an encouragement for our commitment to create a happy workplace for our employees.

During the current year, our Group was no aware of any non-compliance with the relevant laws and regulations that had significant impact on our Group relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination and other benefits and welfare. Any changes of employment terms will be notified to staff and agreed in writing to protect the lawful rights and interests of all employees.

本集團已制定具競爭力之薪酬組合以留聘及激勵僱員達成本集團之主要目標。我們根據僱員之資歷、經驗、表現、工作職責及年資以及市場標準提供薪酬。我們每年檢討薪資，確保其薪酬常規具競爭力及符合市場水平。除薪金外，我們為僱員提供強制性公積金、津貼、必要社會保障福利、醫療福利及浮動獎勵酬金(如酌情花紅)。僱員亦有權享有各類假期，包括年假、病假、產假及待產假。

本集團了解工作與生活平衡至關重要，致力為僱員營造充滿支持及輕鬆的工作環境。我們舉辦年度晚宴等活動，以供僱員放鬆心情及增強其歸屬感。除《僱傭條例》(第57章)所訂明者外，我們向僱員提供有薪或部分帶薪休假，並提供支援服務或活動，以便其處理緊急個人及家庭事務。我們亦向僱員及／或其家庭成員提供家庭護理及支援，對彼等之家庭生活產生積極影響。我們銳意打造愉快的工作環境，為僱員謀求幸福。旗下主要附屬公司香港信貸已獲香港提升快樂指數基金與香港生產力促進局頒發2018「開心工作間」標誌，鼓勵我們致力為僱員營造愉快的工作環境。

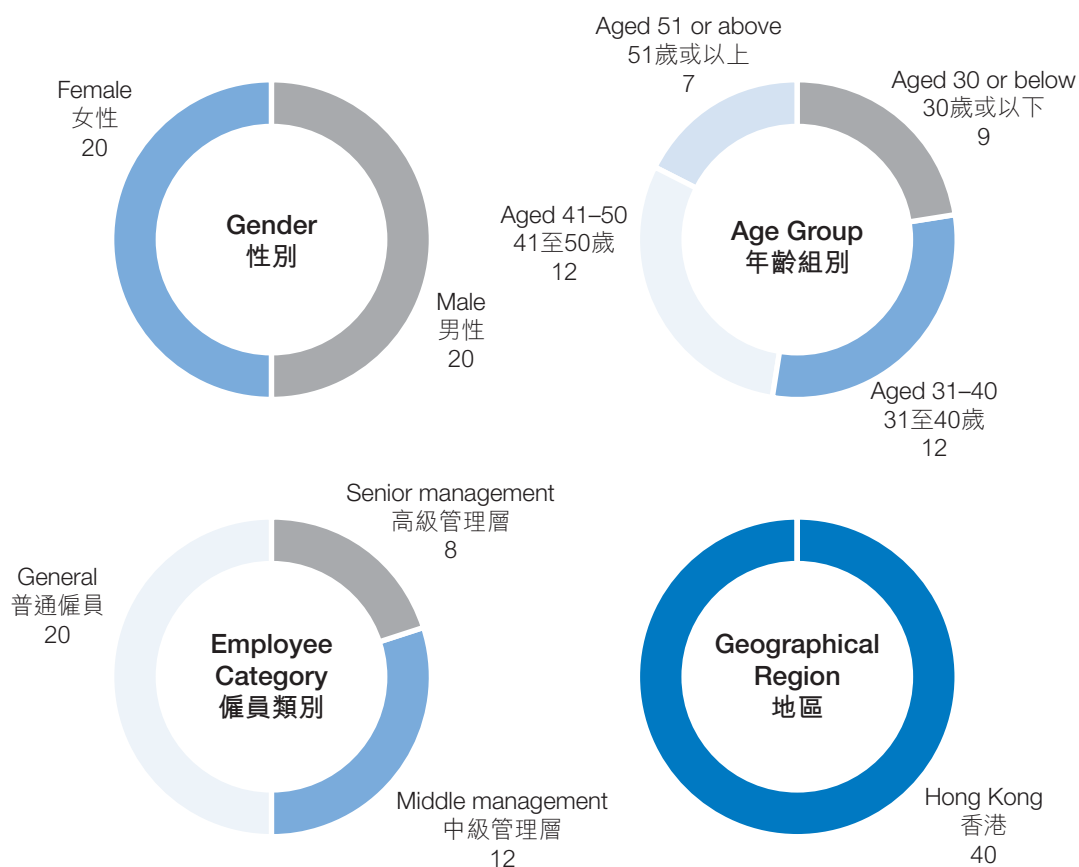
於本年度，本集團並不知悉任何未遵守有關薪酬及解僱、招聘及晉升、工作時數、假期、平等機會、多元化、反歧視以及其他待遇及福利之相關法律及法規而對本集團產生重大影響之情況。僱傭條款如有任何變動，將會通知員工並以書面協定，以保障所有僱員之法定權利及權益。

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環境、社會及管治報告

As at 31 March 2019, the employee compositions (in numbers of employees) by gender, employee category, age group and geographical region are as follows:

於2019年3月31日，按性別、僱員類別、年齡組別及地區劃分之僱員組成情況(按僱員人數計算)如下：



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The employee turnover rates by gender, age group and geographical region as at 31 March 2019 are as follows:

於2019年3月31日，按性別、年齡組別及地區劃分之僱員流失比率如下：

Employment 僱傭	Unit 單位	Turnover rate (%) 流失比率 (%)
By gender		
按性別劃分		
• Male 男性	%	23
• Female 女性	%	36
By age group		
按年齡組別劃分		
• 30 or below 30歲或以下	%	45
• 31–40 31至40歲	%	34
• 41–50 41至50歲	%	26
• 51 or above 51歲或以上	%	–
Overall 合計	%	33

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環境、社會及管治報告

B2. Health and Safety

The Group takes into consideration every precaution to establish a healthy and safe working environment for its employees. We place the highest priority on securing the health and safety of all employees. In order to ensuring occupational health and safety of our employees, we strictly comply with the rules and guidelines stipulated in the Occupational Safety and Health Ordinance (Cap. 509) by the Labour Department in Hong Kong and any other applicable laws and regulations.

Besides, with the aim to provide and maintain a safe and healthy working environment for employees, the Group implements “Occupational Safety and Health Policy” to protect them from work-related injury. We support a culture that enhances the health and safety awareness of our employees in order to minimise the risk of work-related injury. We also provide medical benefits for our employees and establish work arrangement for typhoon and rainstorm warning. Besides, we place great emphasis on the employees’ mental wellness. We provide information and services regarding stress management and mental wellness counselling for our employees to relieve stress and to promote mental wellness.

During the current year, our Group was not aware of any non-compliance with the relevant laws and regulations that had significant impact on our Group in providing a safe and healthy working environment.

B2. 健康與安全

本集團會考慮一切預防措施，以為僱員營造健康及安全之工作環境。我們將確保所有僱員之健康與安全置於首位。為確保僱員之職業健康與安全，我們嚴格遵守香港勞工處之《職業安全及健康條例》(第509章)內訂定之規則及指引以及任何其他適用法律及法規。

此外，本集團奉行「職業安全及健康政策」，以保障僱員免受工傷，務求為僱員提供及維持安全健康之工作環境。我們推舉提高僱員健康與安全意識之文化，盡量降低工傷風險。我們亦為僱員提供醫療福利，並制定颱風及暴雨警告下之工作安排。此外，我們非常重視僱員心理健康。我們為僱員提供有關壓力管理及心理健康諮詢之資訊及服務，以舒緩壓力並促進心理健康。

於本年度，本集團並不知悉任何未遵守有關提供安全及健康工作環境之相關法律及法規而對本集團產生重大影響之情況。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

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B3. Development and Training

The Group believes that knowledges and skills of our employees are vital to our continued business growth and success. We have established a “Staff Training and Development Policy” to support our employees in the performance of their designated roles and help them to fulfill their potential during the course of their employment. We provide diversified on-the-job trainings for our employees and continue to improve the training system in order to enhance their requisite knowledges and skills in discharging their duties. During the current year, the detailed breakdown of the average training hours completed by each employee is as follows:

Training	Average training hours (hours/employee)	Percentage of employee trained (%)
培訓	平均培訓時數 (小時／僱員)	受訓僱員百分比 (%)
By gender		
按性別劃分		
• Male 男性	1	42
By employee category		
按僱員類別劃分		
• Senior management 高級管理層	4	50
• Middle management 中級管理層	4	33

B4. Labour Standards

The Group respects the human rights of employees, and is strongly against the employment of child labour and forced labour. We strictly emphasise on the prohibition of engaging child labour and forced labour. Adhering to the Employment Ordinance (Cap. 57) and the Employment of Children Regulations in Hong Kong, we strictly prohibit recruitment of individuals under the age of 15. According to our “Human Resources Policy Guidelines”, job applicants are required to present their identity documents for age verification during recruitment process.

B3. 發展及培訓

本集團相信，僱員之知識及技能對業務蒸蒸日上及邁向成功至關重要。我們已制定「員工培訓及發展政策」，支持僱員於受僱期間履行指定職責並協助彼等發揮潛力。我們為僱員提供多元化在職培訓，並持續改善培訓制度，務求增進其履行職責所需知識及技能。於本年度，各僱員完成之平均培訓時數明細詳列如下：

Average training hours (hours/employee)	Percentage of employee trained (%)
平均培訓時數 (小時／僱員)	受訓僱員百分比 (%)
By gender	
按性別劃分	
• Male 男性	42
By employee category	
按僱員類別劃分	
• Senior management 高級管理層	50
• Middle management 中級管理層	33

B4. 勞工標準

本集團尊重僱員人權，並強烈反對僱用童工及強制勞工。我們嚴格禁止僱用童工及強制勞工。我們遵循香港《僱傭條例》(第57章)及《僱用兒童規例》，嚴禁僱用未滿15歲之人士。根據「人力資源政策指引」，求職者須於招聘過程中出示其身份證明文件以供核實年齡。

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The Group is committed to respecting the freedom of employees and prohibiting all forms of forced labour. All work should be performed on a voluntary basis and the working hours are regulated in the staff handbook.

During the current year, our Group was not aware of any non-compliance with relevant laws and regulations related to recruitment of child labour or forced labour practices.

本集團致力尊重僱員之自由，並禁止一切形式之強制勞工。所有工作均為自願執行，而工作時間則受到員工手冊規管。

於本年度，本集團並不知悉任何未遵守有關僱用童工或強制勞工之相關法律及法規之情況。

OPERATING PRACTICES

B5. Supply Chain Management

As a financial services provider, the Group mainly works with third party services providers which provide services such as information technology service, property management service, advertising service and legal and consulting service. We also work with suppliers that supply office equipment, printing and stationery. During the primary engagement process, we select more than one supplier for comparison purpose and to ensure fair selection. With the implementation of our “Environmental Procurement Policy”, we strive to minimise our impacts on the environment by supporting and giving priority to purchase recycled and environmental-friendly products.

B6. Product Responsibility

The Group regards service quality as a key competitive advantage of its business. We continue to provide high-quality services in order to enhance customer satisfaction. We strictly comply with relevant laws and regulations, including but not limited to the Money Lenders Ordinance (Cap. 163), the Personal Data (Privacy) Ordinance (Cap. 486), the Trade Description Ordinance (Cap. 362) and the Copyright Ordinance (Cap. 528) in Hong Kong. During the current year, our Group was not aware of any non-compliance regarding product responsibility.

Quality Management

The Group has implemented a “Quality Management Policy” to ensure the continual delivery of high-quality services to our customers. We continuously provide value-added features on our websites, such as mortgage calculator, online property valuation and online loan application, aiming to offer excellent customer experience and surpass customers’ expectations where possible.

營運慣例

B5. 供應鏈管理

作為金融服務供應商，本集團主要與提供資訊科技服務、物業管理服務、廣告服務、法律及諮詢服務等服務之第三方服務供應商合作。本集團亦與供應辦公設備、印刷及文具之供應商合作。在初步委聘過程中，我們會選擇多於一名供應商以作比較及確保公平甄選。透過推行「環境採購政策」，並支持優先採購回收及環保產品，我們盡量減低對環境帶來之影響。

B6. 產品責任

本集團視服務質素為旗下業務之主要競爭優勢。我們不斷提供優質服務，藉以提高客戶滿意程度。我們嚴格遵守相關法律及法規，包括但不限於香港《放債人條例》(第163章)、《個人資料(私隱)條例》(第486章)、《商品說明條例》(第362章)及《版權條例》(第528章)。於本年度，本集團並不知悉任何有關產品責任之違規情況。

質量管理

本集團已實施「質量管理政策」，確保持續向客戶提供優質服務。我們努力不懈透過旗下網站提供按揭計算器、網上物業估值及網上貸款申請等增值功能，旨在為客戶提供最佳體驗並盡可能超越客戶期望。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

The Group believes the opinions from customers can drive our continuous improvement and are essential to our pursuit for excellence. We welcome the opinions from customers by establishing various communication channels with customers, such as customer service hotline, email, WhatsApp, WeChat and Facebook. We have also established a customer service survey form on our website to understand the needs of our customers and improve our service quality.

Customer Data Protection and Privacy

The Group acknowledges that data privacy is a critical issue for financial services industry and we place great importance on the data protection of our customers. We adhere to the Personal Data (Privacy) Ordinance (Cap. 486) in Hong Kong and take high precaution in ensuring data confidentiality to avoid misuse or leakage of personal data. The confidential personal data is handled with due care and kept in a locked cabinet. We have incorporated our requirements into staff handbook and requires employees to abide by the guidance on prohibiting any unauthorised disclosure of confidential information. In addition, we have included the purpose of personal data collection in the loan application form to ensure our customers are aware of it.

B7. Anti-Corruption

The Group is committed to upholding the high standards of business ethics and integrity in the conduct of our Group's business and operation. We strictly comply with all applicable laws and regulations, including the Prevention of Bribery Ordinance (Cap. 201) in Hong Kong. Our standards towards anti-corruption and business ethics, incorporated into the staff handbook, are communicated and reinforced to our employees. Employees shall not solicit or accept any forms of bribing benefits, including banquets, cash, gifts, rebates and commissions. If any case of suspected corruption or other criminal offence is discovered, it will be reported to the Independent Commission Against Corruption or other relevant authorities.

The Group aims to avoid being directly or indirectly involved in corrupt practices. Hence, we have established a "Guideline on Anti-Money Laundering and Counter-Terrorist Financing", which covers procedures for customer due diligence and reporting suspicious transaction, to prevent and detect any money laundering and terrorist financing.

本集團深信，客戶提出之意見對推動我們不斷進步。我們透過設立客戶服務熱線、電郵、WhatsApp、微信及Facebook等與客戶溝通之渠道，鼓勵客戶提出意見。我們亦於網站設有客戶服務調查表格，以期了解客戶需要及改善服務質素。

客戶資料保護及私隱

本集團深明資料私隱乃金融服務業之關鍵議題，並極為重視保護客戶資料。我們遵循香港《個人資料(私隱)條例》(第486章)，採取高度預防措施確保資料保密，以免濫用或洩露個人資料。機密個人資料均獲審慎處理，並存置在上鎖的文件櫃內。我們已將其規定載入員工手冊，並要求僱員遵守指引，禁止出現任何未經授權披露機密資料之情況。此外，我們於貸款申請表格載列以確保客戶知悉收集個人資料之目的。

B7. 反貪污

本集團矢志在業務營運過程中秉持高水平之商業道德及誠信。我們嚴格遵守所有適用法律及法規，包括香港《防止賄賂條例》(第201章)。我們有關反貪污及商業道德之標準已載入員工手冊，並與僱員溝通及加強有關方面。僱員不得索取或收受任何形式之賄賂利益，包括宴會、現金、禮物、回扣及佣金。如發現任何懷疑干犯貪污或其他刑事罪行之情況，將向廉政公署或其他相關當局舉報。

本集團之目標為避免直接或間接參與貪污行為。因此，我們已制定「反洗黑錢及反恐怖分子融資活動指引」，其中涵蓋客戶盡職審查及報告可疑交易程序，以防止及發現任何洗黑錢及恐怖分子融資活動。

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Customer Due Diligence

Prior to accepting customers' loan application, the Group carries out Know-Your-Client procedures to verify the identity of customers and assess the risks associated with the customers by using documents, data and information obtained from reliable and independent sources, such as government and public authorities. We verify the identity of individual customers by inspecting their Hong Kong Identity Cards and proofs of residential address. For corporate customers, we verify their identity by inspecting their Certificates of Incorporation and/or Business Registration Certificates. For the individual who is acting on the authority of the customer, we will also verify his/her identity and examine whether he/she has the authority to act for that customer.

In addition, the Group conducts checking on land register to verify the ownership of the properties and ascertain whether the properties are under any charges. For body corporate customers, we enquire the ownership structures of the body corporate. We do not allow anonymous customer account to be set up, and all loan repayments from customers are made by cheques with their own bank accounts and payable to us or our solicitors.

Suspicious Transactions Reporting

Upon any suspected or confirmed case of property representing the proceeds of crime or terrorist property, employees are required to immediately report to the Group's top management in accordance with our internal guideline. The Group will promptly report the suspicious transactions to the Joint Financial Intelligence Unit⁴ using the standard form or e-channel "STREAMS".

During the current year, the Group was not aware of any non-compliance with the relevant laws and regulations that had significant impact on the Group relating to bribery, extortion, fraud and money laundering. There was no legal case regarding corruption practices brought against our Group during the current year.

客戶盡職審查

在接受客戶之貸款申請前，本集團會執行「認識你的客戶」程序，使用來自政府及公營機構等可靠及獨立渠道之文件、數據及資料，以核實客戶身份及評估與客戶有關之風險。我們透過檢查個人客戶之香港身份證及住址證明，並透過檢查企業客戶之公司註冊證書及／或商業登記證書，以核實客戶身份。就獲客戶授權代其行事之人士而言，我們亦會核實其身份並查核其是否獲客戶授權代其行事。

此外，本集團會進行土地查冊，以核實物業之擁有權及確定有關物業是否涉及任何抵押。就法團客戶而言，我們將查詢該法團之擁有權架構。我們不容許設立匿名客戶賬戶，而客戶亦須使用其本身銀行賬戶開出之支票向我們或其律師償還所有貸款。

報告可疑交易

根據我們的內部指引，當僱員懷疑或確定任何物業為犯罪得益或恐怖分子物業，須即時向本集團高級管理層匯報。本集團將從速採用標準形式或電子渠道「可疑交易報告管理系統」向聯合財富情報組⁴報告可疑交易。

於本年度，本集團並不知悉任何未遵守有關賄賂、勒索、欺詐及洗黑錢之相關法律及法規而對本集團產生重大影響之情況。於本年度，本集團亦無牽涉任何有關貪污之法律案件。

⁴ Joint Financial Intelligence Unit is a unit jointly operated by the Hong Kong Police Force and the Hong Kong Customs and Excise Department. Its role is to receive, analyse and store suspicious transactions reports and to disseminate them to the appropriate investigative unit.

⁴ 聯合財富情報組由香港警務處與香港海關共同管理，其職責在於接收、分析及儲存可疑交易報告，並且將可疑交易報告送交適當的調查小組處理。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

COMMUNITY

B8. Community Investment

As a socially responsible corporate citizen, the Group strives to contribute back to the society and bring a positive impact on the community. A “Community Involvement Policy” is in place to encourage and support community development initiatives. Our principal subsidiary, HK Finance has been awarded the “Caring Company” logo by the Hong Kong Council of Social Service for five consecutive years in recognition of our contribution to society and serving of the community by donating to different institutions.

Our Group is committed to fulfilling social responsibility by investing in the communities. During the current year, the Group made donations to various charitable organisations, including:

- Wai Yin Association
- Hong Kong Children Foundation
- Yan Chai Hospital

In addition, the Group encourages its employees to dedicate their time and skills to participate in different voluntary activities and be aware of community needs. We also encourage our employees, customers and business partners to make donations in supporting the sustainable development of the community.

社區

B8. 社區投資

作為對社會負責任之企業公民，本集團致力回饋社會，並為社區帶來積極影響。我們已制定「社區參與政策」，以鼓勵及支援社區發展措施。旗下主要附屬公司香港信貸向不同機構作出捐獻，已連續五年獲得香港社會服務聯會之「商界展關懷」標誌，表揚我們對社區作出貢獻及服務社區。

本集團致力通過社區投資以履行社會責任。於本年度，本集團曾向多間慈善組織捐款，包括：

- 慧妍雅集
- 香港兒童基金會
- 仁濟醫院

此外，本集團鼓勵僱員奉獻其時間及技能參與不同義工活動，並了解社區需求。我們亦鼓勵僱員、客戶及業務夥伴捐款，以支持社區可持續發展。

DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層

EXECUTIVE DIRECTORS

Mr. Chan Koung Nam (陳光南), aged 63, is our executive Director who was appointed to the Board in 2013. Mr. Chan is also acting as directors of various subsidiaries of our Company. He is the brother of Mr. Chan Kwong Yin William and one of the founders of our Group. Mr. Chan has over twenty years of experience in money lending business and is responsible for the strategic planning and overall development of our Group.

Mr. Chan is one of the substantial Shareholders (as defined under the Listing Rules). He owns 50% of the issued share capital of Tin Ching Holdings which is one of the substantial Shareholders. Details of his interest in the Shares and underlying Shares have been disclosed in the section headed “Report of the Directors” under the sub-sections headed “Directors’ and Chief Executives’s Interests and/or Short Positions in Shares and Underlying Shares or any other associated corporation” and “Substantial Shareholders’ Interests and/or short positions in Shares and Underlying Shares” respectively.

Mr. Chan Kwong Yin William (陳光賢), aged 54, is our executive Director who was appointed to the Board in 2013. Mr. Chan is also acting as directors of various subsidiaries of our Company and is the Chairman of the Board. He is the brother of Mr. Chan Koung Nam and one of the founders of our Group. He has over twenty years of experience in money lending business and is responsible for overseeing our Group’s business operation and development as well as monitoring our Group’s corporate strategy and administration. Mr. Chan also supervises the formulation of our Group’s marketing strategy and the execution of the relevant marketing programs.

Mr. Chan is one of the substantial Shareholders (as defined under the Listing Rules). He owns 50% of the issued share capital of Tin Ching Holdings which is one of the substantial Shareholders. Details of his interest in the Shares and underlying Shares have been disclosed in the section headed “Report of the Directors” under the sub-sections headed “Directors’ and Chief Executives’s Interests and/or Short Positions in Shares and Underlying Shares or any other associated corporation” and “Substantial Shareholders’ Interests and/or short positions in Shares and Underlying Shares” respectively.

Mr. Tse Pui To (謝培道), aged 53, is our executive Director and the Chief Executive Officer who was appointed to the Board in 2013. Mr. Tse joined our Group in 2002 and is responsible for managing our Group’s business operation with focus on our mortgage loan sales, aftersales activities and other administrative functions. Prior to joining our Group, he worked as and held senior positions in various financial institutions. Mr. Tse possesses extensive experience in corporate finance activities and business promotions.

執行董事

陳光南先生，63歲，於2013年獲委任加入董事會為我們的執行董事。陳光南先生亦出任本公司多間附屬公司之董事。彼為陳光賢先生之胞兄並為本集團創辦人之一。陳光南先生在放債業務方面累積逾20年經驗，負責本集團策略性規劃及整體發展。

陳光南先生為其中一名主要股東(定義見上市規則)。彼於其中一名主要股東天晶控股之已發行股本中擁有50%權益。有關彼於股份及相關股份的權益詳情分別於標題為「董事會報告」項下「董事及最高行政人員於股份及相關股份或任何其他相聯法團之權益及／或淡倉」及「主要股東於股份及相關股份之權益及／或淡倉」分節內披露。

陳光賢先生，54歲，於2013年獲委任加入董事會為我們的執行董事。陳光賢先生亦出任本公司多間附屬公司之董事，並擔任董事會主席。彼為陳光南先生之胞弟並為本集團創辦人之一。彼在放債業務方面累積逾20年經驗，負責監管本集團之業務營運和發展，並監察本集團之企業策略和管理。陳光賢先生亦負責監督本集團營銷策略的制訂及相關營銷計劃的執行。

陳光賢先生為其中一名主要股東(定義見上市規則)。彼於其中一名主要股東天晶控股之已發行股本中擁有50%權益。有關彼於股份及相關股份的權益詳情分別於標題為「董事會報告」項下「董事及最高行政人員於股份及相關股份或任何其他相聯法團之權益及／或淡倉」及「主要股東於股份及相關股份之權益及／或淡倉」分節內披露。

謝培道先生，53歲，於2013年獲委任加入董事會為我們的執行董事兼行政總裁。謝先生於2002年加入本集團，負責管理本集團之業務營運，主要管理我們之按揭貸款銷售、售後活動及其他行政職務。加入本集團之前，他曾任職於若干金融機構，並擔任高級職位。謝先生於企業融資活動及業務推廣方面擁有豐富經驗。

DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Chan Siu Wing Raymond (陳兆榮), aged 54, is our independent non-executive Director who was appointed to the Board in 2013. Currently Mr. Chan is an independent non-executive directors of each of Nature Home Holding Company Limited (stock code: 2083) and Quali-Smart Holdings Limited (stock code: 1348), the shares of these two companies are listed on the Main Board of the Stock Exchange. He is also an independent non-executive director of Phoenitron Holdings Limited (stock code: 8066), the shares of which are listed on the GEM of the Stock Exchange.

Mr. Chan resigned as an independent non-executive director of National Agricultural Holdings Limited (stock code: 1236), the shares of which are listed on the Main Board of the Stock Exchange, with effect from 31 March 2016.

Mr. Chan possesses over twenty-five years of experience in the profession of accounting, taxation, finance and trust. He obtained a bachelor of economics degree from the University of Sydney. Mr. Chan is a member of both HKICPA and the Macau Society of Certified Practising Accountants.

Mr. Chu Yat Pang Terry (朱逸鵬), aged 47, is our independent non-executive Director who was appointed to the Board in 2013. Currently Mr. Chu is an independent non-executive directors of each of Ten Pao Group Holdings Limited (stock code: 1979) and AB Builders Group Limited (stock code: 1615), the shares of these two companies are listed on the Main Board of the Stock Exchange. He is also a managing director of Halcyon Capital Limited which specialises in initial public offerings and corporate advisory in mergers and acquisitions.

Mr. Chu possesses over twenty years of experience in corporate finance and auditing. He used to work for an international accounting firm and other corporate finance arms of listed financial institutions in Hong Kong.

Mr. Chu graduated from The University of Western Ontario in Canada with a bachelor of arts degree and from The University of Hull in the United Kingdom with a master of business administration (investment and finance) degree. He also obtained a diploma in accounting from the School of Business and Economics of the Wilfrid Laurier University in Canada. Mr. Chu is a member of HKICPA.

獨立非執行董事

陳兆榮先生，54歲，於2013年獲委任加入董事會為我們的獨立非執行董事。目前，陳兆榮先生為大自然家居控股有限公司(股份代號：2083)及滉達富控股有限公司(股份代號：1348)各自之獨立非執行董事。此兩間公司之股份皆在聯交所主板上市。彼亦為品創控股有限公司(股份代號：8066)之獨立非執行董事，該公司股份在聯交所GEM上市。

陳兆榮先生辭任國農控股有限公司(該公司股份在聯交所主板上市，股份代號：1236)之獨立非執行董事職務，自2016年3月31日起生效。

陳兆榮先生在會計、稅務、財務及信託行業具備逾25年經驗。彼於悉尼大學取得經濟學學士學位。陳兆榮先生為香港會計師公會會員及澳門會計師公會會員。

朱逸鵬先生，47歲，於2013年獲委任加入董事會為我們的獨立非執行董事。目前，朱先生為天寶集團控股有限公司(股份代號：1979)及奧邦建築集團有限公司(股份代號：1615)各自之獨立非執行董事。此兩間公司之股份皆在聯交所主板上市。彼亦為鎧盛資本有限公司之董事總經理，該公司致力於首次上市公開發售以及為企業提供併購諮詢。

朱先生在企業融資及審計方面累積逾20年經驗。彼曾於一間國際會計師事務所及其他香港上市金融機構之企業融資部任職。

朱先生畢業於加拿大西安大略大學，獲文學士學位，並畢業於英國赫爾大學，獲工商管理碩士(投資及財務學)學位。彼亦於加拿大威爾弗雷德勞里埃大學獲經商學院之會計文憑。朱先生為香港會計師公會會員。

DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層

Mr. Cheung Kok Cheong (張國昌), aged 61, is our independent non-executive Director who was appointed to the Board in 2013. Mr. Cheung is also a practicing solicitor of the High Court of Hong Kong since 1993. Currently he is a partner of S.H. Chan & Co., a solicitors' firm in Hong Kong.

Mr. Cheung obtained a bachelor of arts degree from the University of Hong Kong and a bachelor of laws degree from the University of London. He was thereafter awarded the postgraduate certificate in laws by the University of Hong Kong.

SENIOR MANAGEMENT

Mr. Hui Chun Ho Eric (許俊浩), aged 44, is the Financial Controller and Company Secretary of our Group. Mr. Hui joined our Group in 2012 and is responsible for the overall financial accounting and reporting, corporate finance and company secretarial matters of our Group.

Mr. Hui possesses over twenty years of experience in auditing, financial accounting and reporting, company secretarial matters and corporate finance matters. Prior to joining our Group, he worked for an international accounting firm and held several senior positions in other listed companies in Hong Kong.

Mr. Hui is a fellow member of both The Association of Chartered Certified Accountants and HKICPA, and an associate of The Taxation Institute of Hong Kong. He obtained a bachelor of arts degree in accountancy from The Hong Kong Polytechnic University and a master of business administration with distinction from The University of Manchester, United Kingdom.

Mr. Chan Siu Fai (陳少輝), aged 56, is the Senior Mortgage Sales Manager of our Group. Mr. Chan joined our Group in 2000 and is responsible for administering the mortgage loan sales and credit assessment of our Group's lending business.

Mr. Choi Tak On Jobby (蔡德安), aged 50, is the Senior Mortgage Sales Manager of our Group. Mr. Choi joined our Group in 2005 and is responsible for administering the mortgage loan sales and credit assessment of our Group's lending business.

張國昌先生，61歲，於2013年獲委任加入董事會為我們的獨立非執行董事。張先生自1993年起亦為香港高等法院之執業律師。目前，彼為香港律師事務所陳淑雄律師行之合夥人。

張先生於香港大學取得文學學士學位，並於倫敦大學取得法學學士學位。彼隨後獲香港大學頒授法學專業證書。

高級管理層

許俊浩先生，44歲，為本集團的財務總監及公司秘書。許先生於2012年加入本集團，負責本集團之整體財務會計及報告、企業融資及公司秘書事宜。

許先生在審計、財務會計及報告、公司秘書工作以及企業融資方面擁有超過20年之豐富經驗。在加入本集團之前，他曾於一間國際會計師事務所任職，並曾於其他香港上市公司擔任若干高級職位。

許先生為特許公認會計師公會資深會員、香港會計師公會資深會員及香港稅務學會會員。彼於香港理工大學取得會計學文學士學位，並以優異成績獲英國曼徹斯特大學頒授工商管理碩士學位。

陳少輝先生，56歲，為本集團的高級按揭銷售經理。陳少輝先生於2000年加入本集團，負責管理本集團放債業務之按揭貸款銷售及信貸評估。

蔡德安先生，50歲，為本集團的高級按揭銷售經理。蔡先生於2005年加入本集團，負責管理本集團放債業務之按揭貸款銷售及信貸評估。

REPORT OF THE DIRECTORS

董事會報告

Our Directors are pleased to present the report of the directors together with the audited financial statements of our Group for the year ended 31 March 2019.

PRINCIPAL ACTIVITIES

The principal activity of our Company is investment holding. The principal activities of our subsidiaries are set out in Note 18 to the financial statements. There were no significant changes in the nature of our Group's principal activities during the year.

RESULTS

The results of our Group for the year ended 31 March 2019 are set out in the "Consolidated Statement of Comprehensive Income".

ANNUAL GENERAL MEETING

The annual general meeting of our Company will be held on Tuesday, 3 September 2019 (the "AGM"). The notice of AGM, which constitutes part of the circular to the Shareholders, will be published on the websites of our Company and of the Stock Exchange, and despatched to our Shareholders together with our Company's 2019 annual report in due course.

DIVIDENDS

An interim dividend of HK1.2 cents per Share for the six months ended 30 September 2018 had been paid to our Shareholders on 17 January 2019. The Board recommended the payment of a final dividend of HK1.3 cents per Share for the year ended 31 March 2019, subject to shareholders' approval at the AGM. The proposed final dividend will be paid on Wednesday, 9 October 2019.

CLOSURES OF REGISTER OF MEMBERS

The register of members of the Company will be closed during the following periods, and no transfers of shares of the Company will be effected during such periods:

- (i) from Thursday, 29 August 2019 to Tuesday, 3 September 2019, both days inclusive, for the purpose of ascertaining shareholders' entitlement to attend and vote at the AGM. In order to be entitled to attend and vote at the AGM, all transfers of ordinary shares of the Company, duly accompanied by the relevant share certificates, must be lodged with the Hong Kong branch share registrar and transfer office of the Company, Union Registrars Limited (the "Branch Share Registrar"), at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong for registration no later than 4:00 p.m. on Wednesday, 28 August 2019; and

董事欣然呈報董事會報告，連同本集團截至2019年3月31日止年度之經審核財務報表。

主要業務

本公司主要業務為投資控股。附屬公司主要業務詳情載於財務報表附註18。年內，本集團主要業務之性質並無任何重大變動。

業績

本集團截至2019年3月31日止年度之業績載於「綜合全面收入表」。

股東週年大會

本公司將於2019年9月3日(星期二)舉行股東週年大會(「股東週年大會」)。股東週年大會之通告(構成致股東通函之一部分)將於適當時候登載於本公司及聯交所網站，並連同本公司之2019年報一併寄發予股東。

股息

截至2018年9月30日止六個月之中期股息每股1.2港仙已於2019年1月17日派付予股東。董事會建議就截至2019年3月31日止年度派發末期股息每股1.3港仙，惟須待股東於股東週年大會上批准後，方可作實。建議末期股息將於2019年10月9日(星期三)派付。

暫停過戶登記

本公司之股東名冊將於下列期間暫停辦理股份過戶登記手續，期間將不會登記本公司股份之過戶：

- (i) 由2019年8月29日(星期四)至2019年9月3日(星期二)(首尾兩天包括在內)，以確定股東可出席股東週年大會並於會上投票之資格。為確保可出席股東週年大會並於會上投票之資格，所有本公司普通股過戶文件連同有關股票，必須不遲於2019年8月28日(星期三)下午4時正前送交本公司之香港股份過戶登記分處聯合證券登記有限公司(「過戶登記分處」)辦理登記，地址為香港北角英皇道338號華懋交易廣場2期33樓3301-04室；及

REPORT OF THE DIRECTORS

董事會報告

(ii) on Wednesday, 11 September 2019 and Thursday, 12 September 2019, for the purpose of ascertaining shareholders' entitlement to the proposed final dividend. In order to establish entitlements to the proposed final dividend, all transfers of ordinary shares of the Company, duly accompanied by the relevant share certificates, must be lodged with the Branch Registrar at the address set out above for registration no later than 4:00 p.m. on Tuesday, 10 September 2019.

DONATIONS

Charitable and other donations made by our Group during the year amounted to HK\$81,000 (2018: HK\$215,000).

BUSINESS REVIEW

Details of our business review as at 31 March 2019 are set out in the preceding section headed "Management Discussion and Analysis". These discussions form part of this "Report of the Directors".

PRINCIPAL PROPERTIES

Details of our principal properties held for investment purposes are set out in the section headed "Schedule of Investment Properties".

SHARE ISSUED IN THE YEAR

Details of the share issued in the year ended 31 March 2019 are set out in Note 27 to the financial statements.

DISTRIBUTABLE RESERVES

Distributable reserves of our Company at 31 March 2019, calculated under the legislation applicable in Company's place of incorporation, amounted to HK\$363,023,000 (2018: HK\$361,741,000) before the proposed final dividend for the year ended 31 March 2019.

EQUITY LINKED AGREEMENTS

Details of the share options granted at 31 March 2019 is set out in Note 28 to the financial statements and in this section headed "Share Option Scheme". No share options were granted during the year. For the share options outstanding, no shares were issued during the year.

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Company's memorandum and articles of association and there was no restriction against such rights under the laws of Cayman Islands, which would oblige our Company to offer new shares on a pro-rata basis to existing Shareholders.

(ii) 於2019年9月11日(星期三)及2019年9月12日(星期四),以確定股東可享有建議末期股息之權利。為確保可享有建議末期股息之權利,所有本公司普通股過戶文件連同有關股票,必須不遲於2019年9月10日(星期二)下午4時正前送交過戶登記分處辦理登記,地址如上載述。

捐款

年內,本集團作出慈善及其他捐款81,000港元(2018年:215,000港元)。

業務回顧

於2019年3月31日之業務回顧詳情載於前部標題為「管理層討論及分析」內。此等討論構成「董事會報告」之一部分。

主要物業

持作投資用途之主要物業詳情載於標題為「投資物業列表」內。

年內發行股份

截至2019年3月31日止年度發行股份之詳情載於財務報表附註27。

可分派儲備

於2019年3月31日,按照本公司註冊成立地點適用法律計算,本公司扣除截至2019年3月31日止年度建議末期股息前之可分派儲備為363,023,000港元(2018年:361,741,000港元)。

股票掛鈎協議

截至2019年3月31日之已授出購股權詳情載於財務報表附註28及於本節標題為「購股權計劃」內。年內概無授出購股權。年內概無就尚未行使購股權發行任何股份。

優先購買權

本公司之組織章程大綱及細則並無優先購買權之規定,開曼群島法律亦無限制有關權利,致使本公司毋須按持股比例向現有股東發售新股。

REPORT OF THE DIRECTORS

董事會報告

FIVE-YEAR FINANCIAL SUMMARY

A summary of the results and of the assets and liabilities of our Group for the last five financial years are set out in the section headed “Five-year Financial Summary”.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

Neither our Company nor any of our subsidiaries purchased, sold or redeemed any of our Company’s listed securities during the year ended 31 March 2019.

SHARE OPTION SCHEME

The principal terms of the Share Option Scheme are summarised as follows:

The purpose of the Share Option Scheme is to provide incentives to those participants who made contributions to our Group with a view to motivating them and/or attracting and retaining them for the long term growth of our Group. The Board may, at its absolute discretion, grant options pursuant to the Share Option Scheme to any Director (whether executive or non-executive or independent non-executive), employee (whether full time or part time), officer, consultant, customer, supplier, agent, partner or adviser of or contractor to our Group or any entity in which our Company or any subsidiary holds any interest whom the Board determines on the basis of contribution or potential contribution to the development and growth of our Group.

The subscription price per share under the Share Option Scheme shall be determined by the Board, but shall not be less than the highest of (a) the closing price of the shares of our Company as stated in the Stock Exchange’s daily quotations sheet on the date of the offer of grant of an option (the “Offer Date”), which must be a business date; (b) the average closing price of the shares of our Company as stated in the Stock Exchange’s daily quotation sheets for the five business days immediately preceding the Offer Date; and (c) the nominal value of a share of our Company.

A nominal consideration of HK\$1.00 is payable on acceptance of the grant of an option.

The total number of shares of our Company which may be issued upon exercise of all options (exclusive of options which have lapsed in accordance with the terms of the Share Option Scheme and any other share option scheme of our Group) to be granted under the Share Option Scheme and any other share option schemes of our Group shall not in aggregate exceed 10% of the shares of our Company in issue as at the date of approval of the refreshment by the Shareholders.

五年財務概要

本集團於過去五個財政年度之業績以及資產及負債概要載於標題為「五年財務概要」內。

購買、出售或贖回本公司上市證券

本公司或其任何附屬公司於截至2019年3月31日止年度概無購買、出售或贖回本公司任何上市證券。

購股權計劃

購股權計劃主要條款概述如下：

購股權計劃設立目的為向曾對本集團作出貢獻之參與者提供獎勵，以期為本集團之長期增長鼓勵彼等及／或吸引及留聘彼等。根據購股權計劃，董事會可全權酌情授出購股權予任何董事（不論為執行或非執行或獨立非執行董事）、本集團或本公司或任何附屬公司持有任何權益之任何實體之僱員（不論全職或兼職）、高級職員、諮詢人、客戶、供應商、代理、合夥人或顧問或承辦商，由董事會基於對本集團發展及增長之貢獻或潛在貢獻而釐定。

購股權計劃項下之每股認購價將由董事會釐定，惟不得低於以下最高者：(a)本公司股份於授出購股權要約日期（「要約日期」）（必須為營業日）在聯交所每日報價表所列之收市價；(b)本公司股份於緊接要約日期前五個營業日在聯交所每日報價表所列之平均收市價；及(c)本公司股份面值。

接納授出之購股權時須支付象徵式代價1.00港元。

可能因行使根據購股權計劃及本集團任何其他購股權計劃授出之全部購股權（不包括根據購股權計劃及本集團任何其他購股權計劃之條款已失效之購股權）而發行之本公司股份總數，合共不得超過股東批准更新當日已發行之本公司股份10%。

REPORT OF THE DIRECTORS

董事會報告

Our Company may seek approval of our Shareholders in general meeting for refreshing the 10% limit set out hereinabove such that the total number of shares which may be issued upon exercise of all options to be granted under the Share Option Scheme and any other share option schemes of our Company under the limit as refreshed shall not exceed 10% of the total number of shares in issue as at the date of approval to refresh such limit. Share options previously granted under the Share Option Scheme and any other share option schemes (including those outstanding, cancelled, lapsed in accordance with the Share Option Scheme or any other share option schemes or exercised options) will not be counted for the purpose of calculating such limit as refreshed.

The overall limit on the number of shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other share option schemes of our Company shall not, in aggregate, exceed such number of shares as equals 30% of the shares in issue from time to time. No option may be granted under this Share Option Scheme or any other share option scheme of our Company if it would result in the above-mentioned 30% limit being exceeded.

The total number of shares issued and which may fall to be issued upon exercise of the options granted under the Share Option Scheme and any other share option scheme of our Group (including both exercised or outstanding options) to each participant in any 12-month period shall not exceed 1% of the issued shares for the time being.

An option may be exercised in accordance with the terms of the Share Option Scheme at any time during a period to be determined and notified by the Board to each grantee, which period may commence on a day after the date upon which the offer for the grant of options is made but shall end in any event not later than 10 years from the date of grant of the option subject to the provisions for early termination thereof. No further options may be granted more than 10 years after 4 September 2013.

Subject to earlier termination by our Company in general meeting or by the Board, the Share Option Scheme shall be valid and effective for a period of 10 years from 4 September 2013.

During the year ended 31 March 2019, no option had been granted or agreed to be granted pursuant to the Share Option Scheme. As at 31 March 2019, 18,800,000 share options were still outstanding, which represents approximately 4.5% of the issued ordinary shares of our Company.

本公司可在股東大會徵求股東批准更新上述10%限額，惟在經更新限額項下根據購股權計劃及本公司任何其他購股權計劃將予授出之所有購股權獲行使而可能發行之股份總數，不得超過於批准更新有關限額當日已發行股份總數之10%，而就計算該經更新限額而言，早前根據購股權計劃及任何其他購股權計劃授出之購股權（包括根據購股權計劃或任何其他購股權計劃尚未行使、已註銷或已失效或已行使之購股權）將不會計算在內。

根據購股權計劃及本公司任何其他購股權計劃已授出而尚未行使之所有購股權獲行使時可能發行之股份數目之整體限額，合共不得超過相等於不時已發行股份之30%之有關股份數目。倘會導致超出上述30%之限額，則不會根據本購股權計劃或本公司任何其他購股權計劃授出購股權。

於任何12個月期間因行使根據購股權計劃及本集團任何其他購股權計劃獲授之購股權（包括已行使或尚未行使之購股權）而向每名參與者發行及可能發行之股份總數，不得超過當時已發行股份之1%。

任何購股權可於董事會確定並通知各承授人之期限內任何時間，根據購股權計劃之條款行使，有關期限可自授出購股權要約當日後開始，但無論如何須不遲於授出購股權當日起計滿10年終止，惟其提前終止條文另有規定則除外。不得於2013年9月4日起計10年後進一步授出購股權。

除本公司於股東大會或董事會提前終止外，購股權計劃自2013年9月4日起計10年有效。

截至2019年3月31日止年度，概無根據購股權計劃授出或同意授出購股權。於2019年3月31日，18,800,000份購股權仍未行使，相當於本公司已發行普通股約4.5%。

REPORT OF THE DIRECTORS

董事會報告

Details of the share options outstanding under the Share Option Scheme as at 31 March 2019, are as follows:

於2019年3月31日之購股權計劃項下尚未行使購股權詳情如下：

Participant	參與者	Number of options ('000) 購股權數目(千份)			As at 31 March 2019 於2019年 3月31日	Exercise price per share HK\$ 每股行使價 (港元)	Exercisable from 自以下日期 可行使	Exercisable until 直至以下日期 可行使
		As at 31 March 2018 於2018年 3月31日	Exercised during the year 年內行使	Lapsed during the year 年內失效				
Executive Directors	執行董事							
Chan Koung Nam	陳光南	1,000	-	-	1,000	0.89	1 April 2015 2015年4月1日	31 March 2020 2020年3月31日
		1,000	-	-	1,000	0.89	1 April 2016 2016年4月1日	31 March 2020 2020年3月31日
		1,000	-	-	1,000	0.89	1 April 2017 2017年4月1日	31 March 2020 2020年3月31日
Chan Kwong Yin William	陳光賢	1,000	-	-	1,000	0.89	1 April 2015 2015年4月1日	31 March 2020 2020年3月31日
		1,000	-	-	1,000	0.89	1 April 2016 2016年4月1日	31 March 2020 2020年3月31日
		1,000	-	-	1,000	0.89	1 April 2017 2017年4月1日	31 March 2020 2020年3月31日
Tse Pui To	謝培道	867	-	-	867	0.89	1 April 2015 2015年4月1日	31 March 2020 2020年3月31日
		867	-	-	867	0.89	1 April 2016 2016年4月1日	31 March 2020 2020年3月31日
		866	-	-	866	0.89	1 April 2017 2017年4月1日	31 March 2020 2020年3月31日
Continuous contract employees	持續合約 僱員	3,402	-	-	3,402	0.89	1 April 2015 2015年4月1日	31 March 2020 2020年3月31日
		3,402	-	-	3,402	0.89	1 April 2016 2016年4月1日	31 March 2020 2020年3月31日
		3,396	-	-	3,396	0.89	1 April 2017 2017年4月1日	31 March 2020 2020年3月31日
Total	總數	18,800	-	-	18,800			

REPORT OF THE DIRECTORS

董事會報告

DIRECTORS

The Directors of our Company during the year and up to the date of this annual report were:

Executive Directors:

Mr. Chan Koung Nam
Mr. Chan Kwong Yin William (*Chairman*)
Mr. Tse Pui To (*Chief Executive Officer*)

Independent Non-executive Directors:

Mr. Chan Siu Wing Raymond
Mr. Chu Yat Pang Terry
Mr. Cheung Kok Cheong

Pursuant to Article 84 of the Articles of Association of our Company, at each annual general meeting one-third of the directors for the time being (or, if their number is not a multiple of three, the number nearest to but not less than one-third) shall retire from office by rotation, provided that every Director shall be subject to retirement at an annual general meeting at least once every three years. A retiring director shall be eligible for re-election at such meeting. Accordingly, Mr. Tse Pui To (Executive Director and Chief Executive Officer) and Mr. Chan Siu Wing Raymond (Independent Non-Executive Director) will retire and, being eligible, offer themselves for re-election at the forthcoming annual general meeting of the Company.

Our Company has received, from each of the independent non-executive Directors, an annual confirmation of his independence pursuant to Rule 3.13 of the Listing Rules. Our Company considers all of the independent non-executive Directors to be independent during the year ended 31 March 2019 and up to the date of this Directors' Report.

董事

本公司於年內及截至本年報日期之董事如下：

執行董事：

陳光南先生
陳光賢先生(主席)
謝培道先生(行政總裁)

獨立非執行董事：

陳兆榮先生
朱逸鵬先生
張國昌先生

根據本公司組織章程細則第84條，佔當時三分之一的董事(或倘人數並非三之倍數，則按最接近但不少於三分之一之人數計)將於每屆股東週年大會輪席告退，惟每名董事須至少每三年於股東週年大會退任一次。退任董事將符合資格於會上接受重選。因此，謝培道先生(執行董事兼行政總裁)及陳兆榮先生(獨立非執行董事)將於本公司應屆股東週年大會退任，並符合資格及願意重選連任。

根據上市規則第3.13條，各獨立非執行董事已向本公司發出年度獨立確認書。本公司認為所有獨立非執行董事於截至2019年3月31日止年度及截至本董事會報告日期均屬獨立人士。

REPORT OF THE DIRECTORS

董事會報告

DIRECTORS' SERVICE CONTRACTS

Each of the executive Directors has entered into a service agreement with our Company for an initial term of three years and shall continue thereafter unless terminated by not less than three months prior written notice or otherwise in accordance with the service agreement. Each of the executive Directors will receive a monthly salary subject to annual review by the Board and the remuneration committee of the Board. Each of the executive Directors is also entitled to a discretionary bonus as may be determined by the Board and the remuneration committee of the Board after each completed year of service provided that the aggregate amount of discretionary bonuses payable in each financial year to all executive Directors shall not exceed five per cent of the audited consolidated net profit attributable to owners of our Company but before extraordinary or exceptional items of the relevant financial year. Each of the executive Directors is also entitled to a guaranteed bonus which is equivalent to one-month salary.

Our Group has provided a quarter located in Hong Kong to an executive Director, Mr. Chan Kwong Yin William as part of the remuneration of his directorship in our Group.

Each of the independent non-executive Directors has signed a letter of appointment with our Company for an initial term of two years and may be terminated by not less than three months (save for the notice period which is one month for Mr. Chan Siu Wing Raymond) prior written notice or otherwise in accordance with the relevant letter of appointment. The annual fees payable by our Company to the independent non-executive Directors is an aggregate amount according to the letters of appointment.

None of the Directors who are proposed for re-election at the forthcoming annual general meeting of our Company has a service contract with period unexpired with our Company which is not determinable by our Company within one year without payment of compensation, other than statutory compensation.

DIRECTORS' RIGHT TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed in the Share Option Scheme above, at no time during the year was our Company, nor any of our subsidiaries, fellow subsidiaries or our parent company a party to any arrangements to enable the Directors to acquire benefits by means of the acquisition of shares or debentures of our Company or any other body corporate; and none of the Directors, or their spouses or children under the age of 18, had any right to subscribe for the securities of our Company, or had exercised any such right during the year ended 31 March 2019.

董事服務合約

各執行董事已與本公司訂立服務協議，初步為期三年，並可續任直至透過發出不少於三個月之事先書面通知或根據服務協議另行終止。各執行董事將可獲得之月薪均須經董事會及其薪酬委員會按年審閱。各執行董事亦可就全年服務後享有董事會及其薪酬委員會可能釐定之酌情花紅，惟於各財政年度應付予所有執行董事之酌情花紅總額，不得超過本公司擁有人應佔經審核綜合純利(但未扣除相關財政年度之非經常性或特殊項目)之百分之五。各執行董事亦可享有相當於一個月薪資之保證花紅。

本集團已向執行董事陳光賢先生在香港提供宿舍，作為其擔任本集團董事之一部分薪酬。

各獨立非執行董事已與本公司訂定委聘書，初步為期兩年，並可透過發出不少於三個月(陳兆榮先生之通知期為一個月)之事先書面通知或根據相關委聘書另行終止。本公司應向獨立非執行董事支付之年度袍金總額已於委聘書列明。

建議於本公司應屆股東週年大會重選之董事概無與本公司訂有未屆滿而本公司不可於一年內在毋須支付補償(法定補償除外)下終止之服務合約。

董事收購股份或債權證之權利

除上述購股權計劃所披露者外，本公司、其任何附屬公司、同系附屬公司或母公司概無於年內任何時間訂立任何安排，以使董事透過收購本公司或任何其他實體公司之股份或債權證獲取利益；且概無董事或其配偶或未滿18歲之子女於截至2019年3月31日止年度擁有任何可認購本公司證券之權利，亦無行使任何有關權利。

REPORT OF THE DIRECTORS

董事會報告

DIRECTORS' MATERIAL INTERESTS IN TRANSACTIONS, ARRANGEMENTS AND CONTRACTS THAT ARE SIGNIFICANT IN RELATION TO OUR COMPANY'S BUSINESS

Save for disclosed elsewhere in this annual report, no other transactions, arrangements and contracts of significance to which our Company, any of our subsidiaries, fellow subsidiaries or our parent company was a party and in which a Director had a material interest, whether directly or indirectly, subsisted at the end of the financial year or at any time during the year.

DIRECTORS' INTERESTS IN COMPETING BUSINESS

During the year under review, no Directors have interests in any business which directly or indirectly competes, or is likely to compete with the business of our Group.

PERMITTED INDEMNITY PROVISION

The Company's Articles of Association provides that every Director of our Company shall be entitled to be indemnified and secured harmless out of the assets and profits of our Company from and against any liability incurred by them or any one of them as holder of any such office or appointment to a third party.

A permitted indemnity provision is in force as at the date of this report and was in force throughout the year for the benefit of all the Directors pursuant to the directors' and officers' liability insurance arranged by our Company.

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

Brief biographical details of Directors and senior management are set out in the preceding section headed "Directors and Senior Management".

CHANGE IN INFORMATION OF DIRECTORS

The change in the information of the Directors of the Company, which is required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules, during the reporting period:

Name of Director 董事姓名	Details of change 變更詳情
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Chu Yat Pang Terry 朱逸鵬 <i>Independent Non-Executive Director</i> 獨立非執行董事	<ul style="list-style-type: none">Appointed as an independent non-executive director of AB Builders Group Limited (stock code: 1615), the shares of which are listed on the Main Board of the Stock Exchange, with effect from 17 August 2018. 獲委任為奧邦建築集團有限公司(該公司股份在聯交所主板上市，股份代號：1615)之獨立非執行董事，自2018年8月17日起生效。
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Save as disclosed above, there is no other information required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

董事於對本公司業務而言屬重大之交易、安排及合約中之重大權益

除本年報其他章節所披露者外，本公司、其任何附屬公司、同系附屬公司或母公司概無訂立董事於其中擁有重大權益(無論直接或間接)且於財政年度結算日或於年內任何時間存續之其他重大交易、安排及合約。

董事於競爭業務之權益

於回顧年度內，概無董事於任何對本集團業務直接或間接構成競爭或可能構成競爭之業務中擁有權益。

獲准許彌償條文

本公司組織章程細則訂明，本公司每名董事應有權就彼等或其中任何人士在出任其職位或委任時招致任何須對第三方承擔之負債獲得以本公司之資產及溢利作出之彌償。

於本報告日期一項獲准許彌償條文根據由本公司安排之董事及高級職員責任保險為全體董事之利益生效並於全年有效。

董事及高級管理層之履歷詳情

董事及高級管理層之簡歷詳情載於前部標題為「董事及高級管理層」內。

董事資料變動

根據上市規則第13.51B(1)條須予披露之本公司董事資料於報告期內之變動載列如下：

除上文所披露者外，概無其他資料須根據上市規則第13.51B(1)條予以披露。

REPORT OF THE DIRECTORS

董事會報告

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND/OR SHORT POSITIONS IN SHARES AND UNDERLYING SHARES OR ANY OTHER ASSOCIATED CORPORATION

As at 31 March 2019, the interests and/or short positions of each Director and the chief executive of our Company in the shares and underlying shares of our Company and our associated corporations (within the meaning of Part XV of SFO) which were (i) recorded in the register kept by our Company pursuant to Section 352 of the SFO; or (ii) notified to our Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO and the Model Code, were as follows:

董事及最高行政人員於股份及相關股份或任何其他相聯法團之權益及／或淡倉

於2019年3月31日，本公司各董事及最高行政人員於本公司及其相聯法團（定義見證券及期貨條例第XV部）之股份及相關股份擁有(i)根據證券及期貨條例第352條規定本公司置存之登記冊所記錄之權益及／或淡倉；或(ii)根據證券及期貨條例第XV部第7及8分部以及標準守則之規定已知會本公司及聯交所之權益及／或淡倉如下：

Interest in the Company (long position)

於本公司之權益（好倉）

Name of Directors 董事姓名	Shares/ Equity derivatives 股份／ 股權衍生工具	Number of Shares and underlying shares held ('000) 所持股份及相關股份數目（千股）		Interest in a controlled corporation 於受控制 法團權益	Total (% of the issued share capital of the Company) 總計 (佔本公司已發行 股本之百分比)
		Beneficial owner 實益擁有人			
Chan Koung Nam 陳光南	(i) Ordinary shares 普通股	–	300,000 (Note 附註(1))		300,000
	(ii) Share options 購股權	3,000 (Note 附註(2))	–		3,000
					303,000 (73.01%)
Chan Kwong Yin William 陳光賢	(i) Ordinary shares 普通股	5,704	300,000 (Note 附註(1))		305,704
	(ii) Share options 購股權	3,000 (Note 附註(2))	–		3,000
					308,184 (74.39%)
Tse Pui To 謝培道	Share options 購股權	2,600 (Note 附註(2))	–		2,600 (0.63%)

REPORT OF THE DIRECTORS

董事會報告

Notes:

- (1) These shares of the Company are held by Tin Ching Holdings. Each of Mr. Chan Koung Nam and Mr. Chan Kwong Yin William owns 50% of the issued share capital of Tin Ching Holdings. By virtue of the provisions of Part XV of the SFO, both Mr. K.N. Chan and Mr. W. Chan are deemed to be interested in all the shares of the Company in which Tin Ching Holdings is interested or deemed to be interested.
- (2) These represent the number of shares which will be allotted and issued to the respective Directors upon the exercise of the share options granted to each of them under the Share Option Scheme, details of which are disclosed in the preceding section headed "Share Option Scheme" of this section.

Save as disclosed above, none of our Directors or the chief executive of the Company had registered any interest or short positions in the shares or underlying shares of the Company or any of its associated corporations that was required to be recorded pursuant to Section 352 of the SFO and the Hong Kong Companies Ordinance (Cap. 622), or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

附註：

- (1) 該等本公司股份由天晶控股持有。陳光南先生及陳光賢先生分別擁有天晶控股已發行股本的50%。根據證券及期貨條例第XV部的條文，陳光南先生及陳光賢先生均被視為於天晶控股擁有或視為擁有權益的所有本公司股份中擁有權益。
- (2) 該等為各董事行使彼等各自根據購股權計劃獲授的購股權時將獲配發及發行的股份數目，有關詳情披露於本節前部標題為「購股權計劃」內。

除上文所披露者外，概無本公司董事或最高行政人員於本公司或其任何相聯法團之股份或相關股份中，登記擁有根據證券及期貨條例第352條及香港公司條例(第622章)須予記錄之任何權益或淡倉，或根據標準守則須知會本公司及聯交所之權益或淡倉。

REPORT OF THE DIRECTORS

董事會報告

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND/OR SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 31 March 2019, so far as is known to the Directors, the following persons (other than a director or chief executive of our Company), who had interests and/or short positions in the shares or the underlying shares of our Company which would fall to be disclosed under the provisions of Divisions 2 and 3 of Part XV of the SFO, or as recorded in the register required to be kept under Section 336 of the SFO:

主要股東於股份及相關股份之權益及／或淡倉

於2019年3月31日，據董事所知，以下人士（本公司董事或最高行政人員除外）擁有本公司之股份或相關股份之權益及／或淡倉，須根據證券及期貨條例第XV部第2及3分部之條文予以披露，或根據證券及期貨條例第336條規定記錄於規定存置之登記冊內：

Name of substantial shareholders	Shares/ Equity derivatives	Number of Shares and underlying shares held ('000)			Total (% of the issued share capital of the Company)
		Beneficial owner	Interest in a controlled corporation	Total 總計 (佔本公司已發行 股本之百分比)	
主要股東姓名／名稱	股份／ 股權衍生工具	實益擁有人	於受控制 法團權益		
Tin Ching Holdings 天晶控股	Ordinary shares 普通股	300,000	–	300,000 (72.29%)	
Chan Koung Nam 陳光南	(i) Ordinary shares 普通股	–	300,000	300,000	
	(ii) Share options 購股權	3,000	–	3,000	
				303,000 (73.01%)	
Chan Kwong Yin William 陳光賢	(i) Ordinary shares 普通股	5,704	300,000	305,704	
	(ii) Share options 購股權	3,000	–	3,000	
				308,704 (74.39%)	
Head and Shoulders Global Investment Fund SPC – HS Powered Alpha Segregated Portfolio	Ordinary shares 普通股	20,772	–	20,772 (5.01%)	

REPORT OF THE DIRECTORS

董事會報告

Save as disclosed above, as at 31 March 2019, there was no other person (other than the Directors or the chief executive of the Company) who had an interest or short position in the shares or underlying shares of the Company which would fall to be disclosed under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO.

MANAGEMENT CONTRACTS

No contracts concerning the management and administrative of the whole or any substantial part of the business of our Company were entered into or existed during the year ended 31 March 2019.

MAJOR CUSTOMERS

For the year ended 31 March 2019, our top five customers (as determined by interest income generated) accounted for approximately 12.3% (2018: 10.5%) of our total revenue and our single largest customer accounted for approximately 3.4% (2018: 2.3%) of our total revenue.

All of our top five customers were third parties independent to our Company and its connected person(s) or associate(s). To the best of our Directors' knowledge, information and belief, none of our Group, our Directors, members of our senior management, and their respective associates and Shareholders who own more than 5% of the issued Shares, had any interest in or financial or business relationship with any of our Group's top five customers during the year ended 31 March 2019.

除上文所披露者外，於2019年3月31日，概無其他人士（董事或本公司最高行政人員除外）於本公司之股份或相關股份中，擁有須根據證券及期貨條例第XV部第2及3分部之條文予以披露，或已記入本公司根據證券及期貨條例第336條須存置之登記冊內之權益及／或淡倉。

管理合約

截至2019年3月31日止年度，本公司並無就整體或任何重要部分業務之管理及行政工作訂立或存有任何合約。

主要客戶

截至2019年3月31日止年度，我們之五大客戶（按所產生利息收入釐定）佔我們總收益約12.3%（2018年：10.5%），而我們之單一最大客戶則佔我們總收益約3.4%（2018年：2.3%）。

五大客戶均為獨立於本公司及其關連人士或聯繫人之第三方。據董事所知、所悉及所信，本集團、董事、高級管理層成員及彼等各自之聯繫人，以及擁有已發行股份5%以上之股東，於截至2019年3月31日止年度概無於本集團五大客戶中擁有任何權益或與之維持任何財務或業務關係。

REPORT OF THE DIRECTORS

董事會報告

NON-COMPETITION UNDERTAKING

Each of our Controlling Shareholder, namely Tin Ching Holdings, Mr. Chan Koung Nam and Mr. Chan Kwong Yin William, has entered into the Deed of Non-competition in favor of our Company, pursuant to which each of the Controlling Shareholders, irrevocably and unconditionally, undertakes and covenants with each of our Company and our subsidiaries that as long as the Shares remain so listed on the Stock Exchange and he/it and his/its associates, individually or collectively with any other Controlling Shareholder(s) is, directly or indirectly, interested in 30% or more of the Shares in issue, or is otherwise regarded as a Controlling Shareholder (as that term is defined under the Listing Rules from time to time) of our Company, each of the Controlling Shareholders shall not, and shall procure that none of his/its associated (excluding any members of our Group) shall, among others:

- (a) directly or indirectly engage, participate or hold any right or interest in or render any services to or otherwise be involved in any business in competition with or likely to be in competition with the existing business activity and any business activities undertaken by our Group from time to time (the “**Restricted Business**”) which any member of our Group may undertake in the future in Hong Kong except for the holding of not more than 5% shareholding interests in any listed company in Hong Kong;
- (b) take any direct or indirect action which constitutes an interference with or a disruption to the Restricted Business including, but not limited to, solicitation of the customers, suppliers or staff of our Group; and
- (c) exploit his/its knowledge or information obtained from our Group to compete, directly or indirectly, with the business carried on by our Group from time to time.

An annual confirmation has been received from each of the Controlling Shareholders on compliance with each of their respective undertaking under the Deed of Non-competition.

The independent non-executive Directors have reviewed the compliance with the Deed of Non-competition by the Controlling Shareholders and confirmed that the Deed of Non-competition is fully complied with and duly enforced during the year.

不競爭承諾

控股股東天晶控股、陳光南先生及陳光賢先生已各自以本公司為受益人訂立不競爭契據，據此，各控股股東不可撤回及無條件地分別向本公司及其附屬公司承諾及契諾，只要股份仍在聯交所上市，而彼及其聯繫人個別或聯同任何其他控股股東直接或間接擁有已發行股份30%或以上權益，或基於其他理由被視作本公司之控股股東(定義見不時之上市規則)，各控股股東將不會，並將促使其聯繫人(不包括本集團任何成員公司)不會(其中包括)：

- (a) 除持有不多於香港任何上市公司5%股權外，直接或間接從事及參與與本集團之現有業務活動及本集團不時從事之任何業務活動構成競爭或可能構成競爭之業務(「**受限制業務**」)(本集團任何成員公司日後於香港可能從事之業務)，或於其中持有任何權利或權益或向其提供任何服務或以其他方式參與有關業務；
- (b) 採取任何對受限制業務構成干擾或阻礙之直接或間接行動，包括但不限於招攬本集團之客戶、供應商或員工；及
- (c) 將自本集團獲得之知識或資訊用於與本集團不時從事之業務直接或間接競爭。

本公司已接獲各控股股東就遵守彼等各自於不競爭契據項下所作承諾而發出之年度確認函。

獨立非執行董事已審視控股股東遵守不競爭契據之情況，並確認不競爭契據於年內獲全面遵守及妥為執行。

REPORT OF THE DIRECTORS

董事會報告

CONNECTED TRANSACTIONS

A summary of the related party transaction, which also constituted connected transactions as defined under the Listing Rules, entered into by our Group during the year ended 31 March 2019 is contained in Note 35 to the financial statements.

The following summarised continuing connected transactions of the Group during the year ended 31 March 2019. The Directors confirm that the Company has complied with the disclosure requirements in accordance with Chapter 14A of the Listing Rules.

Fully exempted continuing connected transaction

On 1 April 2018, HK Finance (as borrower), our Company (as guarantor) and Tin Ching Industrial (as lender) entered into the loan agreement, pursuant to which Tin Ching Industrial agreed to provide the loan facility of up to HK\$200,000,000 to HK Finance for the money lending business of our Group at an interest rate of 1.25% per annum over the HK\$ prime rate quoted by DBS (Hong Kong) Limited for a term subject to review by Tin Ching Industrial at any time but in any event no later than one year after the date of the loan agreement.

As Tin Ching Industrial is a wholly-owned subsidiary of Tin Ching Holdings which is the substantial Shareholder of our Company and is a connected person (as defined under the Listing Rules), accordingly the loan agreement constitutes a continuing connected transaction for providing financial assistance to our Company under Chapter 14A of the Listing Rules. However, as the loan facility is provided by Tin Ching Industrial for our Group's and Shareholders' benefits, and on normal or better commercial terms to our Company where no security over our Group's assets is granted in respect of the loan facility, the loan agreement as continuing connected transaction is fully exempt from reporting, announcement and independent shareholders' approval requirements pursuant to Rule 14A.90 of the Listing Rules.

The aforesaid continuing connected transaction has been reviewed by the independent non-executive Directors of our Company. The independent non-executive Directors confirmed that the aforesaid continuing connected transaction was entered into (a) in the ordinary and usual course of business of our Group and under arm's length negotiations; (b) either on normal commercial terms or on terms no less favourable to our Group than terms available to or from independent third parties; and (c) in accordance with the loan agreement governing them on terms that are fair and reasonable and in the interests of our Shareholders as a whole.

關連交易

本集團於截至2019年3月31日止年度訂立之關聯方交易亦構成上市規則所界定關連交易，有關概要載於財務報表附註35。

下文概述本集團於截至2019年3月31日止年度之持續關連交易。董事確認，本公司已遵守上市規則第14A章之披露規定。

獲全面豁免之持續關連交易

於2018年4月1日，香港信貸（作為借款人）、本公司（作為擔保人）及天晶實業（作為貸款人）訂立貸款協議，據此，天晶實業同意向香港信貸提供貸款融資，金額最多為200,000,000港元，用於本集團放債業務，年利率為星展銀行（香港）有限公司所報之港元最優惠利率加年利率1.25%，期限可由天晶實業於任何時間檢討，惟無論如何不得遲於貸款協議日期後一年。

由於天晶實業為本公司主要股東天晶控股之全資附屬公司，屬上市規則所界定關連人士，因此，根據上市規則第14A章，貸款協議構成向本公司提供財務資助之持續關連交易。然而，由於貸款融資乃天晶實業為本集團及股東之利益按一般或對本公司而言屬更佳之商業條款提供，且毋須就貸款融資抵押本集團資產，根據上市規則第14A.90條，作為持續關連交易之貸款協議獲全面豁免遵守申報、公佈及獨立股東批准之規定。

上述持續關連交易已由本公司之獨立非執行董事審閱。獨立非執行董事確認，上述持續關連交易乃(a)於本集團日常及一般業務過程中按公平基準磋商；(b)按一般商業條款或對本集團不遜於獨立第三方獲得或給予之條款；及(c)根據規管有關交易之貸款協議訂立，其條款誠屬公平合理，且符合股東整體利益。

REPORT OF THE DIRECTORS

董事會報告

Our Directors confirms that our Company has complied with the requirements of Chapter 14A of the Listing Rules in relation to the connected transactions to which our Company was a party during the year ended 31 March 2019.

董事確認本公司於截至2019年3月31日止年度遵守上市規則第14A章有關本公司所訂關連交易之披露規定。

SUFFICIENCY OF PUBLIC FLOAT

Based on information that is publicly available to our Company and within the knowledge of the Directors, our Company has maintained a sufficient public float of its issued shares in the Stock Exchange throughout the year ended 31 March 2019 and up to the date of this annual report.

足夠公眾持股量

根據本公司所得公開資料，且據董事所知，本公司於截至2019年3月31日止年度及截至本年報日期，已於聯交所就其已發行股份維持足夠公眾持股量。

AUDITORS

The financial statements of our Company have been audited by PricewaterhouseCoopers, who retire and, being eligible, offer themselves for re-appointment.

核數師

財務報表已由羅兵咸永道會計師事務所審核，其將退任且符合資格並願意獲續聘。

On behalf of the Board

代表董事會

Chan Kwong Yin William
Chairman

主席
陳光賢

Hong Kong, 27 June 2019

香港，2019年6月27日

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告



羅兵咸永道

To the Shareholders of Hong Kong Finance Group Limited
(incorporated in the Cayman Islands with limited liability)

致：香港信貸集團有限公司之股東
(於開曼群島註冊成立之有限公司)

OPINION

What we have audited

The consolidated financial statements of Hong Kong Finance Group Limited (the “Company”) and its subsidiaries (the “Group”) set out on pages 84 to 168, which comprise:

- the consolidated statement of financial position as at 31 March 2019;
- the consolidated statement of comprehensive income for the year then ended;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated statement of cash flows for the year then ended; and
- the notes to the consolidated financial statements, which include a summary of significant accounting policies.

意見

我們已審計的內容

第84至168頁所載香港信貸集團有限公司(「貴公司」)及其附屬公司(「貴集團」)之綜合財務報表包括：

- 於2019年3月31日之綜合財務狀況表；
- 截至該日止年度之綜合全面收入表；
- 截至該日止年度之綜合權益變動表；
- 截至該日止年度之綜合現金流量表；及
- 綜合財務報表附註，包括主要會計政策概要。

Our opinion

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 March 2019, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

我們的意見

我們認為，綜合財務報表已根據香港會計師公會(「香港會計師公會」)頒佈之香港財務報告準則(「香港財務報告準則」)真實而公平地反映貴集團於2019年3月31日之綜合財務狀況以及截至該日止年度之綜合財務表現及綜合現金流量，並已遵照香港公司條例之披露規定妥為擬備。

BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing (“HKSA”) issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements section of our report.

意見的基礎

我們已根據香港會計師公會頒佈之香港審計準則(「香港審計準則」)進行審計。在該等準則下，我們之責任在我們之報告內「核數師就審計綜合財務報表承擔之責任」一節中進一步闡述。

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

我們相信，我們所獲得審計憑證能充足及適當地為我們之意見提供基礎。

Independence

We are independent of the Group in accordance with the HKICPA’s Code of Ethics for Professional Accountants (“the Code”), and we have fulfilled our other ethical responsibilities in accordance with the Code.

獨立性

根據香港會計師公會之《專業會計師道德守則》(「守則」)，我們獨立於貴集團，並已遵循守則履行守則中的其他專業道德責任。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter identified in our audit is impairment assessment of loans and interest receivables.

關鍵審計事項

關鍵審計事項是根據我們的專業判斷，認為對本期綜合財務報表的審計最為重要的事項。這些事項是在我們審計整體綜合財務報表及出具意見時進行處理的。我們不會對這些事項提供單獨的意見。

我們於審計中就應收貸款及利息之減值評估識別為關鍵審計事項。

Key Audit Matter

關鍵審計事項

Impairment assessment of loans and interest receivables
應收貸款及利息減值評估

Refer to Note 3.1(b) (credit risk), Note 4.1(a) (critical accounting estimates and judgements), Note 21 (loans receivable) and Note 23 (interest receivables) to the consolidated financial statements.

提述綜合財務報表附註3.1(b)(信貸風險)、附註4.1(a)(重要會計估計及判斷)、附註21(貸款及應收款項)及附註23(應收利息)。

As at 31 March 2019, the Group's loans and interest receivables amounted to HK\$881,299,000 and HK\$22,075,000, respectively.

於2019年3月31日，貴集團之應收貸款及利息分別為881,299,000港元及22,075,000港元。

How our audit addressed the Key Audit Matter

我們的審計如何處理關鍵審計事項

We assessed management's assessment of provision for impairment of loans and interest receivables by performing the following procedures:

我們透過執行下列程序評估管理層就應收貸款及利息減值撥備作出之評估：

- understood, evaluated and validated the design and operating effectiveness of the controls over impairment assessment of loans and interest receivables, which relates to management's judgements and assumptions including significant increase in credit risk, criteria of defaults and forward-looking information;
- 了解、評估及驗證與管理層判斷及假設(包括信貸風險大幅增加、違約標準及前瞻性資料)有關之對應收貸款及利息減值評估之控制之設計及運作成效；
- carried out procedures, on a sample basis, to test the existence and accuracy of the aging of loans and interest receivables applied in the ECL model and as at the balance sheet date;
- 為應用於預計信貸損失模式之應收貸款及利息於結算日之賬齡是否存在及準確執行抽樣檢測程序；
- involved a valuation expert to review the valuation methodology and approach adopted by management in the ECL model;
- 委聘估值專家審閱預計信貸損失模式所採納之估值方法及方式；

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

KEY AUDIT MATTERS (Continued)

關鍵審計事項(續)

Key Audit Matter

關鍵審計事項

Impairment assessment of loans and interest receivables (Continued)

應收貸款及利息減值評估(續)

Management assessed the provision for impairment of loans and interest receivables based on the expected credit loss (“ECL”) model. The ECL model involves significant management judgements and assumptions regarding the probability of default, loss given default, historical delinquency ratio of loans and interest, collateral values, economic indicators on forward-looking information as well as other significant factors not covered in the ECL model, if applicable.

管理層基於預計信貸損失(「預計信貸損失」)模式評估應收貸款及利息減值撥備。預計信貸損失模式涉及有關違約機率、違約損失率、貸款及利息過往拖欠比率、抵押品價值、前瞻性資料之經濟指標以及預計信貸損失模式並未涵蓋之其他重大因素(如適用)之重大管理層判斷及假設。

We focused on this area because the carrying value of loans and interest receivables is significant to the consolidated financial statements and management’s estimation of ECL allowance of loans and interest receivables involves significant judgments and estimates.

我們專注於此範疇之原因為應收貸款及利息之賬面值對綜合財務報表而言實屬重大，而管理層估計應收貸款及利息之預計信貸損失撥備時涉及重大判斷及估計。

How our audit addressed the Key Audit Matter

我們的審計如何處理關鍵審計事項

- evaluated the appropriateness of the key assumptions, such as delinquency ratio and collateral values used in the ECL model with reference to the historical data and market economic data; and
- 評估主要假設是否合適，例如參考過程數據及市場經濟數據的預計信貸損失模式所用的拖欠比率及抵押品價值；及
- re-performed management’s calculation of collective impairment assessment which grouped together all the receivables with similar risk characteristics based on the probability of default, exposure at default, loss given default, forward-looking information and other significant factors taken into account in estimating the ECL allowance.
- 重新計算管理層對整體減值之評估，根據違約機率、違約風險、違約損失率、前瞻性資料以及估計預計信貸損失撥備時考慮之其他重大因素綜合所有信貸風險特徵類似之應收款項進行。

Based on the procedures described above, we considered the methodology used, key assumptions, judgments and estimates applied in the impairment assessment of loans and interest receivables were supportable by available evidence. 根據上述程序，我們認為評估應收貸款及利息減值時所採用方法、關鍵假設、判斷及估計乃有據可依。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

OTHER INFORMATION

The directors of the Company are responsible for the other information. The other information comprises all of the information included in the annual report other than the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF DIRECTORS AND AUDIT COMMITTEE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with HKFRSs issued by the HKICPA and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

The Audit Committee is responsible for overseeing the Group's financial reporting process.

其他信息

貴公司董事須為其他信息負責。其他信息包括年報所載所有信息，惟不包括綜合財務報表及我們之核數師報告。

我們對綜合財務報表發表之意見並不涵蓋其他信息，我們亦不會就此發表任何形式之保證結論。

結合我們對綜合財務報表的審計，我們的責任是閱讀其他信息，在此過程中，考慮其他信息是否與綜合財務報表或我們在審計過程中所了解的情況存在重大抵觸或者似乎存在重大錯誤陳述的情況。

基於我們已執行的工作，如果我們認為其他信息存在重大錯誤陳述，我們需要報告該事實。在這方面，我們沒有任何報告。

董事及審核委員會就綜合財務報表須承擔之責任

貴公司董事須負責根據香港會計師公會頒佈的《香港財務報告準則》及香港《公司條例》的披露規定擬備真實而中肯的綜合財務報表，並對其認為為使綜合財務報表的擬備不存在由於欺詐或錯誤而導致的重大錯誤陳述所需的內部控制負責。

在擬備綜合財務報表時，董事負責評估 貴集團持續經營之能力，並在適用情況下披露與持續經營有關之事項，以及使用持續經營為會計基礎，除非董事有意將 貴集團清盤或停止經營，或別無其他實際的替代方案。

審核委員會負責監督 貴集團之財務申報程序。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. We report our opinion solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with HKSA's, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

核數師就審計綜合財務報表承擔之責任

我們的目標是對綜合財務報表整體是否不存在由於欺詐或錯誤而導致之重大錯誤陳述取得合理保證，並出具載有我們意見之核數師報告。我們僅向整體股東匯報我們之意見，除此之外不作其他用途。我們並不就本報告之內容對任何其他人士負責或承擔責任。合理確定屬高層次之保證，惟根據香港審計準則進行之審計工作不能保證總能察覺所存在之重大錯誤陳述。錯誤陳述可因欺詐或錯誤而產生，倘個別或整體在合理預期情況下可影響使用者根據該等綜合財務報表作出之經濟決定時，則被視為重大錯誤陳述。

作為根據香港審計準則進行審計工作其中一環，我們於審計過程中運用專業判斷並保持專業懷疑態度。我們亦：

- 識別及評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述之風險、設計及執行審計程序以應對該等風險，以及獲取充足和適當之審計憑證，作為我們意見之基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述或凌駕內部監控之情況，故未能發現因欺詐而導致之重大錯誤陳述之風險高於未能發現因錯誤而導致之重大錯誤陳述之風險。
- 了解與審計相關之內部監控，以設計適當審計程序，惟並非旨在對貴集團之內部監控成效發表意見。
- 評估董事所採用會計政策是否恰當以及所作出會計估計及相關披露是否合理。
- 對董事採用持續經營會計基礎是否恰當作出結論，並根據所獲得審計憑證確定是否存在與可能導致對貴集團持續經營能力產生重大疑慮之事件或情況有關之重大不確定因素。倘我們認為存在重大不確定因素，則有必要在核數師報告中提請使用者注意綜合財務報表中之相關披露。倘有關披露不足，則修訂我們之意見。我們之結論乃基於截至核數師報告日期止所獲得之審計憑證。然而，未來事件或情況可能導致貴集團無法持續經營。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Audit Committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Mr. Cheung Kin Bong.

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 27 June 2019

核數師就審計綜合財務報表承擔之責任(續)

- 評估綜合財務報表之整體呈報方式、結構及內容，包括披露資料，以及綜合財務報表是否中肯反映相關交易及事件。
- 就 貴集團內實體或業務活動之財務資料獲取充足及適當審計憑證，以便對綜合財務報表發表意見。我們負責集團審計之方向、監督及執行。我們為審計意見承擔全部責任。

我們與審核委員會就(其中包括)審計之規劃範圍、時間安排及重大審計發現進行溝通，該等發現包括我們在審計過程中識別之任何重大內部監控缺失。

我們亦向審核委員會作出聲明，指出我們已符合有關獨立身分之相關道德要求，並與彼等溝通可能被合理認為會影響我們獨立身分之所有關係及其他事宜，以及相關防範措施(如適用)。

從與審核委員會溝通之事項中，我們釐定對本期間綜合財務報表之審計至關重要之事項，因而構成關鍵審計事項。我們在核數師報告中描述該等事項，除非法律或法規不允許公開披露該等事項，或在極罕見情況下，倘合理預期在我們報告中傳達某事項所造成負面後果超出所產生公眾利益，則我們決定不應在報告中傳達該事項。

出具本獨立核數師報告之審計項目合夥人為張健邦先生。

羅兵咸永道會計師事務所
執業會計師

香港，2019年6月27日

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

綜合全面收入表

For the year ended 31 March 2019 截至2019年3月31日止年度

		Year ended 31 March 截至3月31日止年度		
		2019 2019年 HK\$'000 千港元	2018 2018年 HK\$'000 千港元	
	Note 附註			
Revenue	收益	6	160,992	132,149
Other income and gain	其他收入及收益	6	2,334	2,204
Fair value (losses)/gains on revaluation of investment properties	重估投資物業之公平值(虧損)/收益	17	(1,490)	21,640
Provision for impairment and write-off of loans receivable, net	應收貸款減值撥備及撤銷淨額	7	(24,701)	(14,991)
Administrative expenses	行政開支	8	(53,951)	(58,861)
Operating profit	經營溢利		83,184	82,141
Finance costs	融資成本	11	(34,651)	(27,522)
Profit before income tax	除所得稅前溢利		48,533	54,619
Income tax expense	所得稅開支	12	(6,369)	(4,569)
Profit and total comprehensive income for the year attributable to owners of the Company	本公司擁有人應佔年度溢利及全面收入總額		42,164	50,050
Earnings per share for profit attributable to owners of the Company	本公司擁有人應佔溢利之每股盈利			
— Basic (HK cents)	— 基本(港仙)	13(a)	10.2	12.1
— Diluted (HK cents)	— 攤薄(港仙)	13(b)	10.2	12.1
Dividends	股息	14	10,375	8,300

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

As at 31 March 2019 於2019年3月31日

		As at 31 March 於3月31日	
		2019 2019年 HK\$'000 千港元	2018 2018年 HK\$'000 千港元
	Note 附註		
Assets	資產		
Non-current assets	非流動資產		
Property, plant and equipment	物業、廠房及設備	78,198	80,637
Investment properties	投資物業	84,680	86,170
Available-for-sale investment	可供出售投資	–	625
Financial asset at fair value through profit or loss	按公平值計入損益之金融資產	800	–
Loans receivable	應收貸款	138,153	165,917
Other asset	其他資產	435	710
Deferred income tax assets	遞延所得稅資產	619	2,385
Total non-current assets	非流動資產總額	302,885	336,444
Current assets	流動資產		
Loans receivable	應收貸款	743,146	677,562
Interest receivables	應收利息	22,075	18,058
Repossessed assets	收回資產	35,859	35,859
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	1,480	2,137
Tax recoverable	可收回稅項	2,057	842
Cash and cash equivalents	現金及現金等價物	37,294	33,710
Total current assets	流動資產總額	841,911	768,168
Total assets	資產總額	1,144,796	1,104,612
Equity	權益		
Equity attributable to the owners of the Company	本公司擁有人應佔權益		
Share capital	股本	4,150	4,150
Reserves	儲備	565,577	534,595
Total equity	權益總額	569,727	538,745

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

As at 31 March 2019 於2019年3月31日

		As at 31 March 於3月31日	
		2019 2019年 HK\$'000 千港元	2018 2018年 HK\$'000 千港元
	Note 附註		
Liabilities	負債		
Current liabilities	流動負債		
Other payable and accruals	30	6,553	8,249
Amount due to a fellow subsidiary	35(b)	106,524	125,284
Tax payable		683	1,054
Bank and other borrowings	31	360,883	322,443
Bonds	32	-	27,000
Total current liabilities	流動負債總額	474,643	484,030
Non-current liabilities	非流動負債		
Bonds	32	98,216	78,919
Deferred income tax liabilities	33	2,210	2,918
Total non-current liabilities	非流動負債總額	100,426	81,837
Total liabilities	負債總額	575,069	565,867
Total equity and liabilities	權益及負債總額	1,144,796	1,104,612
Net current assets	流動資產淨額	367,268	284,138
Total assets less current liabilities	資產總額減流動負債	670,153	620,582

On behalf of the Board

代表董事會

Mr. Chan Kwong Yin William

陳光賢先生
Chairman
主席

Mr. Chan Koung Nam

陳光南先生
Executive director
執行董事

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

For the year ended 31 March 2019 截至2019年3月31日止年度

		Attributable to owners of the Company 本公司擁有人應佔						
		Share capital 股本	Share premium 股本溢價	Capital reserve 資本儲備	Share option reserve 購股權儲備	Retained earnings 保留盈利	Total 總計	
	Note 附註	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	
Balance at 1 April 2017	於2017年4月1日之結餘	4,150	103,665	100,020	3,256	285,489	496,580	
Total comprehensive income for the year	年度全面收入總額	-	-	-	-	50,050	50,050	
Transactions with owners	與擁有人之交易							
Employee share option scheme:	僱員購股權計劃：							
— lapse of share options	— 購股權失效	-	-	-	(60)	60	-	
Dividends relating to 2017	有關2017年之股息	14	-	-	-	(4,565)	(4,565)	
Dividends relating to 2018	有關2018年之股息	14	-	-	-	(3,320)	(3,320)	
Total transactions with owners, recognised directly in equity	與擁有人之交易總額，直接於權益確認	-	-	-	(60)	(7,825)	(7,885)	
Balance at 31 March 2018	於2018年3月31日之結餘	4,150	103,665	100,020	3,196	327,714	538,745	
Balance at 31 March 2018	於2018年3月31日之結餘	4,150	103,665	100,020	3,196	327,714	538,745	
Adjustment on adoption of HKFRS 9 (Note 2.1.1(b))	就採納香港財務報告準則第9號之調整(附註2.1.1(b))	-	-	-	-	(1,222)	(1,222)	
Restated total equity at 1 April 2018	於2018年4月1日之經重列權益總額	4,150	103,665	100,020	3,196	326,492	537,523	
Total comprehensive income for the year	年度全面收入總額	-	-	-	-	42,164	42,164	
Transactions with owners	與擁有人之交易							
Dividends relating to 2018	有關2018年之股息	14	-	-	-	(4,980)	(4,980)	
Dividends relating to 2019	有關2019年之股息	14	-	-	-	(4,980)	(4,980)	
Total transactions with owners, recognised directly in equity	與擁有人之交易總額，直接於權益確認	-	-	-	-	(9,960)	(9,960)	
Balance at 31 March 2019	於2019年3月31日之結餘	4,150	103,665	100,020	3,196	358,696	569,727	

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

For the year ended 31 March 2019 截至2019年3月31日止年度

		Year ended 31 March 截至3月31日止年度	
		2019 2019年 HK\$'000 千港元	2018 2018年 HK\$'000 千港元
	Note 附註		
Cash flows from operating activities	經營業務之現金流量		
Cash generated from operations	15(a)	43,281	7,751
Interest paid		(33,255)	(25,400)
Hong Kong profits tax paid		(6,656)	(6,229)
Net cash generated from/(used in) from operating activities	經營業務所得/(所用) 現金淨額	3,370	(23,878)
Cash flows from investing activities	投資業務之現金流量		
Purchase of property, plant and equipment		(506)	(2,100)
Net cash used in investing activities	投資業務所用現金淨額	(506)	(2,100)
Cash flows from financing activities	融資業務之現金流量		
Repayment of bank and other borrowings	15(b)	(1,391,616)	(1,693,774)
Proceeds from new bank and other borrowings		1,430,056	1,700,465
(Decrease)/increase in amount due to a fellow subsidiary	應付一間同系附屬公司款項 (減少)/增加	(18,760)	55,584
Redemption of bonds		(9,000)	(10,000)
Dividend paid		(9,960)	(7,885)
Net cash generated from financing activities	融資業務所得現金淨額	720	44,390
Net increase in cash and cash equivalents	現金及現金等價物增加淨額	3,584	18,412
Cash and cash equivalents at beginning of the year	年初之現金及現金等價物	33,710	15,298
Cash and cash equivalents at end of the year	年終之現金及現金等價物	37,294	33,710
	26		

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

1 GENERAL INFORMATION

Hong Kong Finance Group Limited (the “Company”) was incorporated in the Cayman Islands on 6 February 2013 as an exempted company with limited liability under the Companies Law, Cap 22 (Law 3 of 1961, as consolidated and revised), of the Cayman Islands. The address of the Company’s registered office is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands.

The Company is an investment holding company. The Company and its subsidiaries (the “Group”) are principally engaged in money lending business of providing property mortgage loans and personal loans in Hong Kong.

The ultimate holding company of the Company is Tin Ching Holdings Limited, a company incorporated in the British Virgin Islands.

The Company has its primary listing on The Stock Exchange of Hong Kong Limited.

These consolidated financial statements are presented in thousands of Hong Kong dollars (“HK\$’000”), unless otherwise stated. These consolidated financial statements were approved by the board of directors of the Company for issue on 27 June 2019.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation

These consolidated financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”). These consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets at fair value through profit or loss and investment properties, which are carried at fair value.

1 一般資料

香港信貸集團有限公司(「本公司」)於2013年2月6日根據開曼群島公司法第22章(1961年第三項法例，經綜合及修訂)在開曼群島註冊成立為獲豁免有限公司。本公司之註冊辦事處地址為Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands。

本公司為一間投資控股公司。本公司及其附屬公司(「本集團」)主要於香港從事提供物業按揭貸款及私人貸款之放債業務。

本公司之最終控股公司為天晶控股有限公司，該公司在英屬處女群島註冊成立。

本公司以香港聯合交易所有限公司為首要上市交易所。

除另有註明外，該等綜合財務報表以千港元(「千港元」)呈列。該等綜合財務報表已於2019年6月27日獲本公司董事會批准刊發。

2 重大會計政策概要

編製該等綜合財務報表應用之主要會計政策載於下文。除另有註明外，該等政策已於呈列之所有年度貫徹應用。

2.1 編製基準

該等綜合財務報表已按照香港會計師公會(「香港會計師公會」)頒佈之所有適用香港財務報告準則(「香港財務報告準則」)編製。該等綜合財務報表已按歷史成本慣例編製，並就重估按公平值計入損益之金融資產及投資物業(按公平值列賬)加以修訂。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.1 Basis of preparation (Continued)

The consolidated financial statements are prepared in accordance with the disclosure requirements of the Companies Ordinance (Cap. 622) for this financial year and the comparative period.

The preparation of financial statements in conformity with HKFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 4.

2.1.1 Changes in accounting policies and disclosures

(a) New and amended standards adopted by the Group

The Group has applied the following amendments to standards for the first time for its annual reporting period commencing 1 April 2018:

- Annual improvements 2014–2016 cycle;
- Transfers of investment property — Amendments to HKAS 40;
- Classification and measurement of share-based payment transactions — Amendments to HKFRS 2;
- HKFRS 9 — Financial instruments;
- HKFRS 15 — Revenue from contracts with customers.

2 重大會計政策概要(續)

2.1 編製基準(續)

於本財政年度及比較期間，綜合財務報表乃按照《公司條例》(第622章)之披露規定編製。

按照香港財務報告準則編製財務報表需要使用若干關鍵會計估計，亦需要管理層在應用本集團會計政策之過程中作出判斷。涉及高度判斷或高度複雜之範疇，或涉及對綜合財務報表有重大影響之假設及估計之範疇於附註4披露。

2.1.1 會計政策及披露資料之變動

(a) 本集團採納之新訂及經修訂準則

本集團已於2018年4月1日開始之年度報告期間首次應用以下準則之修訂：

- 2014年至2016年週期之年度改進；
- 轉讓投資物業 — 香港會計準則第40號之修訂；
- 分類及計量以股份為基礎之付款交易 — 香港財務報告準則第2號之修訂；
- 香港財務報告準則第9號 — 金融工具；
- 香港財務報告準則第15號 — 客戶合約收益。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Continued)

2.1 Basis of preparation (Continued)

2.1.1 Changes in accounting policies and disclosures

(Continued)

(a) *New and amended standards adopted by the Group*
(Continued)

The adoption of these amendments to standards did not have any material impact on the Group's financial performance and positions for the current year and prior years and/or on the disclosures set out in these consolidated financial statements. The impact of the adoption of HKFRS 9 and HKFRS 15 is disclosed in the following section.

(b) *Impact of the adoption of new standards*

This note explains the impact of the adoption of HKFRS 9 "Financial Instruments" and HKFRS 15 "Revenue from Contracts with Customers" on the Group's financial information and also discloses the new accounting policies that have been applied since 1 April 2018, where they are different to those applied in prior periods.

HKFRS 9 "Financials Instruments"

HKFRS 9 "Financial Instruments" replaces HKAS 39 "Financial Instruments: Recognition and Measurement" for annual periods beginning on or after 1 January 2018, bringing together all three aspects of the accounting for financial instruments: classification and measurement, impairment and hedge accounting. The adoption of HKFRS 9 "Financial Instruments" from 1 April 2018 resulted in changes in accounting policies and adjustments to the amounts recognised in the financial statements.

2 重大會計政策概要(續)

2.1 編製基準(續)

2.1.1 會計政策及披露資料之變動(續)

(a) *本集團採納之新訂及經修訂準則(續)*

採納該等準則之修訂對該等綜合財務報表所載本集團本年度及過往年度之財務表現及狀況及／或披露資料並無任何重大影響。採納香港財務報告準則第9號及香港財務報告準則第15號之影響於以下章節披露。

(b) *採納新訂準則之影響*

本附註闡釋採納香港財務報告準則第9號「金融工具」及香港財務報告準則第15號「客戶合約收益」對本集團財務資料之影響，亦披露自2018年4月1日起應用有別於過往期間所應用之新會計政策。

香港財務報告準則第9號「金融工具」

香港財務報告準則第9號「金融工具」就2018年1月1日或之後開始之年度期間取代香港會計準則第39號「金融工具：確認及計量」，合併金融工具會計處理所有三個方面：分類及計量、減值以及對沖會計處理。自2018年4月1日起採納香港財務報告準則第9號「金融工具」導致會計政策變動及調整財務報表中確認之金額。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.1 Basis of preparation (Continued)

2.1.1 Changes in accounting policies and disclosures

(Continued)

(b) Impact of the adoption of new standards (Continued)

HKFRS 9 “Financial Instruments” (Continued)

Impact of adoption

In accordance with the transitional provisions in HKFRS 9, HKFRS 9 is generally adopted without restating comparative information with the exception of certain aspects of hedge accounting. The reclassifications and the adjustments arising from the new impairment rules are therefore not reflected in the statement of financial position as at 31 March 2018, but are recognised in the opening of the statement of financial position on 1 April 2018.

The following tables show the adjustments recognised for each individual line item. Line items that are not affected by the changes have not been included. As a result, the sub-totals and totals disclosed cannot be recalculated from the numbers provided.

		As at 31 March 2018 as originally presented 於2018年 3月31日 (原先呈列) HK\$'000 千港元	Effect of the adoption of HKFRS 9 採納香港 財務報告準則 第9號之影響 HK\$'000 千港元	As at 1 April 2018 as restated 於2018年 4月1日 (經重列) HK\$'000 千港元
Consolidated statement of financial position (extract)				
Non-current assets	非流動資產			
Loans receivable	應收貸款	165,917	-	165,917
Deferred income tax assets	遞延所得稅資產	2,385	241	2,626
Current assets	流動資產			
Loans receivable	應收貸款	677,562	(1,463)	676,099
Total assets	資產總額	1,104,612	(1,222)	1,103,390
Equity	權益			
Reserves	儲備	534,595	(1,222)	533,373
Total equity	權益總額	538,745	(1,222)	537,523

2 重大會計政策概要(續)

2.1 編製基準(續)

2.1.1 會計政策及披露資料之變動 (續)

(b) 採納新訂準則之影響(續)

香港財務報告準則第9號
「金融工具」(續)

採納之影響

根據香港財務報告準則第9號之過渡條文，香港財務報告準則第9號在毋須重列比較資料下全面採納，惟對沖會計處理若干方面則屬例外。因此，新減值規則產生之重新分類及調整不在2018年3月31日之財務狀況表上反映，惟於2018年4月1日在財務狀況表之期初結餘確認。

下表列示就各個別項目確認之調整。不受變動影響之項目並未包括在內，故無法以所提供之數字重新計算出所披露之小計及總計金額。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.1 Basis of preparation (Continued)

2.1.1 Changes in accounting policies and disclosures

(Continued)

- (b) *Impact of the adoption of new standards (Continued)*
HKFRS 9 “Financials Instruments” (Continued)

Impact of adoption (Continued)

The total impact on the Group’s retained earnings as at 1 April 2018 and 1 April 2017 is summarised as follows:

		2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
Closing retained earnings 31 March — HKAS 39	期末保留盈利 3月31日 — 香港會計 準則第39號	327,714	285,489
Increase in provisions for impairment of loans receivable	應收貸款減值撥備增加	(1,463)	—
Increase in deferred income tax assets relating to provisions of impairment	涉及減值撥備之遞延 所得稅資產增加	241	—
Adjustments to retained earnings from adoption of HKFRS 9 on 1 April 2018	於2018年4月1日因 採納香港財務報告 準則第9號而對 保留盈利作出調整	(1,222)	—
Opening retained earnings 1 April — HKFRS 9	期初保留盈利 4月1日 — 香港財務 報告準則第9號	326,492	285,489

2.1 編製基準 (續)

2.1.1 會計政策及披露資料之變動 (續)

- (b) *採納新訂準則之影響 (續)*
香港財務報告準則第9號
「金融工具」(續)
採納之影響 (續)
對本集團於2018年4月
1日及2017年4月1日之
保留盈利構成之整體影
響概述如下：

	2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
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Closing retained earnings 31 March — HKAS 39	期末保留盈利 3月31日 — 香港會計 準則第39號	327,714	285,489
Increase in provisions for impairment of loans receivable	應收貸款減值撥備增加	(1,463)	—
Increase in deferred income tax assets relating to provisions of impairment	涉及減值撥備之遞延 所得稅資產增加	241	—
Adjustments to retained earnings from adoption of HKFRS 9 on 1 April 2018	於2018年4月1日因 採納香港財務報告 準則第9號而對 保留盈利作出調整	(1,222)	—
Opening retained earnings 1 April — HKFRS 9	期初保留盈利 4月1日 — 香港財務 報告準則第9號	326,492	285,489

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Continued)

2.1 Basis of preparation (Continued)

2.1.1 Changes in accounting policies and disclosures

(Continued)

- (b) *Impact of the adoption of new standards (Continued)*
HKFRS 9 “Financials Instruments” (Continued)

Classification and measurement

On 1 April 2018 (the date of initial application of HKFRS 9 by the Group), management has assessed which business models apply to the financial assets held by the Group and classified its financial assets into the appropriate HKFRS 9 categories.

The application of the new standard does not have a significant impact on the classification and measurement of its financial assets as debt instruments currently classified as loans and receivables will continue to be measured at amortised cost.

This category includes the Group’s loans receivable, interest receivables, deposits and other receivables and cash and cash equivalents.

The asset previously classified as available-for-sale investment is reclassified as financial asset at fair value through profit or loss under HKFRS 9.

2 重大會計政策概要(續)

2.1 編製基準(續)

2.1.1 會計政策及披露資料之變動(續)

- (b) *採納新訂準則之影響(續)*
香港財務報告準則第9號
「金融工具」(續)

分類及計量

於2018年4月1日(本集團初始應用香港財務報告準則第9號當日)，管理層已評估何種業務模式適用於本集團持有之金融資產，並將其金融資產分類為香港財務報告準則第9號所規定之適當類別。

由於目前分類為貸款及應收款項之債務工具將繼續按攤銷成本計量，應用新準則對金融資產之分類及計量並無重大影響。

此類別包括本集團之應收貸款、應收利息、按金及其他應收款項以及現金及現金等價物。

以往分類為可供出售投資之資產根據香港財務報告準則第9號重新分類為按公平值計入損益之金融資產。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.1 Basis of preparation (Continued)

2.1.1 Changes in accounting policies and disclosures

(Continued)

- (b) *Impact of the adoption of new standards (Continued)*
HKFRS 9 “Financials Instruments” (Continued)

Impairment under expected credit losses (“ECL”) model

The Group has two types of financial assets that are subject to HKFRS 9’s new ECL model, which are loans receivable and interest receivables. The Group recognises a loss allowance for ECL on financial assets which are subject to impairment under HKFRS 9. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition. The impact of the change in impairment methodology on the Group’s retained earnings and equity is disclosed above.

While cash and cash equivalents and deposits and other receivables are also subject to the impairment requirement of HKFRS 9, the identified impairment loss is immaterial.

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of the relevant instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events that are possible within 12 months after the end of the reporting period. Assessments are performed based on the Group’s historical credit loss exposure, adjusted for factors that are specific to the debtors, general economic conditions, current conditions at the end of the reporting period as well as the forecast of future conditions.

2 重大會計政策概要(續)

2.1 編製基準(續)

2.1.1 會計政策及披露資料之變動 (續)

- (b) *採納新訂準則之影響(續)*
香港財務報告準則第9號「金融工具」(續)
預計信貸損失(「預計信貸損失」)模式下之減值
本集團有兩種金融資產受香港財務報告準則第9號之新訂預計信貸損失模式規限，即應收貸款及應收利息。本集團就須根據香港財務報告準則第9號計算減值之金融資產確認預計信貸損失虧損撥備。預計信貸損失金額於各報告日期更新，以反映自初始確認以來之信貸風險變動。改變減值方法對本集團保留盈利及權益之影響於上文披露。

儘管現金及現金等價物以及按金及其他應收款項亦受香港財務報告準則第9號之減值規定規限，惟所識別之減值虧損微不足道。

全期預計信貸損失指一切可能於相關工具預計年期內發生之違約事件將導致之預計信貸損失。相對而言，12個月期預計信貸損失指預期於報告期末之後12個月內可能發生違約事件所引致之部分全期預計信貸損失。評估工作乃依據本集團過往之信貸損失風險進行，並就債務人之特定因素、一般經濟狀況、於報告期末之當時狀況及未來狀況預測作出調整。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Continued)

2.1 Basis of preparation (Continued)

2.1.1 Changes in accounting policies and disclosures

(Continued)

- (b) *Impact of the adoption of new standards (Continued)*
HKFRS 9 “Financials Instruments” (Continued)

Impairment under expected credit losses (“ECL”) model (Continued)

The Group measures the loss allowance equal to 12-month ECL, unless when there has been a significant increase in credit risk since initial recognition, the Group recognises lifetime ECL. The assessment on whether lifetime ECL should be recognised is based on significant increase in the likelihood or risk of a default occurring since initial recognition.

Details of the ECL model and measurement technique are set out in Note 3.1(b).

The loss allowances for loans receivable and interest receivables as at 31 March 2018 reconcile to the opening loss allowances on 1 April 2018 as follows:

		Loans receivable 應收貸款 HK\$'000 千港元
At 31 March 2018	於2018年3月31日	
– HKAS 39	– 香港會計準則第39號	11,620
Amounts additionally provided through opening retained earnings on adoption of HKFRS 9	於採納香港財務報告準則第9號時透過期初保留盈利作出額外撥備之金額	1,463
Opening loss allowance as at 1 April 2018	於2018年4月1日之期初虧損撥備	
– HKFRS 9	– 香港財務報告準則第9號	13,083

2 重大會計政策概要(續)

2.1 編製基準(續)

2.1.1 會計政策及披露資料之變動(續)

- (b) *採納新訂準則之影響(續)*
香港財務報告準則第9號「金融工具」(續)

預計信貸損失(「預計信貸損失」)模式下之減值(續)

本集團計量相等於12個月期預計信貸損失之虧損撥備，除非信貸風險自初始確認後曾顯著增加，則本集團確認全期預計信貸損失。應否確認全期預計信貸損失乃根據發生違約情況之可能性或風險於初始確認後有否顯著增加而作出評估。

有關預計信貸損失模式及計量方法之詳情載於附註3.1(b)。

於2018年3月31日之應收貸款及應收利息虧損撥備與2018年4月1日之期初虧損撥備對賬如下：

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.1 Basis of preparation (Continued)

2.1.1 Changes in accounting policies and disclosures (Continued)

(b) Impact of the adoption of new standards (Continued)

HKFRS 15 “Revenue from Contracts with Customers”

HKFRS 15 supersedes HKAS 11 “Construction Contracts”, HKAS 18 “Revenue” and related Interpretations and it applies to all revenue arising from contracts with customers, unless those contracts are in the scope of other standards. The new standard establishes a five-step model to account for revenue arising from contracts with customers. Under HKFRS 15, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

The standard requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers. The standard also specifies the accounting for the incremental costs of obtaining a contract and the costs directly related to fulfilling a contract.

The Group has adopted HKFRS 15 “Revenue from Contracts with Customers” from 1 April 2018 which resulted in changes in accounting policies. The Group adopted HKFRS 15 using the modified retrospective approach which means that the cumulative impact of the adoption (if any) will be recognised in retained earnings as at 1 April 2018 and that comparatives will not be restated.

The adoption of HKFRS 15 did not result in any significant impact to the financial statements as the timing of revenue recognition is not changed.

2 重大會計政策概要(續)

2.1 編製基準(續)

2.1.1 會計政策及披露資料之變動 (續)

(b) 採納新訂準則之影響(續)

香港財務報告準則第15號「客戶合約收益」

香港財務報告準則第15號取代香港會計準則第11號「建築合約」、香港會計準則第18號「收入」及相關詮釋，並適用於所有來自客戶合約之收入，除非該等合約屬於其他準則之範疇。新準則就客戶合約收入之入賬方式確立一套五步模式。根據香港財務報告準則第15號，收入按能反映實體預期就將貨品或服務轉移至客戶而有權換取之代價金額確認。

該準則規定實體在就客戶合約應用每個步驟之前須在考慮一切相關事實及情況後作出判斷。該準則亦列明就如何就取得合約之遞增成本及直接涉及履行合約之成本入賬。

本集團已自2018年4月1日起採納香港財務報告準則第15號「客戶合約收益」，導致出現會計政策變動。本集團使用經修訂追溯法採納香港財務報告準則第15號，意味採納該項準則之累計影響(如有)將於2018年4月1日之保留盈利確認，而比較數字則不會重列。

由於收益確認時間不變，故採納香港財務報告準則第15號對財務報表並無任何重大影響。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Continued)

2.1 Basis of preparation (Continued)

2.1.1 Changes in accounting policies and disclosures

(Continued)

(c) New standards and interpretation not yet adopted

Certain new accounting standards and interpretations have been published that are not mandatory for the 31 March 2019 reporting periods and have not been early adopted by the Group. The Group's assessment of the impact of these new standards and interpretations is set out below.

HKFRS 16 "Leases"

Nature of change

HKFRS 16 was issued in January 2016. It will result in almost all leases being recognised on the consolidated statement of financial position, as the distinction between operating and finance leases is removed. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognised. The only exceptions are short-term and low value leases.

The accounting for lessors will not significantly change.

Impact

The standard will affect primarily the accounting for the Group's operating leases. As at the reporting date, the Group does not have non-cancellable operating lease as a lessee and management does not expect to have a material impact on the Group.

The Group's activities as a lessor are not material and hence the Group does not expect any significant impact on the consolidation financial statements. However, some additional disclosures will be required.

2 重大會計政策概要(續)

2.1 編製基準(續)

2.1.1 會計政策及披露資料之變動(續)

(c) 尚未採納之新訂準則及詮釋

若干新訂會計準則及詮釋已頒佈，惟毋須於2019年3月31日報告期間強制應用，且未獲本集團提早採納。本集團對該等新訂準則及詮釋之影響評估載於下文。

香港財務報告準則第16號「租賃」

變動性質

香港財務報告準則第16號於2016年1月頒佈。由於取消經營租賃與融資租賃之區別，將導致幾乎所有租賃均於綜合財務狀況表中確認。根據新訂準則，資產(租賃項目之使用權)及支付租金之金融負債均獲確認，惟僅短期且低價值之租賃屬例外。

有關出租人之會計處理將不會有重大變動。

影響

該項準則將主要影響本集團經營租賃之會計處理。於報告日期，本集團並無任何作為承租人之不可撤銷經營租賃，故管理層預期本集團不會遭受任何重大影響。

本集團作為出租人之活動並不重大，故本集團預期綜合財務報表不會遭受任何重大影響。然而，將須披露更多資料。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Continued)

2.1 Basis of preparation (Continued)

2.1.1 Changes in accounting policies and disclosures

(Continued)

(c) *New standards and interpretation not yet adopted*
(Continued)

HKFRS 16 “Leases” (Continued)

Date of adoption by the Group

The new standard is mandatory for financial years commencing on or after 1 April 2019. At this stage, the Group does not intend to adopt the standard before its effective date. The Group intends to apply the simplified transition approach and will not restate comparative amounts for the year prior to first adoption.

There are no other standards that are not yet effective and that would be expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions.

2.2 Subsidiaries

2.2.1 Consolidation

A subsidiary is an entity (including a structured entity) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

Intra-group transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. When necessary, amounts reported by subsidiaries have been adjusted to confirm with the Group’s accounting policies.

2 重大會計政策概要(續)

2.1 編製基準(續)

2.1.1 會計政策及披露資料之變動(續)

(c) *尚未採納之新訂準則及詮釋(續)*

香港財務報告準則第16號「租賃」(續)

本集團採納日期

新訂準則於2019年4月1日或之後開始之財政年度強制生效。現階段，本集團不擬於其生效日期前採納該項準則。本集團擬應用簡化過渡法且將不會重列首次採納前年度之比較金額。

概無其他尚未生效且預計對本集團於目前或未來報告期及對可預見未來交易造成重大影響之準則。

2.2 附屬公司

2.2.1 綜合賬目

附屬公司是指本集團擁有控制權之實體(包括結構性實體)。當本集團承受或享有參與實體所得之可變回報，且有能力透過其對實體之權力影響該等回報時，則本集團控制該實體。附屬公司自控制權轉移至本集團當日起開始綜合入賬。附屬公司自控制權終止當日起終止綜合入賬。

集團內公司間之交易、結餘與集團公司間交易之未變現收益對銷。未變現虧損亦予以對銷，惟交易提供證據表明所轉讓資產出現減值除外。附屬公司之呈報金額於有需要時作出調整，確保與本集團之會計政策一致。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Continued)

2.2 Subsidiaries (Continued)

2.2.2 Separate financial statements

Investments in subsidiaries are accounted for at cost less impairment. Cost includes direct attributable costs of investment. The results of subsidiaries are accounted for by the Company on the basis of dividend received and receivable.

2.3 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the executive directors of the entities now comprising the Group that makes strategic decisions.

2.4 Foreign currency translation

Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in Hong Kong dollars ("HK\$"), which is the Company's functional and the Group's presentation currency.

2.5 Property, plant and equipment

Land and buildings comprise mainly offices and residential property for a director. Leasehold land classified as finance lease and all other property, plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the consolidated statement of comprehensive income during the financial period in which they are incurred.

2 重大會計政策概要(續)

2.2 附屬公司(續)

2.2.2 獨立財務報表

於附屬公司之投資乃以成本減減值入賬。成本包括投資直接應佔成本。附屬公司之業績由本公司按已收及應收股息入賬。

2.3 分部呈報

經營分部之呈報方式與向主要營運決策人提供之內部呈報一致。主要營運決策人負責分配資源及評估經營分部之表現，並已獲識別為制定策略性決策的現時組成本集團之實體各執行董事。

2.4 外幣換算

功能及呈列貨幣

本集團各實體之財務報表所載項目，乃按有關實體經營所在主要經濟環境之貨幣(「功能貨幣」)計量。綜合財務報表以本公司之功能貨幣及本集團之呈列貨幣港元(「港元」)呈列。

2.5 物業、廠房及設備

土地及樓宇主要包括辦公室及董事住宅之物業。被分類為融資租賃之租賃土地以及所有其他物業、廠房及設備按過往成本減折舊列賬。過往成本包括收購該等項目直接應佔開支。

僅將在有關項目之未來經濟利益流向本集團，且該項目之成本能可靠計量時，其後成本方計入資產之賬面值或確認為個別資產(如適用)。替換部分之賬面值會被終止確認。所有其他維修及保養費用會於其產生之財政期間在綜合全面收入表中扣除。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Continued)

2.5 Property, plant and equipment (Continued)

Depreciation of property, plant and equipment is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives, as follows:

– Land and buildings	40–50 years
– Office equipment	4 years
– Furniture and fixtures	4 years
– Leasehold improvements	4 years
– Motor vehicles	4 years

The asset's residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (Note 2.7).

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the consolidated statement of comprehensive income.

2.6 Investment properties

Investment properties, principally comprising leasehold land and buildings, are held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Group. Investment properties are initially measured at cost, including related transaction costs and where applicable borrowing costs. After initial recognition, investment properties are carried at fair value, representing open market value determined at each reporting date by external valuers. Fair value is based on active market prices, adjusted, if necessary, for any difference in the nature, location or condition of the specific asset. If the information is not available, the Group uses alternative valuation methods such as recent prices on less active markets or discounted cash flow projections. Changes in fair values are recorded in the consolidated statement of comprehensive income as "Fair value gains on revaluation of investment properties".

2 重大會計政策概要(續)

2.5 物業、廠房及設備(續)

物業、廠房及設備之折舊乃採用直線法於其估計可使用年限內按成本分配至剩餘價值，詳情如下：

– 土地及樓宇	40–50年
– 辦公設備	4年
– 傢俬及裝置	4年
– 租賃物業裝修	4年
– 汽車	4年

資產之剩餘價值及可使用年期於各報告期末檢討及調整(如適用)。

倘資產之賬面值高於其估計可收回金額，資產之賬面值隨即被撇減至其可收回金額(附註2.7)。

出售所得之盈虧以比較所得款項與賬面值之方式釐定，於綜合全面收入表中確認。

2.6 投資物業

投資物業(主要包括租賃土地及樓宇)乃持作賺取長期租金或資本增值或兩者兼備而非由本集團佔用者。投資物業初始按其成本計量，包括相關交易成本及(如適用)借款成本。於初始確認後，投資物業乃按公平值列賬，即於各報告日期由外聘估值師釐定之公開市值價值。公平值乃以活躍市價為基準，並就特定資產之性質、地點或狀況之任何差異作出調整(倘需要)。倘並無有關資料，本集團會使用其他估值方法，如於較不活躍市場之近期價格或貼現現金流量預測。公平值變動乃於綜合全面收入表入賬列作「重估投資物業之公平值收益」。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Continued)

2.7 Impairment of non-financial assets

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

2.8 Financial assets

2.8.1 Classification

From 1 April 2018, the Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through OCI or through profit or loss), and
- those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income ("FVOCI").

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

2 重大會計政策概要(續)

2.7 非金融資產減值

具有無限可使用年期之資產毋須攤銷，但須每年進行減值測試。倘有事件發生或情況變動顯示賬面值可能無法收回，則對須予攤銷之資產應進行減值檢討。減值虧損乃按資產賬面值超出其可收回金額之差額予以確認。可收回金額為資產公平值減出售成本與使用價值中兩者之較高者。在進行減值評估時，資產按獨立可識別現金流量(現金產生單位)中之最低水平作分類。對於出現減值之非金融資產(商譽除外)，須於各報告日期就減值是否可以撥回進行檢討。

2.8 金融資產

2.8.1 分類

自2018年4月1日，本集團將其金融資產分類為以下計量類別：

- 其後按公平值(經其他全面收入或損益入賬)計量，及
- 按攤銷成本計量。

分類視乎管理金融資產的實體業務模式及現金合約條款而定。

就按公平值計量的資產而言，收益及虧損將於損益或其他全面收入入賬。就並非持作買賣的權益工具的投資而言，此將取決於本集團是否於初始確認時不可撤回地選擇按公平值計入其他全面收入(「按公平值計入其他全面收入」)對股本投資列賬。

本集團於及僅於管理該等資產的業務模式變動時將債務投資重新分類。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Continued)

2.8 Financial assets (Continued)

2.8.2 Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

2.8.3 Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss ("FVPL"), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

- Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the statement of profit or loss.

2 重大會計政策概要(續)

2.8 金融資產(續)

2.8.2 確認及終止確認

常規買賣金融資產於交易日(即本集團承諾購買或出售資產當日)確認。當自投資收取現金流量之權利屆滿或被轉讓及本集團已轉讓擁有權之絕大部分風險及回報時，方會終止確認金融資產。

2.8.3 計量

於初始確認時，本集團按金融資產的公平值外加(倘為並非按公平值計入損益(「按公平值計入損益」)的金融資產)直接歸屬於收購該金融資產的交易成本計量。按公平值計入損益的金融資產交易成本於損益支銷。

在確定具有嵌入衍生工具的金
融資產的現金流量是否僅支付
本金及利息時，需從金融資產
的整體進行考慮。

債務工具

債務工具的其後計量取決於本
集團管理資產的業務模式及資
產的現金流量特徵而定。本集
團按照以下三種計量類別對債
務工具進行分類：

- 攤銷成本：持作收回合
約現金流量的資產，倘
該等現金流量僅指支付
本金及利息，則按攤銷
成本計量。該等金融資
產的利息收入採用實際
利率法計入其他收入。
終止確認產生的任何收
益或虧損乃於損益中直
接確認，並與匯兌收益
及虧損一併呈列於其他
收益／(虧損)中。減值
虧損作為單獨項目於損
益表中呈列。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Continued)

2.8 Financial assets (Continued)

2.8.3 Measurement (Continued)

Debt instruments (Continued)

- FVOCI: Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains/(losses) and impairment expenses are presented as separate line item in the statement of profit or loss.
- FVPL: Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented net within other gains/(losses) in the period in which it arises.

2 重大會計政策概要(續)

2.8 金融資產(續)

2.8.3 計量(續)

債務工具(續)

- 按公平值計入其他全面收入：持作收回合約現金流量及出售金融資產的資產，倘該等資產現金流量僅指所支付的本金及利息，則按公平值計入其他全面收入計量。賬面值的變動乃計入其他全面收入，惟於損益確認的減值收益或虧損、利息收益及匯兌收益及虧損除外。終止確認金融資產時，先前於其他全面收入確認的累計收益或虧損由權益重新分類至損益並確認為其他收益／(虧損)。該等金融資產的利息收入乃採用實際利率法計入其他收入。匯兌收益及虧損於其他收益／(虧損)呈列，而減值虧損作為單獨項目於損益表中呈列。
- 按公平值計入損益：未達攤銷成本或按公平值計入其他全面收入標準的資產乃按公平值計入損益計量。其後按公平值計入損益計量的債務投資的收益或虧損於損益確認，並於產生期間在其他收益／(虧損)呈列淨額。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Continued)

2.8 Financial assets (Continued)

2.8.4 Impairment

The Group assesses on a forward-looking basis the expected credit losses associated with its debt instrument assets carried at amortised cost. The Group recognises a loss allowance for such losses at each reporting date. The measurement of ECL reflects:

- An unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- The time value of money; and
- Reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

Note 3.1(b) provides more detail of how the expected credit loss allowance is measured.

2.8.5 Accounting policies applied until 31 March 2018

The Group has applied HKFRS 9 retrospectively, but has elected not to restate comparative information. As a result, the comparative information provided continues to be accounted for in accordance with the Group's previous accounting policy.

Until 31 December 2017 the Group classifies its financial assets in the following categories:

- loans and receivables, and
- available-for-sale financial assets.

The classification determined on the purpose for which the investments were acquired. Management determined the classification of its investments at initial recognition. See Note 19 for details about each type of financial asset.

2 重大會計政策概要(續)

2.8 金融資產(續)

2.8.4 減值

本集團按前瞻基準評估其按攤銷成本列賬之債務工具資產相關預計信貸損失。本集團於各報告日期就該等損失確認虧損撥備。預計信貸損失之計量反映：

- 透過評估一系列可能結果釐定之無偏概率加權金額；
- 貨幣時間價值；及
- 於報告日期毋須付出不必要成本或努力即可取得有關過往事件、目前狀況及未來經濟狀況預測之合理可作為依據之資料。

附註3.1(b)載有更多有關如何計量預計信貸損失撥備之詳情。

2.8.5 直至2018年3月31日前應用之會計政策

本集團已追溯應用香港財務報告準則第9號，惟已選擇不會重列比較資料。因此，所提供比較資料繼續根據本集團過往會計政策入賬。

直至2017年12月31日，本集團將其金融資產分類為以下類別：

- 貸款及應收款項；及
- 可供出售金融資產。

分類視乎收購投資之目的而定。管理層於初始確認時釐定其投資之分類。有關各類金融資產之詳情，見附註19。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Continued)

2.8 Financial assets (Continued)

2.8.5 Accounting policies applied until 31 March 2018

(Continued)

(a) *Reclassification*

The Group could choose to reclassify a non-derivative trading financial asset out of the held for trading category if the financial asset was no longer held for the purpose of selling it in the near term. Financial assets other than loans and receivables were permitted to be reclassified out of the held for trading category only in rare circumstances arising from a single event that was unusual and highly unlikely to recur in the near term. In addition, the Group could choose to reclassify financial assets that would meet the definition of loans and receivables out of the held for trading or available-for-sale categories if the Group had the intention and ability to hold these financial assets for the foreseeable future or until maturity at the date of reclassification.

Reclassifications were made at fair value as of the reclassification date. Fair value became the new cost or amortised cost as applicable, and no reversals of fair value gains or losses recorded before reclassification date were subsequently made. Effective interest rates for financial assets reclassified to loans and receivables and held-to-maturity categories were determined at the reclassification date. Further increases in estimates of cash flows adjusted effective interest rates prospectively.

2 重大會計政策概要(續)

2.8 金融資產(續)

2.8.5 直至2018年3月31日前應用之會計政策(續)

(a) *重新分類*

倘非衍生買賣金融資產不再持作近期出售，則本集團可選擇將該金融資產自持作買賣類別重新分類至其他類別。貸款及應收款項以外之金融資產僅可於出現不尋常且近期應不會再次發生之單一事件所造成罕見情況下，方可自持作買賣類別重新分類至其他類別。此外，倘於重新分類日期本集團有意及有能力於可見未來或直至到期為止一直持有金融資產，則本集團可選擇將符合貸款及應收款項定義之金融資產自持作買賣或可供出售類別重新分類至其他類別。

重新分類乃按重新分類日期之公平值作出。公平值成為新成本或攤銷成本(倘適用)，且於重新分類日期前錄得之公平值收益或虧損不會於其後撥回。重新分類至貸款及應收款項以及持有至到期類別之金融資產之實際利率於重新分類日期釐定。估計現金流量之進一步增加會導致須按前瞻基準調整實際利率。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.8 Financial assets (Continued)

2.8.5 Accounting policies applied until 31 March 2018

(Continued)

(b) Subsequent measurement

The measurement at initial recognition did not change an adoption of HKFRS 9, see description above.

Subsequent to the initial, recognition loans and receivables and held-to-maturity investments were subsequently carried at amortised cost using the effective interest method.

Available-for-sale financial assets and financial assets at FVPL were subsequently carried at fair value.

Gains or losses arising from changes in the fair value are recognised as follows:

- for financial assets at FVPL — in profit or loss within other gains/(loss)
- for available-for-sale financial assets that are monetary securities denominated in a foreign currency — translation differences related to changes in the amortised cost of the security were recognised in profit or loss and other changes in the carrying amount were recognised in other comprehensive income
- for other monetary and non-monetary securities classified as available-for-sale — in other comprehensive income.

Details on how the fair value of financial instruments is determined are disclosed in Note 3.3(a).

When securities classified as available-for-sale were sold, the accumulated fair value adjustments recognised in other comprehensive income were reclassified to profit or loss as gains and other losses from investment securities.

2 重大會計政策概要(續)

2.8 金融資產(續)

2.8.5 直至2018年3月31日前應用之會計政策(續)

(b) 其後計量

初始確認時之計量並無因採納香港財務報告準則第9號而變更，詳見上文。

初始確認後，貸款及應收款項以及持有至到期投資其後使用實際利率法按攤銷成本列賬。

可供出售金融資產及按公平值計入損益之金融資產其後以公平值列賬。

公平值變動所產生收益或虧損按以下方式確認：

- 按公平值計入損益之金融資產 — 於損益中其他收益/(虧損)確認
- 屬以外幣計值貨幣證券之可供出售金融資產 — 與證券之攤銷成本變動相關之換算差異於損益中確認，而賬面值之其他變動於其他全面收入中確認
- 分類為可供出售之其他貨幣及非貨幣證券 — 於其他全面收入中確認。

有關如何釐定金融工具公平值之詳情於附註3.3(a)中披露。

當分類為可供出售之證券售出時，已於其他全面收入確認之累計公平值調整重新分類至損益，列作投資證券所得收益及其他虧損。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.8 Financial assets (Continued)

2.8.5 Accounting policies applied until 31 March 2018

(Continued)

(c) Impairment

The Group assessed at the end of each reporting period whether there was objective evidence that a financial asset or group of financial assets was impaired. A financial asset or a group of financial assets was impaired and impairment losses were incurred only if there was objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) had an impact on the estimated future cash flows of the financial asset or group of financial assets that could be reliably estimated. In the case of equity investments classified as available-for-sale, a significant or prolonged decline in the fair value of the security below its cost was considered an indicator that the assets are impaired.

Assets carried at amortised cost

For loans and receivables, the amount of the loss was measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that had not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset was reduced and the amount of the loss was recognised in profit or loss. If a loan or held-to-maturity investment had a variable interest rate, the discount rate for measuring any impairment loss was the current effective interest rate determined under the contract. As a practical expedient, the Group could measure impairment on the basis of an instrument's fair value using an observable market price.

If, in a subsequent period, the amount of the impairment loss decreased and the decrease could be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss was recognised in profit or loss.

Impairment testing of trade receivables is described in note 3.1(b).

2 重大會計政策概要(續)

2.8 金融資產(續)

2.8.5 直至2018年3月31日前應用之會計政策(續)

(c) 減值

本集團於各報告期末評估有否客觀證據證明一項金融資產或一組金融資產已經減值。僅在有客觀證據顯示於初始確認資產後曾發生一宗或多宗導致減值之事件(「損失事件」)，而該宗(或該等)損失事件對該項金融資產或該組金融資產之估計未來現金流量構成能可靠地估計之影響時，該項金融資產或該組金融資產方會出現減值及產生減值虧損。就分類為可供出售之權益投資而言，當證券之公平值大幅或長期低於其成本時，則認為資產出現減值跡象。

按攤銷成本列賬之資產

就貸款及應收款項而言，虧損金額乃按資產賬面值與按金融資產原實際利率貼現之估計未來現金流量(不包括並未產生之未來信貸損失)之現值間之差額計量。該資產之賬面值會被扣減，而虧損金額乃於損益中確認。倘貸款或持有至到期投資按浮動利率計息，則計量任何減值虧損之貼現率乃根據合約釐定之即期實際利率。倘有實際需要，本公司可採用觀察所得市價按工具之公平值計量減值。

倘於其後期間，減值虧損金額減少，而減少乃客觀地與於確認減值後發生之事件(如債務人之信貸評級有所改善)有關，過往所確認減值虧損之撥回則於損益中確認。

貿易應收款項之減值測試於附註3.1(b)中披露。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Continued)

2.8 Financial assets (Continued)

2.8.5 Accounting policies applied until 31 March 2018

(Continued)

(c) Impairment (Continued)

Assets classified as available-for-sale

If there was objective evidence of impairment for available-for-sale financial assets, the cumulative loss — measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit or loss — was removed from equity and recognised in profit or loss.

Impairment losses on equity instruments that were recognised in profit or loss were not reversed through profit or loss in a subsequent period.

If the fair value of a debt instrument classified as available-for-sale increased in a subsequent period and the increase could be objectively related to an event occurring after the impairment loss was recognised in profit or loss, the impairment loss was reversed through profit or loss.

2.9 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the consolidated statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the company or the counterparty.

2 重大會計政策概要(續)

2.8 金融資產(續)

2.8.5 直至2018年3月31日前應用之會計政策(續)

(c) 減值(續)

分類為可供出售之資產倘存在客觀證據顯示可供出售金融資產出現減值，累積虧損(計為購置成本與當前公平值間之差異，再減去先前在損益中確認該金融資產之任何減值虧損)會從權益中扣除並在損益中確認。

於損益中確認之權益工具之減值虧損不會於其後期間於損益中撥回。

倘分類為可供出售之債務工具之公平值於其後期間增加，且此增加客觀上與在損益中確認減值虧損後發生之某項事件相關，則此減值虧損於損益中撥回。

2.9 抵銷金融工具

倘有合法強制執行權利抵銷已確認金額及有意以淨額基準結算或同時變現資產及清償負債時，金融資產及負債將予抵銷，有關款項淨額則於綜合財務狀況表內呈報。合法強制執行權利不得取決於未來事項且必須可於日常業務過程中當公司或交易對手違約、無力償債或破產時強制執行。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.10 Loans and interest receivables

Loans receivable are property mortgage loans granted to customers in the ordinary course of business. If collection of loans receivable is expected in one year or less, they are classified as current assets. If not, they are presented as non-current assets.

Interest receivables are interests derived from property mortgage loans granted to customers in the ordinary course of business.

Loan and interest receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

2.11 Prepayments, deposits and other receivables

Prepayments, deposits and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

2.12 Cash and cash equivalents

In the consolidated statement of cash flows, cash and cash equivalents includes cash on hand and deposits held at call with banks.

2.13 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

2.14 Trade and other payables

Trade payables are obligations to pay for services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

2 重大會計政策概要(續)

2.10 應收貸款及利息

應收貸款為在日常業務中向客戶授出之物業按揭貸款。倘預計應收貸款於一年或以內收回，則被分類為流動資產，否則呈列為非流動資產。

應收利息為在日常業務中向客戶授出之物業按揭貸款所產生利息。

應收貸款及利息初始按公平值確認，隨後以實際利率法按攤銷成本減減值撥備計量。

2.11 預付款項、按金及其他應收款項

預付款項、按金及其他應收款項初始按公平值確認，隨後以實際利率法按攤銷成本減減值撥備計量。

2.12 現金及現金等價物

於綜合現金流量表內，現金及現金等價物包括手頭現金及於銀行之活期存款。

2.13 股本

普通股按權益分類。發行新股直接應佔之新增成本於權益中呈列為所得款項減少(扣除稅項)。

2.14 貿易及其他應付款項

貿易應付款項為在日常業務中向供應商購買服務而應付之金額。倘應付賬款於一年或以內到期，則按流動負債分類，否則呈列為非流動負債。

貿易及其他應付款項初始按公平值確認，隨後以實際利率法按攤銷成本計量。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Continued)

2.15 Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the consolidated statement of comprehensive income over the period of the borrowings using the effective interest method.

Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

2.16 Borrowing costs

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

2 重大會計政策概要(續)

2.15 借款

借款初始按公平值扣除所產生之交易成本確認。借款隨後按攤銷成本入賬；所得款項(扣除交易成本)與贖回價值間任何差額以實際利率法在借款期間於綜合全面收入表中確認。

在貸款將很有可能部分或全部提取之情況下，就作出貸款融資所支付之費用乃確認為交易成本。在此情況下，該費用將遞延處理，直至提取貸款為止。若並無跡象顯示該貸款將很有可能部分或全部提取，則將該費用撥充資本作為流動資金服務之預付款項，並於其相關融資期間內攤銷。

除非本集團擁有無條件權利將負債之結算遞延至報告期末後最少12個月，否則借款歸類為流動負債。

2.16 借款成本

直接歸屬於收購、興建或生產合資格資產(指必須經一段長時間處理以作其擬定用途或銷售之資產)之一般及特定借款成本，乃計入該等資產之成本內，直至資產大致上備妥供其預定用途或銷售為止。

所有其他借款成本在產生期間於損益中確認。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Continued)

2.17 Current and deferred income tax

The tax expense for the period comprises current tax and deferred tax. Tax is recognised in the consolidated statement of comprehensive income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case the tax is also recognised in other comprehensive income or directly in equity, respectively.

(a) Current income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Group operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

(b) Deferred income tax

Inside basis differences

Deferred income tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

2 重大會計政策概要(續)

2.17 即期及遞延所得稅

期內之稅項開支包括即期稅項及遞延稅項。稅項於綜合全面收入表中確認，惟倘稅項與其他全面收入中確認或直接在權益中確認之項目有關則除外。在此情況下，稅項亦分別在其他全面收入中或直接在權益中確認。

(a) 即期所得稅

即期所得稅開支按報告期末本集團經營並產生應課稅收入所在國家已頒佈或實質頒佈之稅法計算。管理層定期檢討報稅表就須予詮釋之適用稅務規例之立場。管理層亦根據預期須向稅務機關支付之數額作出適當之撥備。

(b) 遞延所得稅

內部基準差異

遞延所得稅乃利用債務法就資產及負債之稅基與資產及負債在綜合財務報表之賬面值間之暫時差額確認。然而，若遞延稅項負債因初始確認商譽而產生，則不予確認；若遞延所得稅因在交易(不包括業務合併)中初始確認資產或負債而產生，而在交易時不影響會計或應課稅損益，則不作記賬。遞延所得稅採用在報告期末已頒佈或實質頒佈，並預期於變現有關遞延所得稅資產或結算遞延所得稅負債時將適用之稅率。

遞延所得稅資產僅於未來應課稅溢利可供抵銷可動用之暫時差額時方始確認。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Continued)

2.17 Current and deferred income tax (Continued)

(b) **Deferred income tax (Continued)**

Outside basis differences

Deferred income tax is provided on temporary differences arising on investments in subsidiaries, except for deferred income tax liability where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets are recognised on deductible temporary differences arising from investments in subsidiaries only to the extent that it is probable the temporary difference will reverse in the future and there is sufficient taxable profit available against which the temporary difference can be utilised.

(c) **Offsetting**

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

2.18 Employee benefits

(a) **Employee leave entitlements**

Employee entitlements to annual leave are recognized when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the end of reporting date. Employee entitlements to sick leave and maternity leave are not recognised until the time of leave.

(b) **Bonus plans**

The Group recognises a liability and an expense for bonuses, based on a formula that takes into consideration the profit attributable to the Company's shareholders after certain adjustments. The Group recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

2 重大會計政策概要(續)

2.17 即期及遞延所得稅(續)

(b) **遞延所得稅(續)**

外部基準差異

於附屬公司之投資產生之暫時差額會作出遞延所得稅撥備，惟倘本集團可控制撥回暫時差額之時間，且該暫時差額可能不會在可見將來撥回，則有關遞延所得稅負債另作別論。

遞延所得稅資產乃按於附屬公司之投資所產生可扣減暫時差額而確認，惟僅限於暫時差額很可能於未來撥回，且有充足應課稅溢利可用以抵銷可動用之暫時差額。

(c) **抵銷**

當有合法可強制執行權力將即期稅項資產與即期稅項負債互相抵銷，且遞延所得稅資產與負債涉及由同一稅務機關對應課稅實體或不同應課稅實體所徵收之所得稅，而實體有意以淨額基準結算所得稅結餘時，則可將遞延所得稅資產與負債互相抵銷。

2.18 僱員福利

(a) **僱員假期權利**

僱員享有之年假乃於向僱員提供年假時確認。已就截至報告期末因僱員提供服務所產生年假之估計負債計提撥備。僱員之病假及產假權利於請假時方予以確認。

(b) **花紅計劃**

本集團乃根據一項公式(即計及經若干調整後本公司股東應佔溢利)確認花紅之負債及開支。於出現合約責任或過往慣例所引致推定責任時，本集團即確認撥備。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.18 Employee benefits (Continued)

(c) Pension obligations

For employees in Hong Kong, the Group has a defined contribution plan. The Group pays contributions to trustee-administered pension funds on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employment costs when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

(d) Equity-settled share-based payment transactions

The Group operates an equity-settled, share-based compensation plan, under which the entity receives services from employees as consideration for equity instruments (options) of the Group. The fair value of the employee services received in exchange for the grant of the options is recognised as an expense. The total amount to be expensed is determined by reference to the fair value of the options granted:

- including any market performance conditions (for example, an entity's share price);
- excluding the impact of any service and non-market performance vesting conditions (for example, profitability, sales growth targets and remaining an employee of the entity over a specified time period); and
- including the impact of any non-vesting conditions (for example, the requirement for employees to save or holding shares for a specified period of time).

At the end of each reporting period, the Group revises its estimates of the number of options that are expected to vest based on the non-marketing performance and service conditions. It recognises the impact of the revision to original estimates, if any, in the consolidated statement of comprehensive income, with a corresponding adjustment to equity.

2 重大會計政策概要(續)

2.18 僱員福利(續)

(c) 退休金責任

本集團為香港僱員設有定額供款計劃。本集團按強制、合約或自願基準向受託人管理之退休金供款。本集團於支付供款後，再無其他付款責任。供款於到期時確認為僱傭成本。預付供款確認為資產，惟以退回現金或可扣減日後付款金額為限。

(d) 以權益結算以股份為基礎之付款交易

本集團設有以權益結算、以股份為基礎之報酬計劃，據此，實體獲得僱員之服務作為本集團股本工具(購股權)之代價。為換取授出購股權而獲得之僱員服務公平值乃確認為開支。將支銷之總金額乃參考已授出購股權之公平值釐定：

- 包括任何市場表現條件(如實體之股價)；
- 不包括任何服務及非市場表現歸屬條件之影響，如盈利能力、銷售增長目標及於指定期間留任實體僱員；及
- 包括任何非歸屬條件之影響，如要求僱員於一段特定期間內保存或持有股份。

於各報告期末，本集團會根據非市場表現及服務條件修訂預期歸屬之購股權數目之估計數字，並於綜合全面收入表內確認修訂對原來估計產生之影響(如有)及對權益作出相應調整。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Continued)

2.18 Employee benefits (Continued)

(d) Equity-settled share-based payment transactions

(Continued)

In addition, in some circumstances employees may provide services in advance of the grant date and therefore the grant date fair value is estimated for the purposes of recognising the expense during the period between service commencement period and grant date.

When the options are exercised, the Company issues new shares. The proceeds received net of any directly attributable transaction costs are credited to share capital (and share premium).

2.19 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

2.20 Repossessed assets

Repossessed assets are initially recognised at the lower of their fair value less costs of disposal and the amortised cost of the related outstanding loans on the date of repossession. The related loans together with the related impairment allowances are derecognised from the consolidated statement of financial position upon the recognition of repossessed assets. Repossessed assets are measured subsequently at cost less impairment.

2 重大會計政策概要(續)

2.18 僱員福利(續)

(d) 以權益結算以股份為基礎之付款交易(續)

此外，在若干情況下，僱員或會在授出日期前提供服務，因此估計授出日期之公平值，以確認於服務開始時直至授出日期期間之開支。

當行使購股權時，本公司會發行新股份。收訖之所得款項經扣除任何直接應佔交易成本後之金額計入股本(及股份溢價賬)內。

2.19 撥備

倘本集團現時因過往事件而涉及法律或推定責任，而履行責任可能須耗用資源，且金額已被可靠估計，則確認撥備。概無就未來經營虧損確認撥備。

倘有多項同類責任，則整體考慮責任類別以釐定履行責任時可能耗用之資源。即使在同一責任類別所涉及任何一個項目相關之資源流出可能性極低，仍須確認撥備。

撥備按預期履行責任所需開支之現值以除稅前比率(反映當時市場對該責任特定之貨幣時間值及風險之評估)計量。隨時間產生之撥備增加會被確認為利息開支。

2.20 收回資產

收回資產初始按其收回日期之公平值減出售成本與有關未收回貸款之攤銷成本(以較低者為準)確認。有關貸款連同有關減值撥備於確認收回資產後於綜合財務狀況表中終止確認。收回資產其後按成本減減值計量。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Continued)

2.21 Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of services in the ordinary course of the Group's activities.

The Group recognises revenue when the amount of revenue can be reliably measured; when it is probable that future economic benefits will flow to the entity; and when specific criteria have been met for each of the Group's activities, as described below.

(a) **Interest income**

Interest income is recognised and accrued using the effective interest method. When a loan and receivable is impaired, the Group reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument, and continues unwinding the discount as interest income. Interest income on impaired loan and receivables are recognised using the original effective interest rate.

(b) **Rental income**

Rental income from investment properties is recognised in the consolidated statement of comprehensive income on a straight-line basis over the period of the lease.

2.22 Leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the consolidated statement of comprehensive income on a straight-line basis over the period of the lease.

2.23 Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the Group's and Company's financial statements in the period in which the dividends are approved by the Company's shareholders.

2 重大會計政策概要(續)

2.21 收益確認

收益包括本集團於日常業務中就銷售服務已收或應收代價之公平值。

本集團於收益金額能可靠計量，且未來經濟利益可能流入實體並已符合下文所述本集團各業務活動之特定條件時確認收益。

(a) **利息收入**

利息收入以實際利率法確認及累計。倘貸款及應收款項出現減值，本集團將其賬面值減至可收回金額，即估計之未來現金流量按工具之原實際利率貼現，並繼續將貼現計算為利息收入。已減值貸款及應收款項之利息收入按原實際利率確認。

(b) **租金收入**

投資物業之租金收入在整個租賃期間按直線法於綜合全面收入表內確認。

2.22 租賃

由出租人保留擁有權之大部分風險及回報之租賃會被分類為經營租賃。經營租賃付款(扣除出租人給予之任何優惠)在整個租賃期間按直線法於綜合全面收入表內扣除。

2.23 股息分派

分派予本公司股東之股息，於本公司股東批准股息期間內之本集團及本公司財務報表內確認為負債。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

3 FINANCIAL RISK MANAGEMENT

3.1 Financial risk factors

The Group's activities expose it to various types of financial risks: market risk (including cash flow and fair value interest rate risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

(a) Market risk — Cash flow and fair value interest rate risk

The Group's interest rate risk arises from its bank and other borrowings, bonds and an amount due to a fellow subsidiary. Bank and other borrowings and an amount due to a fellow subsidiary issued at variable rates expose the Group to cash flow interest rate risk which is partially offset by cash held at variable rates. Bonds issued at fixed rates are subject to fair value interest rate risk. The Group has not used any interest rate swaps to hedge its exposure to interest-rate risk. The Group manages its cash flow and fair value interest rate risk mainly by adjusting the interest rates on loans granted to customers.

As at 31 March 2019, if market interest rates had been 1% higher/lower with all other variables held constant, post-tax profit for the year would have been HK\$3,013,374 lower/higher (2018: HK\$3,146,000), mainly as a result of higher/lower interest expense on bank borrowings and amount due to a fellow subsidiary carried at variable rates.

Although bonds issued at fixed rates are subject to fair value interest rate risk, they are not remeasured in the financial statement in response to changes in market interest rates and therefore changes in market interest rate would not affect the reported profit or loss.

3 財務風險管理

3.1 財務風險因素

本集團之經營令其面對多項財務風險：市場風險(包括現金流量及公平值利率風險)、信貸風險及流動資金風險。本集團之整體風險管理計劃專注於金融市場之不可預測性，並致力減低其對本集團財務表現造成之潛在不利影響。

(a) 市場風險 — 現金流量及公平值利率風險

本集團之利率風險源自其銀行及其他借款、債券以及應付一間同系附屬公司款項。按浮動利率作出之銀行及其他借款以及應付一間同系附屬公司款項令本集團面對現金流量利率風險，而按浮動利率持有之現金部分抵銷該風險。按固定利率發行之債券須承受公平值利率風險。本集團並無使用任何利率掉期對沖其利率風險。本集團主要透過調整授予客戶之貸款利率管理其現金流量及公平值利率風險。

於2019年3月31日，若市場利率升值／貶值1%，在所有其他變量保持不變之前提下，主要由於按浮動利率列賬之銀行借款以及應付一間同系附屬公司款項之利息開支增加／減少，導致於年內之稅後溢利將分別減少／增加3,013,374港元(2018年：3,146,000港元)。

儘管按固定利率發行之債券須承受公平值利率風險，惟該等債券並無針對市場利率變動而於財務報表重新計量，故市場利率變動將不會影響所匯報之損益。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

3 FINANCIAL RISK MANAGEMENT (Continued)

3.1 Financial risk factors (Continued)

(b) Credit risk

The Group's credit risk arises from cash and cash equivalents, loans receivable, interest receivables, deposits and other receivables. Management has a credit policy in place and the exposures to these credit risks are monitored on an ongoing basis. The carrying amount of these balances represents the Group's maximum exposure to credit risk in relation to financial assets are as follows:

		As at 31 March 於3月31日	
		2019 2019年 HK\$'000 千港元	2018 2018年 HK\$'000 千港元
	Note 附註		
Loans receivable	應收貸款	21	881,299
Interest receivables	應收利息	23	22,075
Deposits and other receivables	按金及其他應收款項	25	401
Cash and cash equivalents	現金及現金等價物	26	37,294
			941,069
			895,899

(i) Credit risk management

Most of the Group's cash and cash equivalents are deposited in major financial institutions located in Hong Kong, which the Group's management believes are of high credit quality.

The Group manages and analyses the credit risk for each of their new and existing clients before standard payment terms and conditions are offered. If there is no independent rating, the Group assesses the credit quality of the customer based on the customer's financial position, past experience and other factors.

For property mortgage loans, the Group holds collateral against loans receivable and interest receivables in the form of mortgages over property. Majority of the collateral are residential properties, commercial properties and industrial properties and all of the collaterals are located in Hong Kong. Individual risk limits are set based on the value of collaterals provided by customers and internal or external ratings in accordance with limits set by the directors. The utilisation of credit limits is regularly monitored.

3 財務風險管理(續)

3.1 財務風險因素(續)

(b) 信貸風險

本集團之信貸風險主要源自現金及現金等價物、應收貸款、應收利息、按金及其他應收款項。管理層已實施信貸政策，並持續監察該等信貸風險。有關結餘賬面值指本集團就下文所述金融資產而面臨之最大信貸風險：

		As at 31 March 於3月31日	
		2019 2019年 HK\$'000 千港元	2018 2018年 HK\$'000 千港元
	Note 附註		
Loans receivable	應收貸款	21	881,299
Interest receivables	應收利息	23	22,075
Deposits and other receivables	按金及其他應收款項	25	401
Cash and cash equivalents	現金及現金等價物	26	37,294
			941,069
			895,899

(i) 信貸風險管理

本集團大多數現金及現金等價物均存於香港境內之大型金融機構，本集團管理層相信該等機構信貸質素優異。

於提供標準支付條款及條件之前，本集團會管理與分析其各個新客戶及現有客戶之信貸風險。若無獨立評級，則本集團根據客戶之財務狀況、過往表現及其他因素評估客戶之信貸質素。

就物業按揭貸款而言，本集團以物業質押之形式就應收貸款及應收利息持有抵押品。大多數抵押品為住宅物業、商業物業及工業物業，且全部抵押品均位於香港境內。個別風險限額基於客戶所提供抵押品之價值或根據董事設定之限額而進行之內部或外部評級釐定。定期監察信貸限額之使用情況。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

3 FINANCIAL RISK MANAGEMENT (Continued)

3.1 Financial risk factors (Continued)

(b) Credit risk (Continued)

(i) Credit risk management (Continued)

The Group generally grants loans with a loan-to-value ratio of no more than 70% of the value in the valuation report of the property for first property mortgage, and where it is subordinate property mortgage, the aggregate lending from all lenders to the customer should not exceed 70% of the value of the underlying property. Approval from the directors, a credit manager and a credit officer is needed for loans granted with a loan-to-value ratio that exceeds 70%. The directors meet regularly to review the loan-to-value ratio and when (1) there is a significant change in the property price index in Hong Kong; or (2) when loans are renewed. The directors consider that the credit risk arising from loans and interest receivables is significantly mitigated by the property held as collateral, with reference to the estimated market value of the property which were valued by independent third party valuers as at the end of the reporting period.

In general, the loan officers of the Group propose to management of the Company on a monthly basis the amount of provision to be made.

For personal loans, the Group assesses the credit quality of the customer based on the customer's financial position, past experience, internal and external credit rating of the customers and other factors.

3 財務風險管理(續)

3.1 財務風險因素(續)

(b) 信貸風險(續)

(i) 信貸風險管理(續)

本集團一般就首次物業按揭授出之貸款之按揭成數不多於物業估值報告所載估值之70%；倘為物業按揭二按，則所有貸款人向客戶借出之總金額不得超過相關物業估值之70%。授出按揭成數超過70%之貸款須經董事、信貸經理及信貸負責人員批准。當(1)香港樓價指數大幅變動；或(2)重續貸款時，董事定期會面以檢討按揭成數。董事經參照獨立第三方估值師於報告期末為物業評估之估計市場價值後認為，持作抵押品之物業大幅減輕應收貸款及利息所產生信貸風險。

一般而言，本集團貸款負責人員每月向本公司管理層建議將計提之撥備金額。

就私人貸款而言，本集團根據客戶之財務狀況、過往表現、有關該客戶之內部與外部信貸評級以及其他因素評估客戶之信貸質素。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

3 FINANCIAL RISK MANAGEMENT (Continued)

3.1 Financial risk factors (Continued)

(b) Credit risk (Continued)

(ii) Expected credit loss ("ECL") measurement

HKFRS 9 outlines a "three-stage" model for impairment based on changes in credit quality since initial recognition as summarised below:

Stage 1: A financial instrument that is not credit-impaired on initial recognition.

Stage 2: If a significant increase in credit risk since initial recognition is identified, the financial instrument is moved to Stage 2 but is not yet deemed to be credit-impaired.

Stage 3: If the financial instrument is credit-impaired, the financial instrument is then moved to Stage 3.

Financial instruments in Stage 1 have their ECL measured at an amount equal to the portion of lifetime expected credit losses that result from default events possible within the next 12 months. Investment in Stages 2 or 3 have their ECL measured based on expected credit losses on a lifetime basis. A pervasive concept in measuring ECL in accordance with HKFRS 9 is that it should consider forward-looking information. The key judgements and assumptions adopted by the Group in addressing the requirements of the standard are discussed below.

3 財務風險管理(續)

3.1 財務風險因素(續)

(b) 信貸風險(續)

(ii) 預計信貸損失(「預計信貸損失」)之計量

下文載列香港財務報告準則第9號概述根據自初始確認以來信貸質素之變動就減值之「三個階段」模式之概要：

第1階段：於初始確認時並無信貸減值之金融工具。

第2階段：倘識別自初始確認以來信貸風險顯著增加，則金融工具轉入第2階段，但尚未被視為出現信貸減值。

第3階段：倘金融工具出現信貸減值，則金融工具轉入第3階段。

第1階段之金融工具按相等於因於未來12個月可能發生之違約事件引致之全期預計信貸損失其中部分之金額計量預計信貸損失。第2階段或第3階段之投資按全期預計信貸損失計量預計信貸損失。普遍認為根據香港財務報告準則第9號計量預計信貸損失時應考慮前瞻資料。本集團就該項準則之規定採納之主要判斷及假設於下文論述。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

3 FINANCIAL RISK MANAGEMENT (Continued)

3.1 Financial risk factors (Continued)

(b) Credit risk (Continued)

(iii) Significant increase in credit risk

The Group considers a financial instrument to have experienced a significant increase in credit risk when one or more of the following criteria have been met:

- The borrower is more than 30 days past due on its contractual payments.

The assessment of significant increase in credit risk is performed on a monthly basis for all loans and interest receivables held by the Group. The criteria used to identify significant increase in credit risk are monitored and reviewed periodically for appropriateness by the directors and the credit team. The Group has not used the low credit risk exemption for any financial instruments in the year ended 31 March 2019.

(iv) Definition of default and credit-impaired assets

The Group defines a loan as in default, which is fully aligned with the definition of credit-impaired, when it meets one or more of the following criteria:

- The borrower is more than 90 days past due on its contractual payments.
- The borrower is deceased.
- The borrower is insolvent.
- It is becoming probable that the borrower will enter bankruptcy.

The criteria above have been applied to all loans held by the Group and are consistent with the definition of default used for internal credit risk management purposes. The default definition has been applied consistently to model the Probability of Default ("PD"), Exposure at Default ("EAD") and Loss Given Default ("LGD") throughout the Group's expected loss calculations.

3 財務風險管理(續)

3.1 財務風險因素(續)

(b) 信貸風險(續)

(iii) 信貸風險顯著增加

本集團認為金融工具於符合下列其中一項或以上標準時屬信貸風險顯著增加：

- 借款人之合約付款逾期超過30日。

本集團所持所有應收貸款及利息均按月評估信貸風險有否顯著增加。董事及信貸團隊定期監察及檢討用於識別信貸風險有否顯著增加之標準是否合適。本集團於截至2019年3月31日止年度尚未就任何金融工具使用低信貸風險豁免規定。

(iv) 違約及信貸減值資產之定義

本集團將符合下列其中一項或以上標準之貸款界定為違約，而此定義與信貸減值之定義完全相符：

- 借款人之合約付款逾期超過90日。
- 借款人身故。
- 借款人無力償債。
- 借款人將可能破產。

上述標準已應用於本集團所持所有貸款，且與就管理內部信貸風險所採用違約之定義貫徹一致。本集團計算預計違失時全面貫徹應用違約之定義作為違約機率(「違約機率」)、違約風險(「違約風險」)及違約損失率(「違約損失率」)之模型。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

3 FINANCIAL RISK MANAGEMENT (Continued)

3.1 Financial risk factors (Continued)

(b) Credit risk (Continued)

(iv) Definition of default and credit-impaired assets (Continued)

A loan is considered to no longer be in default when it no longer meets any of the default criteria for a consecutive period of six months. This period of six months has been determined based on an analysis which considers the likelihood of a loan returning to default status.

(v) ECL measuring techniques

ECLs are the discounted product of the PD, EAD and LGD defined as follows:

- PD represents the likelihood of a borrower defaulting on its financial obligation.
- EAD is based on the amounts the Group expects to be owed at the time of default.
- LGD represents the Group's expectation of the extent of loss on a defaulted exposure. It varies by type of counterparty and availability of collateral.

The ECL is determined by projecting the PD, LGD and EAD for each individual exposure. These three components are multiplied together and adjusted based on the forward-looking information.

3 財務風險管理(續)

3.1 財務風險因素(續)

(b) 信貸風險(續)

(iv) 違約及信貸減值資產之定義(續)

倘貸款連續六個月期間不再符合任何違約標準，則被視為不再違約。此六個月期間乃基於考慮貸款再次違約之機會之分析釐定。

(v) 預計信貸損失之計量方法

預計信貸損失為下文所界定違約機率、違約風險及違約損失率相乘後貼現之結果：

- 違約機率指借款人拖欠支付其財務責任之機率。
- 違約風險乃基於預期違約時結欠本集團之金額釐定。
- 違約損失率指本集團就違約風險所產生損失程度之預期，視乎對手方類別及是否有抵押品而異。

預計信貸損失乃透過就各個別風險預測違約機率、違約損失率及違約風險釐定。該三項元素相乘並根據前瞻資料調整。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

3 FINANCIAL RISK MANAGEMENT (Continued)

3.1 Financial risk factors (Continued)

(b) Credit risk (Continued)

(v) ECL measuring techniques (Continued)

The lifetime PD is developed by applying a maturity profile to the current 12-month PD. The maturity profile looks at how defaults develop on a portfolio from the point of initial recognition throughout the lifetime of the loans. The maturity profile is based on historical observed data and is assumed to be the same across all assets within a portfolio. This is supported by historical analysis.

The 12-month and lifetime EADs are determined based on the contractual repayments owed by the borrower over a 12-month or lifetime basis.

The 12-month and lifetime LGDs are determined based on the factors which impact the recoveries made post default. For property mortgage loans, this is primarily based on collateral type and projected collateral values, historical discounts to market values due to forced sales, time to repossession and recovery costs observed. For personal loans, LGDs are typically set at product level due to the limited differentiation in recoveries achieved across different borrowers.

Forward-looking economic information is also included in determining the 12-month and lifetime PD, EAD and LGD.

The assumptions underlying the ECL calculation are monitored and reviewed on a quarterly basis. There have been no significant changes in estimation techniques or significant assumptions made during the reporting period.

3 財務風險管理(續)

3.1 財務風險因素(續)

(b) 信貸風險(續)

(v) 預計信貸損失之計量方法(續)

全期違約機率乃應用到期日分佈至即期12個月得出。到期日分佈檢視組合於初始確認起至貸款期內如何形成違約。到期日分佈以過往可觀察數據為基準及假定組合內所有資產皆相同。此可由過往分析為理據。

12個月及全期違約風險乃根據借款人於12個月或期限內結欠之合約還款釐定。

12個月及全期違約損失率乃根據影響於違約後收回款項之因素釐定。就物業按揭貸款而言，此乃主要以合約類型及預測抵押品價值、過往因強制銷售引致之市值折讓、收回時間以及所觀察收回成本為依據。就私人貸款而言，違約損失率一般按產品層面釐定，原因為不同借款人之可收回情況差異有限。

釐定12個月及全期違約機率、違約風險及違約損失率時亦考慮前瞻經濟資料。

計算預計信貸損失涉及之相關假設會按季監察及檢討。估計方法或所作重大假設於報告期內並無任何重大變動。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

3 FINANCIAL RISK MANAGEMENT (Continued)

3.1 Financial risk factors (Continued)

(b) Credit risk (Continued)

(vi) Forward-looking information incorporated

The Group has established macro-economic forecast model. The Group conduct forecasts regularly to establish three economic scenario, optimistic, neutral and pessimistic to ensure coverage of non-linear features for the ECL model. Neutral scenario is defined as the most probable situation which will become benchmark for other scenarios. Optimistic and pessimistic scenarios are possible scenarios which are better and worse than neutral scenario respectively. The Group uses internal and external information to generate a neutral scenario. The external information used includes economic data and forecasts published by the government and monetary authorities.

Other forward-looking considerations such as the impact of any regulatory, legislative or political changes have been considered but are not deemed to have material impact and therefore no adjustment has been made to the ECL for such factors. This is reviewed and monitored for appropriateness on a quarterly basis.

(vii) Sensitivity analysis

The most significant assumptions affecting the ECL allowance are as follows:

Property mortgage loans

Property price index — given the significant impact it has on mortgage collateral valuations.

3 財務風險管理(續)

3.1 財務風險因素(續)

(b) 信貸風險(續)

(vi) 所納入前瞻資料

本集團已制定宏觀經濟預測模型。本集團定期進行預測，以便制訂樂觀、中性及悲觀三種經濟情況，從而確保涵蓋預計信貸損失模式之非線性特徵。中性情況界定為最可能出現之情況，此情況將成為其他情況之基準。樂觀及悲觀情況乃可能出現之情況，分別優於及遜於中性情況。本集團使用內部及外部資料得出中性情況。所使用外部資料包括政府及金融機構公佈之經濟數據及預測。

其他前瞻考慮(例如任何監管、法例或政治變動之影響)已納入考慮惟尚未被視為重大影響，故並無就該等因素調整預計信貸損失。本集團按季檢討及監察有關事宜是否適當。

(vii) 敏感度分析

影響預計信貸損失撥備之最重大假設如下：

物業按揭貸款

樓價指數 — 鑑於其對按揭抵押品估值之重大影響。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

3 FINANCIAL RISK MANAGEMENT (Continued)

3.1 Financial risk factors (Continued)

(b) Credit risk (Continued)

(vii) Sensitivity analysis (Continued)

Personal loans

Number of bankruptcy — given its impact on unsecured borrowers' ability to meet their contractual repayments.

Set out below are the changes to the ECL as at 31 March 2019 that would result from reasonably possible changes in these parameters from the actual assumptions used in the Group's economic variable assumptions:

Change in input on ECL model

預計信貸損失模式之

輸入數據變動

— Assuming a further 10% weighting added to the probability of the optimistic scenario and a corresponding 10% weighting reduction in the base scenario	— Decrease by HK\$100,000
— 假設樂觀情況之機率額外添加權重10%，並於基礎情況相應減少權重10%	— 減少100,000港元
— Assuming a further 10% weighting added to the probability of the pessimistic scenario and a corresponding 10% weighting reduction in the base scenario	— Increase by HK\$2,076,000
— 假設悲觀情況之機率額外添加權重10%，並於基礎情況相應減少權重10%	— 增加2,076,000港元
— Assuming number of bankruptcy decreased by 10%	— Decrease by HK\$191,000
— 假設破產次數減少10%	— 減少191,000港元
— Assuming number of bankruptcy increased by 10%	— Increase by HK\$200,000
— 假設破產次數增加10%	— 增加200,000港元
— Assuming the forecast collateral value increase by 10%	— Decrease by HK\$299,000
— 假設預測抵押品價值增加10%	— 減少299,000港元
— Assuming the forecast collateral value decrease by 10%	— Increase by HK\$2,476,000
— 假設預測抵押品價值減少10%	— 增加2,476,000港元

3 財務風險管理(續)

3.1 財務風險因素(續)

(b) 信貸風險(續)

(vii) 敏感度分析(續)

私人貸款

破產次數 — 鑑於其對借款人履行合約還款責任之能力(無抵押)之影響。

下文載列因本集團就經濟變數之假設採用之實際假設所涉及該等參數可能出現之合理變動而導致於2019年3月31日之預計信貸損失變動：

Impact on ECL allowance on loans receivable and interest receivables
對應收貸款及應收利息之預計信貸損失撥備之影響

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

3 FINANCIAL RISK MANAGEMENT (Continued)

3.1 Financial risk factors (Continued)

(b) Credit risk (Continued)

(viii) Credit risk exposure

The following table contains an analysis of the credit risk exposure of loans and interest receivables for which an ECL allowance is recognised. The gross carrying amount of loans and receivables below also represents the Group's maximum exposure to credit risk on these assets.

Movements in gross balance of loans and interest receivables:

		Year ended 31 March 2019 截至2019年3月31日止年度			
		Stage 1 第1階段 HK\$'000 千港元	Stage 2 第2階段 HK\$'000 千港元	Stage 3 第3階段 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Balance as at 31 March 2018	於2018年3月31日 之結餘	776,318	15,456	89,314	881,088
New loans originated	新造貸款	401,781	59,465	5,589	466,835
Loans recovered or repaid during the year	年內收回或償還貸款	(347,489)	(15,175)	(49,019)	(411,683)
Transfers from Stage 1 to Stage 2	第1階段轉入第2階段	(91,171)	91,171	-	-
Transfers from Stage 2 to Stage 1	第2階段轉入第1階段	2,395	(2,395)	-	-
Transfers from Stage 1 to Stage 3	第1階段轉入第3階段	(99,296)	-	99,296	-
Transfers from Stage 2 to Stage 3	第2階段轉入第3階段	-	(1,724)	1,724	-
Total transfers between stages	階段之間轉撥總額	(188,072)	87,052	101,020	-
Write-offs	撇銷	(6,712)	(1,084)	(35)	(7,831)
As at 31 March 2019	於2019年3月31日	635,826	145,714	146,869	928,409

3 財務風險管理(續)

3.1 財務風險因素(續)

(b) 信貸風險(續)

(viii) 信貸風險

下表載列已確認預計信貸損失撥備之應收貸款及利息之信貸風險分析。以下貸款及應收款項之賬面總值亦代表本集團就該等資產面對之最大信貸風險。

應收貸款及利息結餘總額之變動：

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

3 FINANCIAL RISK MANAGEMENT (Continued)

3.1 Financial risk factors (Continued)

(b) Credit risk (Continued)

(viii) Credit risk exposure (Continued)

Movements in ECL allowance on loans and interest receivables:

		Year ended 31 March 2019 截至2019年3月31日止年度			
		Stage 1 第1階段	Stage 2 第2階段	Stage 3 第3階段	Total 總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Balance as at 31 March 2018	於2018年3月31日之結餘	-	-	-	11,620
Impact of adopting HKFRS 9	採納香港財務報告準則第9號之影響	-	-	-	1,463
Balance at 1 April 2018	於2018年4月1日之結餘	8,228	1,132	3,723	13,083
New loans originated	新造貸款	2,522	209	3,136	5,867
Loans recovered or repaid during the year	年內收回或償還貸款	(3,242)	-	(2,616)	(5,858)
Transfers from Stage 1 to Stage 2	第1階段轉入第2階段	(1,143)	1,143	-	-
Transfers from Stage 1 to Stage 3	第1階段轉入第3階段	(3,483)	-	3,483	-
Transfers from Stage 2 to Stage 3	第2階段轉入第3階段	-	(1,096)	1,096	-
Total transfers between stages	階段之間轉撥總額	(4,626)	47	4,579	-
Impact on year end ECL exposure	對年終預計信貸損失風險之影響	(2,504)	-	15,990	13,486
Movement within same stage due to change in credit risk	因信貸風險變動而引致同一階段內之變動	4,066	(691)	-	3,375
Write-offs	撤銷	-	-	(4,918)	(4,918)
As at 31 March 2019	於2019年3月31日	4,444	697	19,894	25,035

As at
31 March
於3月31日
2018
2018年
HK\$'000
千港元

Performing	表現良好	861,537
Doubtful	呆滯	11,620
Loss	虧損	7,931
Gross loans and interest receivables	應收貸款及利息總額	881,088

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

3 FINANCIAL RISK MANAGEMENT (Continued)

3.1 Financial risk factors (Continued)

(b) Credit risk (Continued)

(ix) Write-off policy

The Group writes off loans and interest receivables, in whole or in part, when it has exhausted all practical recovery efforts and has concluded there is no reasonable expectation of recovery. The Group may write-off loans and interest receivables that are still subject to enforcement activities. The amounts written-off during the year ended 31 March 2019 was HK\$7,831,000. The Group still seeks to recover amounts it is legally owed in full, but which have been written-off due to no reasonable expectation of full recovery.

(x) Concentration risk

Revenue from the top five customers constituted approximately 12% (2018: 10.5%) of the Group's revenue for the year ended 31 March 2019. They accounted for approximately 15.5% (2018: 12.7%) of the gross loans receivable balances as at 31 March 2019.

(c) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facility. Cash flow forecasting is performed by management. The Group monitors its rolling forecasts of the Group's liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times so that the Group does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities. Such forecasting takes into consideration the Group's debt financing plans, covenant compliance, compliance with internal financial position ratio targets and, if applicable external regulatory or legal requirements.

3 財務風險管理(續)

3.1 財務風險因素(續)

(b) 信貸風險(續)

(ix) 撇銷政策

本集團於作出一切實際收回之努力後得出結論認為並無合理預期可收回時，撇銷全數或部分應收貸款及利息。本集團可撇銷仍須進行強制活動之應收貸款及利息。於截至2019年3月31日止年度撇銷之金額為7,831,000港元。本集團仍尋求全數收回其合法擁有但因無合理預期可全數收回而撇銷之款項。

(x) 風險集中

截至2019年3月31日止年度，來自五大客戶之收益佔本集團收益約12%(2018年：10.5%)，佔於2019年3月31日之應收貸款結餘總額約15.5%(2018年：12.7%)。

(c) 流動資金風險

審慎流動資金風險管理指維持充足現金及獲得充足承諾信貸融資。管理層進行現金流量預測。本集團監控其對本集團流動資金需求作出之滾動預測，確保有足夠資金應付營運資金需求，同時於任何時間均就未提取承諾借款融資維持足夠上升空間，以確保本集團不會違反其任何借款融資之借款限額或契諾(如適用)。該等預測乃計及本集團之債務融資計劃、契諾合規情況、內部財務狀況利率目標遵守及(如適用)外部規定或法律要求。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

3 FINANCIAL RISK MANAGEMENT (Continued)

3.1 Financial risk factors (Continued)

(c) Liquidity risk (Continued)

The Group's primary cash requirements, apart from granting loans to customers, are for payment of bank borrowings, bonds, an amount due to a fellow subsidiary and operating expenses.

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period at the end of the reporting period to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

		As at 31 March 於3月31日	
		2019 2019年 HK\$'000 千港元	2018 2018年 HK\$'000 千港元
Within one year:	1年內：		
Trade and other payables	貿易及其他應付款項	6,553	8,249
Amount due to a fellow subsidiary	應付一間同系附屬公司 款項	113,540	133,747
Bank and other borrowings	銀行及其他借款	380,375	335,172
Bonds	債券	5,850	34,215
		506,318	511,383
Two to five years:	2至5年：		
Bonds	債券	104,066	90,851

3 財務風險管理(續)

3.1 財務風險因素(續)

(c) 流動資金風險(續)

除向客戶授出貸款外，本集團之主要現金需求為銀行借款還款、債券、應付一間同系附屬公司款項及營運開支。

下表對根據報告期末至合約到期日之剩餘期間劃分本集團之金融負債至有關到期組別作出分析。表中所披露金額為合約未貼現現金流量。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

3 FINANCIAL RISK MANAGEMENT (Continued)

3.2 Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns to the shareholder and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Group monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including 'bank and other borrowings', 'bonds' and 'amount due to a fellow subsidiary' as shown in the consolidated statement of financial position) less cash and cash equivalents. Total capital is calculated as 'equity' as shown in the consolidated statement of financial position. The Group's strategy remains unchanged and the gearing ratio and net cash position of the Group as at 31 March 2019 are as follows:

		As at 31 March 於3月31日		
		2019 2019年 HK\$'000 千港元	2018 2018年 HK\$'000 千港元	
		Note 附註		
Bank and other borrowings	銀行及其他借款	31	360,883	322,443
Bonds	債券	32	98,216	105,919
Amount due to a fellow subsidiary	應付一間同系附屬公司款項	35(b)	106,524	125,284
Less: cash and cash equivalents	減：現金及現金等價物	26	(37,294)	(33,710)
Net debt	債務淨額		528,329	519,936
Total equity	權益總額		569,727	538,745
Gearing ratio	資產負債比率		0.93	0.97

3 財務風險管理(續)

3.2 股本風險管理

本集團管理股本之目標為保障本集團能持續經營，從而為股東提供回報並為其他持份者提供利益，以及維持最佳之股本架構以減低股本成本。

為維持或調整股本架構，本集團或會調整支付予股東之股息、向股東退還股本、發行新股或出售資產以減低債務。

本集團以資產負債比率為基準監控股本。該比率按債務淨額除以股本總額予以計算。債務淨額為借款總額(包括綜合財務狀況表內所示之「銀行及其他借款」、「債券」及「應付一間同系附屬公司款項」)減現金及現金等價物。股本總額為綜合財務狀況表所示之「權益」金額。本集團之策略維持不變；本集團於2019年3月31日之資產負債比率及現金狀況淨額如下：

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

3 FINANCIAL RISK MANAGEMENT (Continued)

3.3 Fair value estimation

The table below analyses the Group's financial instruments carried at fair value as at 31 March 2019 by level of inputs to valuation techniques used to measure fair value. Such inputs are categorised into three levels within a fair value hierarchy as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

Level 2 financial asset	第二級金融資產
Financial asset at fair value through profit or loss	按公平值計入損益之金融資產
Available-for-sale investment	可供出售投資

The fair value estimation of investment properties that are measured at fair value is set out in Note 17.

There were no transfers between levels 1, 2 and 3 during the year (2018: nil).

3 財務風險管理(續)

3.3 公平值估計

下表透過計量公平值所用估值技術之輸入數據等級，分析本集團於2019年3月31日按公平值列賬之金融工具。有關輸入數據乃按下列歸入公平值架構內三個等級：

- 同一資產或負債在活躍市場之報價(未經調整)(第一級)。
- 除包含於第一級之報價外，資產或負債之可觀察直接(即價格)或間接(即源自價格)輸入數據(第二級)。
- 並非依據可觀察市場數據而釐定之資產或負債輸入數據(即不可觀察輸入數據)(第三級)。

As at 31 March

於3月31日

		2019 2019年 HK\$'000 千港元	2018 2018年 HK\$'000 千港元
Level 2 financial asset	第二級金融資產		
Financial asset at fair value through profit or loss	按公平值計入損益之金融資產	800	—
Available-for-sale investment	可供出售投資	—	625

按公平值計量之投資物業之公平值估計載於附註17。

年內第一級、第二級及第三級之間並無發生轉撥(2018年：無)。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

4.1 Critical accounting estimates and assumptions

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

(a) Measurement of the expected credit loss allowance

The measurement of the expected credit loss allowance for loans and interest receivables is an area that requires the use of complex models and significant assumptions about future economic conditions and credit behavior. Explanation of the inputs, assumptions and estimation techniques used in measuring ECL is further detailed in Note 3.1(b), which also sets out key sensitives of the ECL to changes in these elements.

A number of significant judgements are also required in applying the accounting requirements for measuring ECL, such as:

- Determining criteria for significant increase in credit risk;
- Choosing appropriate models and assumptions for the measurement of ECL and
- Establishing the number and relation weightings of forward looking scenarios.

(b) Estimated valuation of investment properties

The fair value of investment property is determined annually by similar transaction on an open market in existing use basis. In making the judgement, consideration has been given to assumptions that are mainly on market conditions existing at the end of the reporting period and appropriate capitalisation rates of rental income.

4 重要會計估計及判斷

估計及判斷會持續評估，並以過往經驗及其他因素為基準，包括預期日後出現相信在有關情況下屬合理之事件。

4.1 重要會計估計及假設

本集團就未來作出估計及假設。顧名思義，所產生會計估計絕少與有關實際結果相同。涉及導致下一個財政年度之資產與負債賬面值作出大幅調整之重大風險之估計及假設論述如下。

(a) 預計信貸損失撥備之計量

應收貸款及利息預計信貸損失撥備之計量乃須使用複雜模式以及有關未來經濟狀況及信貸行為之重大假設之範疇。有關計量預計信貸損失所用輸入數據、假設及估計方法之解釋於附註3.1(b)進一步詳述，當中亦載列預計信貸損失對該等元素變動之主要敏感度。

應用有關計量預計信貸損失之會計規定時亦須作出多項重大判斷，例如：

- 釐定信貸風險顯著增加之標準；
- 就計量預計信貸損失選用合適模式及假設；及
- 制訂前瞻情況之數目及關係權重。

(b) 投資物業之估計估值

投資物業之公平值每年按目前使用基準參考公開市場之類似交易釐定。在作出判斷時，會考慮主要有關報告期末市場狀況及租金收入之適當股本化率之假設。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

(Continued)

4.1 Critical accounting estimates and assumptions

(Continued)

(c) Income tax

The Group is subject to current income tax. Significant judgment is required in determining the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain. The Group recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current income tax and deferred income tax assets and liabilities in the period in which such determination is made.

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted at the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled. Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

The Group's management determines the deferred income tax assets based on the enacted or substantively enacted tax rates (and laws) and the best knowledge of profit projections of the Group for coming years during which the deferred income tax assets are expected to be utilised. In assessing the amount of deferred income tax assets that need to be recognised, the Group considers future taxable income and ongoing prudent and feasible tax planning strategies. In the event that the Group estimates of projected future taxable income and benefits from available tax strategies are changed, or changes in current tax regulations are enacted that would impact the timing or extent of the Group's ability to utilise the tax benefits of net operating loss carried forward in the future, adjustments to the recorded amount of net deferred income tax assets and income tax expense would need to be made. In addition, management will revisit the assumptions and profit projections at each balance sheet date.

4 重要會計估計及判斷 (續)

4.1 重要會計估計及假設 (續)

(c) 所得稅

本集團須繳納即期所得稅。釐定所得稅撥備時須作出重大判斷。眾多交易及計算之最終稅項未能確定。本集團基於估計有否額外稅項到期確認預計稅務審計問題之負債。倘有關最終稅項結果與最初入賬金額不同，則差額會影響釐定稅項期間之即期所得稅及遞延所得稅資產與負債。

遞延所得稅採用在結算日已頒佈或實質已頒佈，及預期在變現有遞延所得稅資產或清償遞延所得稅負債時適用之稅率（及法例）釐定。僅於未來可能有應課稅溢利可用於抵銷暫時差額，方確認遞延所得稅資產。

本集團管理層根據已頒佈或實質已頒佈之稅率（及法例），以及本集團就預期動用遞延所得稅資產之未來年度之最佳溢利預測釐定遞延所得稅資產。評估須予確認之遞延所得稅資產金額時，本集團會考慮未來應課稅收入及現行審慎及可行之稅務規劃策略。倘本集團有關預測未來應課稅收入及現有稅務策略所帶來利益之估計出現任何變動，或現行稅務法規經修訂後會影響本集團日後動用結轉經營虧損淨額之稅務利益之時間或能力範疇，則須調整所錄得遞延所得稅資產淨值及所得稅開支。此外，管理層會於各結算日修訂假設及溢利預測。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

5 SEGMENT INFORMATION

The chief operating decision-maker has been identified as the management committee which comprises the executive directors and the chief executive officer of the Group. The management committee reviews the Group's internal reporting in order to assess performance and allocate resources. The management committee has determined the operating segments based on these reports.

The management committee has determined that the Group is organised into two main operating segments: (i) Property mortgage loans and (ii) Personal loans. The management committee measures the performance of the segments based on their respective segment results. The segment results derived from profit/loss before taxation, excluding unallocated (expenses)/income. Unallocated (expenses)/income mainly comprise of corporate income net off with corporate expenses including salary and other administrative expenses which are not attributable to particular reportable segment.

Segment assets exclude cash and cash equivalent and other unallocated head office and corporate assets which are managed on a group basis. Segment liabilities exclude income tax liabilities and other unallocated head office and corporate liabilities which are managed on a group basis.

There are no sales between the operating segments in the year ended 31 March 2018.

All of the Group's revenue from external customers and assets were generated from and located in Hong Kong during the years ended 31 March 2019 and 2018.

All of the Group's operating segments operate in Hong Kong, and accordingly geographical segment information is presented.

5 分部資料

主要營運決策人已確認為管理委員會，其由本集團執行董事及行政總裁組成。管理委員會審閱本集團之內部申報，從而評估表現及分配資源。管理委員會已根據該等報告確定經營分部。

管理委員會已確定本集團分為兩個主要經營分部：(i) 物業按揭貸款及(ii) 私人貸款。管理委員會根據彼等各自之分部業績計量分部表現。分部業績源自除稅前溢利／虧損，惟不包括未分配(開支)／收入。未分配(開支)／收入主要包括企業收入，經扣除並非歸屬於特定呈報分部之企業開支(包括薪金及其他行政開支)。

分部資產不包括現金及現金等價物及以集團管理為基礎之其他未分配總部及企業資產。分部負債不包括所得稅負債及以集團管理為基礎之其他未分配總部及企業負債。

截至2018年3月31日止年度，經營分部之間並無銷售。

截至2019及2018年3月31日止年度，本集團來自外部客戶之所有收益及資產均產生自及位於香港境內。

本集團所有經營分部均於香港營運，故並無呈列地區分部資料。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

5 SEGMENT INFORMATION (Continued) For the year ended 31 March 2019

5 分部資料 (續) 截至2019年3月31日止年度

		Property mortgage loans 物業按揭貸款 HK\$'000 千港元	Personal loans 私人貸款 HK\$'000 千港元	Unallocated 未分配 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Total segment revenue	分部收益總額	114,467	46,859	-	161,326
Inter-segment revenue	分部間收益	-	(334)	-	(334)
Revenue from external customers	來自外部客戶之收益	114,467	46,525	-	160,992
Other income and gain	其他收入及收益	308	10	2,016	2,334
Fair value losses on revaluation of investment properties	重估投資物業之公平值虧損	-	-	(1,490)	(1,490)
Provision for impairment and write-off of loans receivable, net	應收貸款減值撥備及撤銷淨額	(14,393)	(10,308)	-	(24,701)
Administrative expenses	行政開支	(29,712)	(20,481)	(3,758)	(53,951)
Operating profit/(loss)	經營溢利/(虧損)	70,670	15,746	(3,232)	83,184
Finance costs	融資成本	(27,248)	-	(7,403)	(34,651)
Profit/(loss) before income tax	除所得稅前溢利/(虧損)	43,422	15,746	(10,635)	48,533
Income tax (expense)/credit	所得稅(開支)/抵免	(4,907)	(2,532)	1,070	(6,369)
Profit/(loss) and total comprehensive income/(loss) for the year attributable to owners of the Company	本公司擁有人應佔年度溢利/(虧損)及全面收入/(虧損)總額	38,515	13,214	(9,565)	42,164

As at 31 March 2019

於2019年3月31日

		Property mortgage loans 物業按揭貸款 HK\$'000 千港元	Personal loans 私人貸款 HK\$'000 千港元	Unallocated 未分配 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Segment assets	分部資產	850,682	137,275	156,839	1,144,796
Segment liabilities	分部負債	(463,339)	(2,031)	(109,699)	(575,069)
Other information:	其他資料:				
Depreciation expense	折舊開支	(1,212)	(1,043)	(690)	(2,945)
Reversal of/(provision for) impairment:	減值撥回/(撥備):				
— Stage 1	— 第1階段	2,111	1,673	-	3,784
— Stage 2	— 第2階段	(395)	830	-	435
— Stage 3	— 第3階段	(16,109)	(4,980)	-	(21,089)
Loans receivable written-off	撤銷應收貸款	-	(7,831)	-	(7,831)

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

5 SEGMENT INFORMATION (Continued) For the year ended 31 March 2018

5 分部資料 (續) 截至2018年3月31日止年度

		Property mortgage loans 物業按揭貸款 HK\$'000 千港元	Personal loans 私人貸款 HK\$'000 千港元	Unallocated 未分配 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Revenue	收益	106,345	25,804	-	132,149
Other income and gain	其他收入及收益	-	-	2,204	2,204
Fair value gains on revaluation of investment properties	重估投資物業之 公平值收益	-	-	21,640	21,640
Provision for impairment and write-off of loans receivable, net	應收貸款減值撥備及 撇銷淨額	(2,328)	(12,663)	-	(14,991)
Administrative expenses	行政開支	(33,317)	(25,147)	(397)	(58,861)
Operating profit/(loss)	經營溢利/(虧損)	70,700	(12,006)	23,447	82,141
Finance costs	融資成本	(18,843)	-	(8,679)	(27,522)
Profit/(loss) before income tax	除所得稅前溢利/(虧損)	51,857	(12,006)	14,768	54,619
Income tax (expense)/credit	所得稅(開支)/抵免	(7,266)	2,290	407	(4,569)
Profit/(loss) and total comprehensive income/(loss) for the year attributable to owners of the Company	本公司擁有人應佔年度 溢利/(虧損)及全面 收入/(虧損)總額	44,591	(9,716)	15,175	50,050

As at 31 March 2018

於2018年3月31日

		Property mortgage loans 物業按揭貸款 HK\$'000 千港元	Personal loans 私人貸款 HK\$'000 千港元	Unallocated 未分配 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Segment assets	分部資產	800,881	143,224	160,507	1,104,612
Segment liabilities	分部負債	(317,218)	(3,215)	(245,434)	(565,867)
Other information:	其他資料:				
Depreciation expense	折舊開支	(1,468)	(721)	(803)	(2,992)
Reversal of/(provision for) individual impairment of loans receivable	應收貸款個別減值 撥回/(撥備)	393	(966)	-	(573)
Provision for collective impairment of loans receivable	應收貸款整體減值撥備	(561)	(5,926)	-	(6,487)
Loans receivable written-off	撇銷應收貸款	(2,160)	(5,771)	-	(7,931)

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

6 REVENUE AND OTHER INCOME AND GAIN

Revenue represents the interest income earned from the money lending business of providing property mortgage loans and personal loans in Hong Kong. Revenue and other income and gain recognised during the year are as follows:

		Year ended 31 March 截至3月31日止年度	
		2019 2019年 HK\$'000 千港元	2018 2018年 HK\$'000 千港元
Revenue:	收益：		
Interest income — property mortgage loans	利息收入 — 物業按揭貸款	114,467	106,345
Interest income — personal loans	利息收入 — 私人貸款	46,525	25,804
Total revenue	總收益	160,992	132,149
Other income and gain:	其他收入及收益：		
Fair value gain on revaluation of an financial asset at fair value through profit or loss	重估按公平值計入損益之金融資產之公平值收益	175	—
Rental income	租金收入	2,091	1,900
Sundry income	雜項收入	68	44
Gain on disposals of plant and equipment	出售廠房及設備之收益	—	260
Total other income and gain	其他收入及收益總額	2,334	2,204

6 收益以及其他收入及收益

收益即在香港提供物業按揭貸款及私人貸款之放債業務所賺取之利息收入。於年內確認之收益以及其他收入及收益如下：

7 PROVISION FOR IMPAIRMENT AND WRITE-OFF OF LOANS RECEIVABLE, NET

7 應收貸款減值撥備及撇銷淨額

		Year ended 31 March 2019 截至2019年3月31日止年度			
		12 months expected credit loss (Stage 1)	Lifetime expected credit loss not credit impaired (Stage 2)	Lifetime expected credit loss credit impaired (Stage 3)	Total
		12個月期 預計信貸損失 (第1階段)	並無信貸 減值之全期 預計信貸損失 (第2階段)	出現信貸 減值之全期 預計信貸損失 (第3階段)	總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Net charge for/(reversal of) provisions for impairment on loans receivable	扣除/(撥回)應收貸款減值撥備淨額	(3,784)	(435)	21,089	16,870
Write-off of loans receivable	撇銷應收貸款	6,712	1,084	35	7,831
		2,928	649	21,124	24,701

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

7 PROVISION FOR IMPAIRMENT AND WRITE-OFF OF LOANS RECEIVABLE, NET (Continued) 7 應收貸款減值撥備及撇銷淨額(續)

		Year ended 31 March 2018 截至2018年3月31日止年度			
	Individual impairment allowance 個別減值撥備 HK\$'000 千港元	Collective impairment allowance 整體減值撥備 HK\$'000 千港元	Write-off of loan receivables 撇銷應收貸款 HK\$'000 千港元	Total 總計 HK\$'000 千港元	
Net provision for impairment on loans receivable	應收貸款減值 撥備淨額	573	6,487	7,931	14,991

8 ADMINISTRATIVE EXPENSES

8 行政開支

		Year ended 31 March 截至3月31日止年度	
	Note 附註	2019 2019年 HK\$'000 千港元	2018 2018年 HK\$'000 千港元
Employee benefit expenses (excluding directors' emolument)	僱員福利開支(不包括 董事酬金) 9	18,200	16,174
Directors' emolument	董事酬金	5,555	5,805
Advertising and marketing expenses	廣告及營銷開支	13,927	16,394
Legal and professional fees	法律及專業費用	2,403	2,765
Rent and rates	租金及差餉	243	269
Auditor's remuneration	核數師酬金		
— audit services	— 核數服務	1,150	1,050
— non-audit services	— 非核數服務	250	250
Bank charges	銀行收費	566	703
Referral fee	轉介費用	1,565	5,139
Valuation and search fee	估值及查冊費用	1,443	1,205
Depreciation of property, plant and equipment	物業、廠房及設備折舊 16	2,945	2,992
Other expenses	其他開支	5,704	6,115
		53,951	58,861

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

9 EMPLOYEE BENEFIT EXPENSES (EXCLUDING EMOLUMENTS) 9 僱員福利開支(不包括董事酬金)

		Year ended 31 March 截至3月31日止年度	
		2019 2019年 HK\$'000 千港元	2018 2018年 HK\$'000 千港元
Salaries and bonus	薪金及花紅	17,080	15,251
Other benefits	其他福利	508	355
Pension costs — defined contribution plans (Note)	退休金成本 — 界定供款計劃(附註)	612	568
		18,200	16,174

Note:

The Group participates in the Mandatory Provident Fund scheme (the "MPF scheme") in accordance with the Mandatory Provident Fund Scheme Ordinance of Hong Kong. Under the rules of the MPF scheme, the employer and its employees in Hong Kong are each required to contribute 5% of the employee's relevant income with a ceiling of HK\$1,500 per month to the MPF scheme. The only obligation of the Group with respect to the MPF scheme is to make the required contributions under the scheme. No forfeited contribution is available to reduce the contribution payable in future year.

The five individuals whose emoluments were the highest in the Group include 3 directors for the year ended 31 March 2019 (2018: 3), whose emoluments are reflected in Note 10. The emoluments payable to the remaining 2 individuals for the year ended 31 March 2019 (2018: 2), are as follows:

附註：

本集團根據香港《強制性公積金計劃條例》參與強制性公積金計劃(「強積金計劃」)。根據強積金計劃規定，香港僱主及其僱員各自須按僱員相關收入之5%(每月上限為1,500港元)向強積金計劃供款。在強積金計劃內，本集團之唯一責任為向計劃作出所需供款。概無已沒收供款可用作減少未來年度應付之供款。

截至2019年3月31日止年度，本集團五名最高薪人士包括3名(2018年：3名)董事，該等酬金已反映於附註10。於截至2019年3月31日止年度，應付餘下2名(2018年：2名)最高薪人士之酬金如下：

		Year ended 31 March 截至3月31日止年度	
		2019 2019年 HK\$'000 千港元	2018 2018年 HK\$'000 千港元
Salaries and bonus	薪金及花紅	2,564	2,570
Pension costs — defined contribution plans	退休金成本 — 界定供款計劃	36	36
		2,600	2,606

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

9 EMPLOYEE BENEFIT EXPENSES (EXCLUDING EMOLUMENTS) (Continued)

The above individuals with the highest emoluments are within the following band:

		Year ended 31 March 截至3月31日止年度	
		2019 2019年 HK\$'000 千港元	2018 2018年 HK\$'000 千港元
HK\$1,000,001–HK\$2,000,000	1,000,001 港元–2,000,000 港元	2	2
		2	2

10 BENEFIT AND INTEREST OF THE DIRECTORS

(a) Directors' emoluments

The remuneration of every director is set out below:

Emoluments paid or receivable in respect of a person's services as a director, whether of the Company or its subsidiary undertaking for the year ended 31 March 2019:

10 董事福利及利益

(a) 董事酬金

本公司各董事之酬金載列如下：

截至2019年3月31日止年度就作為董事為本公司或其附屬公司業務提供個人服務之已付或應收酬金：

		Fees	Salaries	Bonuses	Estimated money value of other benefits (Note) 其他福利之 估計貨幣 價值(附註)	Employer's contribution to the MPF Scheme 強積金 計劃之 僱主供款	Total
		袍金 HK\$'000 千港元	薪金 HK\$'000 千港元	花紅 HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	合計 HK\$'000 千港元
Executive directors	執行董事						
Mr. Chan Koung Nam	陳光南先生	-	1,455	241	-	18	1,714
Mr. Chan Kwong Yin William	陳光賢先生	-	1,455	241	840	18	2,554
Mr. Tse Pui To	謝培道先生	-	1,258	416	-	18	1,692
Independent non-executive directors	獨立非執行董事						
Mr. Chan Siu Wing Raymond	陳兆榮先生	125	-	-	-	-	125
Mr. Chu Yat Pang Terry	朱逸鵬先生	185	-	-	-	-	185
Mr. Cheung Kok Cheong	張國昌先生	125	-	-	-	-	125
		435	4,168	898	840	54	6,395

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

10 BENEFIT AND INTEREST OF THE DIRECTORS (Continued)

(a) Directors' emoluments (Continued)

Emoluments paid or receivable in respect of a person's services as a director, whether of the Company or its subsidiary undertaking for the year ended 31 March 2018:

		Fees	Salaries	Bonuses	Estimated money value of other benefits (Note)	Employer's contribution to the MPF Scheme	Total
		袍金	薪金	花紅	其他福利之估計貨幣價值(附註)	強積金計劃之僱主供款	合計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元
Executive directors	執行董事						
Mr. Chan Koung Nam	陳光南先生	-	1,403	347	-	18	1,768
Mr. Chan Kwong Yin William	陳光賢先生	-	1,403	347	840	18	2,608
Mr. Tse Pui To	謝培道先生	-	1,194	637	-	18	1,849
Independent non-executive directors	獨立非執行董事						
Mr. Chan Siu Wing Raymond	陳兆榮先生	120	-	-	-	-	120
Mr. Chu Yat Pang Terry	朱逸鵬先生	180	-	-	-	-	180
Mr. Cheung Kok Cheong	張國昌先生	120	-	-	-	-	120
		420	4,000	1,331	840	54	6,645

Note:

No other benefits include share option benefits (2018: Nil) and the estimated money value for rental of the residential property owned by the Group and used by Mr. Chan Kwong Yin William of HK\$840,000 (2018: HK\$840,000).

10 董事福利及利益(續)

(a) 董事酬金(續)

截至2018年3月31日止年度就作為董事為本公司或其附屬公司業務提供個人服務之已付或應收酬金：

	Fees	Salaries	Bonuses	Estimated money value of other benefits (Note)	Employer's contribution to the MPF Scheme	Total
	袍金	薪金	花紅	其他福利之估計貨幣價值(附註)	強積金計劃之僱主供款	合計
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	千港元	千港元	千港元	千港元	千港元	千港元
Executive directors	執行董事					
Mr. Chan Koung Nam	陳光南先生	-	1,403	347	-	1,768
Mr. Chan Kwong Yin William	陳光賢先生	-	1,403	347	840	2,608
Mr. Tse Pui To	謝培道先生	-	1,194	637	-	1,849
Independent non-executive directors	獨立非執行董事					
Mr. Chan Siu Wing Raymond	陳兆榮先生	120	-	-	-	120
Mr. Chu Yat Pang Terry	朱逸鵬先生	180	-	-	-	180
Mr. Cheung Kok Cheong	張國昌先生	120	-	-	-	120
		420	4,000	1,331	840	6,645

附註：

沒有其他福利包括購股權福利(2018年：無)以及由本集團擁有且陳光賢先生使用之住宅物業之租金估計貨幣價值840,000港元(2018年：840,000港元)。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

10 BENEFIT AND INTEREST OF THE DIRECTORS (Continued)

(b) Directors' retirement benefits and termination benefits

None of the directors received or will receive any retirement benefits or termination benefits during the year (2018: Nil).

(c) Consideration provided to third parties for making available directors' services

During the year ended 31 March 2019, no consideration was provided to or receivable by third parties for making available director's services (2018: Nil).

(d) Information about loans, quasi-loans and other dealings in favour of directors, controlled bodies corporate by and connected entities with such directors

There are no loans, quasi-loans or other dealings in favour of directors, controlled bodied corporate by and connected entities with such directors (2018: Nil).

(e) Directors' material interests in transactions, arrangements or contracts

Save as disclosed in Note 35, no significant transactions, arrangements and contracts in relation to the Group's business to which the Company was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year (2018: Nil).

11 FINANCE COSTS

10 董事福利及利益(續)

(b) 董事退休與離職福利

概無董事於本年度內收取或將會收取任何退休福利或離職福利(2018年：無)。

(c) 因董事服務向第三方提供之代價

截至2019年3月31日止年度，並無因董事服務向第三方提供代價，或第三方亦無應收代價(2018年：無)。

(d) 有關以董事、受該等董事控制之法人團體及與該等董事有關連之實體為受益人之貸款、準貸款及其他交易資料

概無有關以董事、受該等董事控制之法人團體及與該等董事有關連之實體為受益人之貸款、準貸款或其他交易(2018年：無)。

(e) 董事於交易、安排或合約之重大權益

除附註35所披露者外，截至年終或於年內任何時間，本公司並無訂立任何與本集團業務有關且本公司董事於當中擁有重大權益(無論直接或間接)之重大交易、安排及合約(2018年：無)。

11 融資成本

		Year ended 31 March 截至3月31日止年度	
		2019 2019年 HK\$'000 千港元	2018 2018年 HK\$'000 千港元
Interest on secured bank borrowings wholly repayable within 5 years	於5年內全數償還之有抵押銀行借款利息	15,835	10,565
Interest on bank overdrafts	銀行透支利息	332	376
Interest on amount due to a fellow subsidiary (Note 35(a))	應付一間同系附屬公司款項利息(附註35(a))	7,271	5,241
Interest and other expenses on bonds	債券之利息及其他開支	7,176	8,679
Interest on other borrowings	其他借款利息	4,037	2,661
Total finance costs	融資成本總額	34,651	27,522

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

12 INCOME TAX EXPENSE

12 所得稅開支

		Year ended 31 March 截至3月31日止年度	
		2019 2019年 HK\$'000 千港元	2018 2018年 HK\$'000 千港元
Hong Kong profits tax	香港利得稅		
– Current year	– 本年度	5,486	7,652
– (Over)/under provision in prior years	– 過往年度(超額撥備)/ 撥備不足	(416)	250
Deferred income tax expense/(credit)	遞延所得稅開支/(抵免)	1,299	(3,333)
		6,369	4,569

The tax on the Group's profit before income tax differs from the theoretical amount that would arise as follows:

本集團除所得稅前溢利產生之稅項與理論金額間之差額如下：

		Year ended 31 March 截至3月31日止年度	
		2019 2019年 HK\$'000 千港元	2018 2018年 HK\$'000 千港元
Profit before income tax	除所得稅前溢利	48,533	54,619
Calculated at Hong Kong profits tax rate of 16.5%	按香港利得稅稅率16.5%計算	8,008	9,012
(Over)/under provision in prior year	過往年度(超額撥備)/撥備不足	(416)	250
Income not subject to taxation	毋須課稅收入	(1,414)	(4,910)
Expenses not deductible for tax purposes	不可扣稅開支	356	526
Recognition of previously unrecognised tax losses	確認過往未確認稅項虧損	–	(309)
Tax concession	稅務優惠	(165)	–
Income tax expense	所得稅開支	6,369	4,569

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

13 EARNINGS PER SHARE

(a) Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to owners of the Company of HK\$42,164,000 (2018: HK\$50,050,000) by the weighted average number of 415,000,000 (2018: 415,000,000) ordinary shares in issue during the year ended 31 March 2019.

13 每股盈利

(a) 每股基本盈利

每股基本盈利之計算方式為將本公司擁有人應佔溢利42,164,000港元(2018年: 50,050,000港元)除以截至2019年3月31日止年度已發行普通股之加權平均數415,000,000股(2018年: 415,000,000股)。

		Year ended 31 March 截至3月31日止年度	
		2019 2019年 HK\$'000 千港元	2018 2018年 HK\$'000 千港元
Profit attributable to owners of the Company (HK\$'000)	本公司擁有人應佔溢利(千港元)	42,164	50,050
Weighted average number of ordinary shares in issue for basic earnings per share ('000)	就計算每股基本盈利之已發行普通股之加權平均數(千股)	415,000	415,000
Basic earnings per share (HK cents)	每股基本盈利(港仙)	10.2	12.1

(b) Diluted earnings per share

Diluted earnings per share during the year ended 31 March 2019 is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. Shares issuable under the share option scheme are the only dilutive potential ordinary shares of the Company. For the share options, the number of shares that would have been issued assuming the exercise of the share options less the number of shares that could have been issued at fair value (determined as the average market price per share for the year) for the same total proceeds is the number of shares issued for no consideration. The resulting number of shares issued for no consideration is included in the weighted average number of ordinary shares as the denominator for calculating diluted earnings per share.

(b) 每股攤薄盈利

截至2019年3月31日止年度之每股攤薄盈利，乃假設兌換所有具潛在攤薄影響普通股，透過調整發行在外普通股之加權平均數計算。根據購股權計劃可予發行之股份為本公司唯一具潛在攤薄影響之普通股。就購股權而言，假設行使購股權而原應發行之股份數目減去就相同所得款項總額按公平值(乃按年內每股平均市價釐定)所能發行之股份數目，即為以零代價發行之股份數目。據此得出以零代價發行之股份數目於計算每股攤薄盈利時計入作為分母之普通股加權平均數。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

13 EARNINGS PER SHARE (Continued)

(b) Diluted earnings per share (Continued)

		Year ended 31 March 截至3月31日止年度	
		2019 2019年 HK\$'000 千港元	2018 2018年 HK\$'000 千港元
Profit attributable to owners of the Company (HK\$'000)	本公司擁有人應佔溢利(千港元)	42,164	50,050
Weighted average number of ordinary shares in issue for diluted earnings per share ('000)	就計算每股攤薄盈利之已發行普通股之加權平均數(千股)	415,000	415,000
Diluted earnings per share (HK cents)	每股攤薄盈利(港仙)	10.2	12.1

The calculation of diluted earnings per share for year ended 31 March 2019 does not assume the exercise of the Company's share options as the exercise prices of the outstanding share options were higher than the average market price per share of the Company during the year.

由於截至2019年3月31日止年度尚未行使購股權之行使價高於本公司股份每股平均市價，故計算該年度之每股攤薄盈利時並無假設本公司購股權獲行使。

14 DIVIDENDS

A final dividend in respect of the year ended 31 March 2019 of HK1.3 cents per share, totaling HK\$5,395,000, is to be declared at the forthcoming annual general meeting of the Company. These consolidated financial statements do not reflect this dividend payable.

14 股息

本公司將於應屆股東週年大會宣派截至2019年3月31日止年度之末期股息每股1.3港仙，合共為5,395,000港元。該等綜合財務報表並無反映該筆應付股息。

		Year ended 31 March 截至3月31日止年度	
		2019 2019年 HK\$'000 千港元	2018 2018年 HK\$'000 千港元
Interim dividend paid of HK1.2 cents (2018: HK0.8 cents) per share	已付中期股息每股1.2港仙(2018年：0.8港仙)	4,980	3,320
Proposed final dividend of HK1.3 cents (2018: HK1.2 cents) per share	建議末期股息每股1.3港仙(2018年：1.2港仙)	5,395	4,980
		10,375	8,300

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

15 NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

(a) Cash generated from operations

15 綜合現金流量表之附註

(a) 經營所得現金

		Year ended 31 March 截至3月31日止年度	
		2019 2019年 HK\$'000 千港元	2018 2018年 HK\$'000 千港元
	Note 附註		
Profit before income tax	除所得稅前溢利	48,533	54,619
Adjustments for:	就下列各項作出調整：		
Depreciation	折舊	2,945	2,992
Interest expenses	利息開支	34,651	27,522
Fair value losses/(gains) on revaluation of investment properties	重估投資物業之公平值虧損／(收益)	1,490	(21,640)
Fair value gain on revaluation of financial asset at fair value through profit or loss	重估按公平值計入損益之金融資產之公平值收益	(175)	-
Provision for impairment assessment of loans receivable	應收貸款減值評估撥備	16,870	7,060
Loans and interest receivables written off	撇銷應收貸款及利息	7,831	7,931
Changes in working capital:	營運資金變動：		
Loans receivable	應收貸款	(63,984)	(39,428)
Interest receivables	應收利息	(4,017)	(171)
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	932	3,448
Trade and other payables	貿易及其他應付款項	(1,795)	1,277
Repossessed assets	收回資產	-	(35,859)
Cash generated from operations	經營所得現金	43,281	7,751

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

15 NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS (Continued)

(b) This section sets out the reconciliation of liabilities arising from financing activities for the year ended 31 March 2019 and 2018.

15 綜合現金流量表之附註(續)

(b) 本節載列截至2019年及2018年3月31日止年度融資活動所產生負債之對賬。

		Amount due to a fellow subsidiary 應付一間 同系附屬 公司款項 HK\$'000 千港元	Dividend Payable 應付股息 HK\$'000 千港元	Bond 債券 HK\$'000 千港元	Bank and other borrowings 銀行及 其他借款 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 April 2017	於 2017 年 4 月 1 日	69,700	-	113,797	315,752	499,249
Non cash — dividend declared	非現金 — 已宣派股息	-	7,885	-	-	7,885
Non cash — interest cost	非現金 — 利息成本	-	-	2,122	-	2,122
Cash flow	現金流量	55,584	(7,885)	(10,000)	6,691	44,390
At 31 March 2018	於 2018 年 3 月 31 日	125,284	-	105,919	322,443	553,646
At 1 April 2018	於 2018 年 4 月 1 日	125,284	-	105,919	322,443	553,646
Non cash — dividend declared	非現金 — 已宣派股息	-	9,960	-	-	9,960
Non cash — interest cost	非現金 — 利息成本	-	-	1,297	-	1,297
Cash flow	現金流量	(18,760)	(9,960)	(9,000)	38,440	720
At 31 March 2019	於 2019 年 3 月 31 日	106,524	-	98,216	360,883	565,623

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

16 PROPERTY, PLANT AND EQUIPMENT

16 物業、廠房及設備

		Land and buildings 土地及樓宇 HK\$'000 千港元	Office equipment 辦公設備 HK\$'000 千港元	Furniture and fixtures 傢俬及裝置 HK\$'000 千港元	Leasehold improvements 租賃物業裝修 HK\$'000 千港元	Motor vehicles 汽車 HK\$'000 千港元	Total 合計 HK\$'000 千港元
At 31 March 2017	於2017年3月31日						
Cost	成本	90,326	1,467	1,796	3,955	2,774	100,318
Accumulated depreciation	累計折舊	(10,687)	(682)	(1,441)	(3,571)	(2,408)	(18,789)
Net book amount	賬面淨值	79,639	785	355	384	366	81,529
Year ended 31 March 2018	截至2018年3月31日止年度						
Opening net book amount	年初賬面淨值	79,639	785	355	384	366	81,529
Additions	添置	-	1,378	98	9	615	2,100
Depreciation	折舊	(1,938)	(298)	(123)	(114)	(519)	(2,992)
Closing net book amount	年終賬面淨值	77,701	1,865	330	279	462	80,637
At 31 March 2018	於2018年3月31日						
Cost	成本	90,326	2,837	1,894	3,964	2,559	101,580
Accumulated depreciation	累計折舊	(12,625)	(972)	(1,564)	(3,685)	(2,097)	(20,943)
Net book amount	賬面淨值	77,701	1,865	330	279	462	80,637
Year ended 31 March 2019	截至2019年3月31日止年度						
Opening net book amount	年初賬面淨值	77,701	1,865	330	279	462	80,637
Additions	添置	-	419	87	-	-	506
Depreciation	折舊	(1,937)	(614)	(138)	(102)	(154)	(2,945)
Closing net book amount	年終賬面淨值	75,764	1,670	279	177	308	78,198
At 31 March 2019	於2019年3月31日						
Cost	成本	90,326	3,256	1,981	3,964	615	100,142
Accumulated depreciation	累計折舊	(14,562)	(1,586)	(1,702)	(3,787)	(307)	(21,944)
Net book amount	賬面淨值	75,764	1,670	279	177	308	78,198

At 31 March 2019, the Group's land and buildings with net book value of approximately HK\$75,764,000 (2018: HK\$77,701,000) were pledged to a bank to secure bank borrowings granted to two subsidiaries of the Company (Note 31(ii)).

於2019年3月31日，本集團賬面淨值約為75,764,000港元(2018年：77,701,000港元)之土地及樓宇已抵押予一間銀行作為本公司旗下兩間附屬公司獲授銀行借款之擔保(附註31(ii))。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

17 INVESTMENT PROPERTIES

17 投資物業

		As at 31 March 於3月31日	
		2019 2019年 HK\$'000 千港元	2018 2018年 HK\$'000 千港元
At beginning of year	於年初	86,170	64,530
Fair value (losses)/gains on revaluation	重估公平值(虧損)/收益	(1,490)	21,640
At end of the year	於年終	84,680	86,170

As at 31 March 2019, the Group had no unprovided contractual obligation for future repairs and maintenance (2018: Nil). At 31 March 2019 and 2018, the investment properties of the Group were pledged to a bank to secure bank borrowings granted to a subsidiary of the Company (Note 31(i)).

An independent valuation of the Group's investment properties was performed by the independent professional valuer, Roma Appraisals Limited, to determine the fair value of the investment properties as at 31 March 2019 and 2018. The fair value gains are included in "Fair value gains on revaluation of investment properties" in the consolidated statement of comprehensive income.

The recurring fair value measurements for investment properties are included in level 2 of the fair value hierarchy. The Group's policy is to recognise transfers into and transfers out of fair value hierarchy levels as of the date of the event or change in circumstances that caused the transfer. There were no transfer between level 1, 2 and 3 during the year.

The Group's investment properties were valued at 31 March 2019 and 2018 by independent professionally qualified valuer who hold a recognised relevant professional qualification and have recent experience in the locations and segments of the investment properties valued. For all investment properties, their current use equates to the highest and best use.

於2019年3月31日，本集團並無涉及未來維修及保養之未撥備已訂約債務(2018年：無)。於2019年及2018年3月31日，本集團之投資物業已抵押予一間銀行作為本公司旗下一間附屬公司獲授銀行借款之擔保(附註31(i))。

本集團投資物業由獨立專業估值師羅馬國際評估有限公司進行獨立估值，以釐定投資物業於2019年及2018年3月31日之公平值。公平值收益計入綜合全面收入表之「重估投資物業之公平值收益」內。

投資物業之經常性公平值計量計入第二級公平值等級。本集團之政策為因事件或情況變動而造成轉撥當日，確認公平值等級間之轉入及轉出。於年內，第一級、第二級及第三級之間並無發生轉撥。

本集團之投資物業由獨立專業合資格估值師於2019年及2018年3月31日進行估值，有關估值師持有相關認可專業資格，並富有有關所投資物業之位置及分部評估之近期經驗。目前對所有投資物業之用途等同於最高及最佳用途。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

17 INVESTMENT PROPERTIES (Continued)

The Group's finance department includes personnel that review the valuations performed by the independent valuer for financial reporting purposes. The results are reported directly to the chief financial officer ("CFO") and the audit committee ("AC"). Discussions of valuation processes and results are held between the CFO, AC and the valuer at least once every six months, which is in line with the Group's interim and annual reporting dates. As at 31 March 2019 and 2018, the fair values of these investment properties have been determined by Roma Appraisals Limited.

At each financial year end the finance department verifies all major inputs to the independent valuation report, assess property valuations movement when compared to prior year valuation reports; and holds discussion with the independent valuer.

Changes in Level 2 and 3 fair values are analysed at each reporting date during bi-annual valuation discussions between the CFO, AC and the valuation team. As part of this discussion, the team presents a report that explains the reasons for the fair value movements.

Valuation techniques

The valuation of investment properties was determined by using the sale comparison method approach (Level 2 approach). Sales price of comparable properties in close proximity are adjusted for differences in key attributes such as property size. The most significant input into this valuation approach is price per square foot.

17 投資物業(續)

本集團財務部之人員審閱獨立估值師就財務報告所進行估值。有關結果直接向財務總監(「財務總監」)及審核委員會(「審核委員會」)匯報。為配合本集團之中期及年度報告日期，財務總監、審核委員會與估值師最少每六個月開會一次，討論估值程序及結果。於2019年及2018年3月31日，此等投資物業之公平值由羅馬國際評估有限公司釐定。

於各財政年度末，財務部核實獨立估值報告內全部主要輸入數據；與去年估值報告比較以評估物業估值之變動；並與獨立估值師討論。

於各報告日期，財務總監、審核委員會與估值團隊在每半年一次之估值會議上分析第二級和第三級公平值之變動。作為是項討論之一部分，有關團隊呈交報告，闡述有關公平值變動之原因。

估值方法

投資物業之估值乃使用銷售比較法(第二級比較法)釐定。就主要特點(例如物業面積)之差異調整鄰近可比較物業之售價。此估值方法之最重大輸入數據為每平方呎之價格。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

18 SUBSIDIARIES

The following is a list of subsidiaries of the Group:

18 附屬公司

以下為本集團之附屬公司列表：

Name 名稱	Place of incorporation 註冊成立地點	Principal activities and place of operation 主要業務及營運地點	Particulars of issued share capital 已發行股本詳情	Percentage of interest held 所持權益百分比	
				2019 2019年	2018 2018年
Directly owned: 直接擁有：					
HKF Overseas Limited	British Virgin Islands 英屬處女群島	Investment holding in Hong Kong 於香港投資控股	10,000 ordinary shares of US\$1 each 10,000股每股面值1美元 之普通股	100%	100%
EasyLend Overseas Limited	British Virgin Islands 英屬處女群島	Investment holding in Hong Kong 於香港投資控股	100 ordinary share of US\$1 each 100股每股面值1美元 之普通股	100%	100%
Indirectly owned: 間接擁有：					
Asia Ford Investment Limited 福亞投資有限公司	Hong Kong 香港	Property investment holding in Hong Kong 於香港物業投資控股	10,000 ordinary shares 10,000股普通股	100%	100%
Charterfame Investment Limited 維卓投資有限公司	Hong Kong 香港	Property investment holding in Hong Kong 於香港物業投資控股	10,000 ordinary shares 10,000股普通股	100%	100%
EasyLend Finance Company Limited 易貸網信貸有限公司	Hong Kong 香港	Money lending business of providing personal loans in Hong Kong 於香港提供私人貸款 之放債業務	150,000,000 ordinary shares 150,000,000股普通股	100%	100%
EasyLend Limited 易貸網有限公司	Hong Kong 香港	Inactive 暫無營業	1 share of HK\$1 each 1股面值1港元之股份	100%	100%
Hong Kong Finance Company Limited 香港信貸財務有限公司	Hong Kong 香港	Money lending business of providing properly mortgage loans in Hong Kong 於香港提供物業按揭貸款 之放債業務	100,000,000 ordinary shares 100,000,000股普通股	100%	100%
Max Art Limited 溢藝有限公司	Hong Kong 香港	Inactive 暫無營業	10,000 ordinary shares 10,000股普通股	100%	100%

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

19 FINANCIAL INSTRUMENTS BY CATEGORY

19 按類別劃分之金融工具

		As at 31 March 於3月31日	
		2019 2019年 HK\$'000 千港元	2018 2018年 HK\$'000 千港元
Assets per consolidated statement of financial position		綜合財務狀況表所示資產	
Financial assets measured at amortised cost/loans and receivables	按攤銷成本計量之金融資產／貸款及應收款項		
Loans receivable	應收貸款	881,299	843,479
Interest receivables	應收利息	22,075	18,058
Deposits and other receivables	按金及其他應收款項	401	652
Cash and cash equivalents	現金及現金等價物	37,294	33,710
Total financial assets measured at amortised cost/loans and receivables	按攤銷成本計量之金融資產／貸款及應收款項總額	941,069	895,899
Available-for-sale investment	可供出售投資	–	625
Financial asset at fair value through profit or loss	按公平值計入損益之金融資產	800	–
Total	總額	941,869	896,524
Liabilities per consolidated statement of financial position		綜合財務狀況表所示負債	
Financial liabilities at amortised cost	按攤銷成本列賬之金融負債		
Trade and other payables	貿易及其他應付款項	6,553	8,249
Amount due to a fellow subsidiary	應付一間同系附屬公司款項	106,524	125,284
Bank and other borrowings	銀行及其他借款	360,883	322,443
Bonds	債券	98,216	105,919
Total	總額	572,176	561,895

20 FINANCIAL ASSET AT FAIR VALUE THROUGH PROFIT OR LOSS

20 按公平值計入損益之金融資產

		As at 31 March 於3月31日	
		2019 2019年 HK\$'000 千港元	2018 2018年 HK\$'000 千港元
At beginning of the year	於年初	–	–
Reclassified from available-for-sale investment	自可供出售投資重新分類	625	–
Fair value gain	公平值收益	175	–
At end of the year	於年終	800	–

The financial asset is an unlisted instrument denominated in Hong Kong dollars and is classified as non-current assets.

金融資產乃以港元計值之非上市工具，並分類為非流動資產。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

21 LOANS RECEIVABLE

21 應收貸款

		As at 31 March 於3月31日	
		2019 2019年 HK\$'000 千港元	2018 2018年 HK\$'000 千港元
Gross loans receivable — property mortgage loans	應收貸款總額 — 物業按揭貸款	779,842	722,417
Gross loans receivable — personal loans	應收貸款總額 — 私人貸款	134,323	140,613
Total gross loans receivable	應收貸款總額	914,165	863,030
Less: Provision for impairment	減：減值撥備		
— Stage 1	— 第1階段	(4,444)	—
— Stage 2	— 第2階段	(697)	—
— Stage 3	— 第3階段	(19,894)	—
Provision for individual impairment of loans receivable	應收貸款個別減值撥備	—	(3,723)
Provision for collective impairment of loans receivable	應收貸款整體減值撥備	—	(7,897)
Loans receivable directly written-off	直接撇銷應收貸款	(7,831)	(7,931)
Loans receivable, net of provision	應收貸款，扣除撥備後	881,299	843,479
Less: non-current portion	減：非流動部分	(138,153)	(165,917)
Current portion	流動部分	743,146	677,562

The Group's loans receivable, which arise from the money lending business of providing property mortgage loans and personal loans in Hong Kong, are denominated in Hong Kong dollars and the carrying amounts approximate their fair values.

Except for personal loans receivable of HK\$134,323,000 (2018: HK\$140,613,000) which are unsecured, loans receivable are secured by collaterals provided by customers, bear interest and are repayable with fixed terms agreed with the customers.

本集團應收貸款來自於香港提供物業按揭貸款及私人貸款之放債業務，以港元計值，而賬面值與其公平值相若。

除為數134,323,000港元(2018年：140,613,000港元)之應收私人貸款為無抵押外，應收貸款以客戶提供之抵押品作為抵押、計息及須於與客戶議定之固定期限內償還。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

21 LOANS RECEIVABLE (Continued)

The movements on the Group's impairment of loans receivable for the year ended 31 March 2019 are set out the table below.

		Year ended 31 March 2019 截至2019年3月31日止年度			
		Stage 1 第1階段 HK\$'000 千港元	Stage 2 第2階段 HK\$'000 千港元	Stage 3 第3階段 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Balance as at 31 March 2018	於2018年3月31日之結餘				11,620
Impact of adopting HKFRS 9	採納香港財務報告準則第9號之影響				1,463
Balance at 1 April 2018	於2018年4月1日之結餘	8,228	1,132	3,723	13,083
New loans originated	新造貸款	2,522	209	3,136	5,867
Loans recovered or repaid during the year	年內收回或償還貸款	(3,242)	-	(2,616)	(5,858)
Transfers from Stage 1 to Stage 2	第1階段轉入第2階段	(1,143)	1,143	-	-
Transfers from Stage 1 to Stage 3	第1階段轉入第3階段	(3,483)	-	3,483	-
Transfers from Stage 2 to Stage 3	第2階段轉入第3階段	-	(1,096)	1,096	-
Total transfers between stages	階段之間轉撥總額	(4,626)	47	4,579	-
Impact on year end ECL exposure	對年終預計信貸損失風險之影響	(2,504)	-	15,990	13,486
Movement within same stage due to change in credit risk	因信貸風險變動而引致同一階段內之變動	4,066	(691)	-	3,375
Write-offs	撇銷	-	-	(4,918)	(4,918)
As at 1 March 2019	於2019年3月1日	4,444	697	19,894	25,035

The Group's maximum credit risk exposure of loans receivable as at year ended 31 March 2019 is set out in Note 3.1(b). The movements on the Group's impairment of loans receivable for the year ended 31 March 2018 are set out below.

21 應收貸款 (續)

下表載列本集團截至2019年3月31日止年度應收貸款減值之變動。

本集團於截至2019年3月31日止年度之應收貸款最大信貸風險載於附註3.1(b)。下文載列本集團截至2018年3月31日止年度應收貸款減值之變動。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

21 LOANS RECEIVABLE (Continued)

Movements on the Group's individual impairment of loans receivable are as follows:

		2018 2018年 HK\$'000 千港元
At beginning of the year	於年初	3,150
Provision for individual impairment of loans receivable, net	應收貸款個別減值撥備淨額	573
At end of the year	於年終	3,723

For property mortgage loans, the Group performs collective impairment assessment of loans receivable by grouping together all its receivables with similar credit risk characteristics and by applying a historical impairment rate, taking the average of the most recent 3 financial periods of the percentage of impairment loss recognised in the consolidated statement of comprehensive income to the total loans and interest receivables as at the respective year end dates.

For personal loans, the Group performs collective impairment assessment of loans receivable by grouping together all its receivables with similar customer credit ratings and by applying a historical impairment rate, which has been derived since the commencement of the personal loans business of the Group, as well as making reference to the rates adopted by other licensed money lenders.

Movements on the Group's collective impairment of loan receivables are as follows:

		2018 2018年 HK\$'000 千港元
At beginning of the year	於年初	1,410
Provision for collective impairment of loans receivable, net	應收貸款整體減值撥備淨額	6,487
At end of the year	於年終	7,897

21 應收貸款 (續)

本集團應收貸款個別減值之變動如下：

就物業按揭貸款而言，本集團透過綜合其所有信貸風險特徵類似之應收款項，並採用過往減值率對應收貸款進行整體減值評估。過往減值率採用最近3個財政期間內綜合全面收入表所確認減值虧損佔相關年結日之應收貸款及利息總額百分比之平均值計算。

就私人貸款而言，本集團透過綜合其所有客戶信貸評級相若之應收款項，並採用過往減值率（自本集團開展私人貸款業務起產生）以及參考其他持牌放債人所採納之比率，對應收貸款進行整體減值評估。

本集團應收貸款整體減值之變動如下：

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

21 LOANS RECEIVABLE (Continued)

As at 31 March 2019, loans receivable amounted to HK\$7,831,000 (2018: HK\$7,931,000) had been written-off. These relate to customers who are either (i) in financial difficulties; (ii) declared bankruptcy; or (iii) deceased and in the opinion of the directors, such loans receivable are uncollectible.

A maturity profile of the loans receivable as at the end of the reporting periods, based on the maturity date and net of provision, is as follows:

		As at 31 March 於3月31日	
		2019 2019年 HK\$'000 千港元	2018 2018年 HK\$'000 千港元
Current	即期	738,725	677,562
2-5 years	2至5年	56,905	80,085
Over 5 years	5年以上	85,669	85,832
		881,299	843,479

As at 31 March 2019, certain properties mortgaged to the subsidiary of the Company for loans granted to its respective customers were pledged to independent third party to secure bank and other borrowings granted (Note 31(iii)).

22 OTHER ASSET

During the year ended 31 March 2019, the Group subscribed for a third party customer credit report checking service.

The Group's other asset is denominated in Hong Kong dollars.

21 應收貸款(續)

於2019年3月31日，應收貸款7,831,000港元(2018年：7,931,000港元)已撇銷。有關款項涉及客戶(i)面對財務困難；(ii)已宣佈破產；或(iii)已身故而董事認為無法收回有關應收貸款。

根據到期日及在扣除撥備後，應收貸款於報告期末之到期情況如下：

		As at 31 March 於3月31日	
		2019 2019年 HK\$'000 千港元	2018 2018年 HK\$'000 千港元
Current	即期	738,725	677,562
2-5 years	2至5年	56,905	80,085
Over 5 years	5年以上	85,669	85,832
		881,299	843,479

於2019年3月31日，若干抵押予本公司旗下附屬公司作為其相關客戶獲授貸款之質押之物業已質押予獨立第三方，作為獲授銀行及其他借款之抵押(附註31(iii))。

22 其他資產

截至2019年3月31日止年度，本集團訂購第三方客戶信貸報告審查服務。

本集團之其他資產以港元計值。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

23 INTEREST RECEIVABLES

		As at 31 March 於3月31日	
		2019 2019年 HK\$'000 千港元	2018 2018年 HK\$'000 千港元
Interest receivables	應收利息	22,075	18,058

The Group's interest receivables, which arise from the money lending business of providing property mortgage loans and personal loans in Hong Kong, are denominated in Hong Kong dollars and the carrying amounts approximate their fair values.

Except for interest receivables of HK\$2,944,000 (2018: HK\$2,233,000) which are unsecured, interest receivables are secured by collaterals provided by customers and repayable with fixed terms agreed with the customers. The maximum exposure to credit risk at each of the reporting dates is the carrying value of the receivables mentioned above.

24 REPOSSESSED ASSET

During the year, the Group obtained assets by taking possession of collecterals held as security. The nature and carrying value of these assets held as at 31 March are summarised as follows:

		As at 31 March 於3月31日	
		2019 2019年 HK\$'000 千港元	2018 2018年 HK\$'000 千港元
Reposessed asset — a mix of commercial and residential property	收回資產 — 商住兩用物業	35,859	35,859

The estimated market value of the reposessed asset held by the Group as at 31 March 2019 was HK\$44,400,000 (2018: HK\$42,500,000). It comprises property in respect of which the Group has acquired access or control (e.g. through court proceedings or voluntary actions by the properties concerned) for release in full or in part of the obligations of the borrower.

23 應收利息

		As at 31 March 於3月31日	
		2019 2019年 HK\$'000 千港元	2018 2018年 HK\$'000 千港元
Interest receivables	應收利息	22,075	18,058

本集團應收利息來自於香港提供物業按揭貸款及私人貸款之放債業務，以港元計值，而賬面值與其公平值相若。

除為數2,944,000港元(2018年：2,233,000港元)之應收利息為無抵押外，應收利息以客戶提供之抵押品作為抵押，須於與客戶議定之固定期限內償還。於各報告日期面對之最大信貸風險為上述應收款項之賬面值。

24 收回資產

年內，本集團透過擁有持作擔保之抵押品獲取資產。所持該等資產於3月31日之性質及賬面值概述如下：

		As at 31 March 於3月31日	
		2019 2019年 HK\$'000 千港元	2018 2018年 HK\$'000 千港元
Reposessed asset — a mix of commercial and residential property	收回資產 — 商住兩用物業	35,859	35,859

於2019年3月31日，本集團所持收回資產之估計市值為44,400,000港元(2018年：42,500,000港元)。其由可供本集團使用或控制(如透過法庭程序或相關物業之自主行為)以解除借入人之全部或部分責任之物業組成。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

25 PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

25 預付款項、按金及其他應收款項

		As at 31 March 於3月31日	
		2019 2019年 HK\$'000 千港元	2018 2018年 HK\$'000 千港元
Prepayments	預付款項	1,079	1,485
Deposits	按金	163	160
Other receivables	其他應收款項	238	492
		1,480	2,137

The carrying amounts of the Group's deposits and other receivables approximate their fair values.

本集團按金及其他應收款項之賬面值與其公平值相若。

The Group's prepayments, deposits and other receivables are denominated in Hong Kong dollars.

本集團之預付款項、按金及其他應收款項以港元計值。

All deposits and other receivables are neither past due nor impaired.

所有按金及其他應收款項均未逾期亦無減值。

26 CASH AND CASH EQUIVALENTS

26 現金及現金等價物

		As at 31 March 於3月31日	
		2019 2019年 HK\$'000 千港元	2018 2018年 HK\$'000 千港元
Cash at bank and maximum exposure to credit risk	銀行現金及最大信貸風險	37,294	33,710

The cash and cash equivalents are denominated in Hong Kong dollars.

現金及現金等價物以港元計值。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

27 SHARE CAPITAL

27 股本

		Number of shares 股份數目		Share capital 股本	
		2019 2019年 '000 shares 千股	2018 2018年 '000 shares 千股	2019 2019年 HK\$'000 千港元	2018 2018年 HK\$'000 千港元
Ordinary shares of HK\$0.01 each	每股面值0.01港元之普通股				
Authorised:	法定：				
At beginning and end of the year	於年初及年終	10,000,000	10,000,000	100,000	100,000
Issued and fully paid:	已發行及繳足：				
At beginning and end of the year	於年初及年終	415,000	415,000	4,150	4,150

28 SHARE OPTIONS

On 1 April 2016, 21,350,000 share options were granted to eligible directors and selected employees. These share options have an exercise price of HK\$0.89 with a vesting period of 0-2 years. These share options are exercisable until 31 March 2020.

During the year ended 31 March 2019, no share options were granted.

Options are conditional on the employee completing 0–2 years of service (the vesting period). The options are exercisable starting one year and two years from the grant date. The group has no legal or constructive obligation to repurchase or settle the options in cash.

28 購股權

於2016年4月1日，已向合資格董事及選定僱員授出21,350,000份購股權。該等購股權之行使價為0.89港元，歸屬期為0至2年。該等購股權可行使直至2020年3月31日止。

截至2019年3月31日止年度，概無授出購股權。

購股權須待僱員完成0至2年服務（歸屬期）後方可作實。購股權可自授出日期起計一年及兩年行使。本集團並無法定或推定責任以現金回購或結算購股權。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

28 SHARE OPTIONS (Continued)

Movements in share options are as follows:

		2019 2019年 HK\$'000 千港元	2018 2018年 HK\$'000 千港元
At beginning of year	於年初	18,800	19,150
Lapsed	已失效	-	(350)
At end of the year	於年終	18,800	18,800

The weighted average fair value of options granted during the year ended 31 March 2019 was determined using the binomial valuation model was HK\$0.17 per option. The significant inputs into the model were closing share price of HK\$0.84 at the date of grant, exercise price shown above, volatility of 39%, dividend yield of 5.4%, an expected option life of five years, and an annual risk-free interest rate of 1.03%. The volatility measured at the standard deviation of expected share price returns is based on statistical analysis of daily share closing prices of the Company over past period preceding the grant date.

29 RESERVES

The amount of the Group's reserve and the movements therein for the current and prior years are presented in the consolidated statement of changes in equity on page 87 of this consolidated financial statements.

The Group's capital reserve represents the excess of the nominal value of the shares of the subsidiaries acquired pursuant to the group reorganisation prior to the listing of the Company's shares, over the nominal value of the Company's share issued in exchange therefor.

28 購股權(續)

購股權變動如下：

		2019 2019年 HK\$'000 千港元	2018 2018年 HK\$'000 千港元
於截至2019年3月31日止年度授出之購股權之加權平均公平值使用二項式估值模式釐定為每份購股權0.17港元。該模式之重要輸入數據為於授出日期之股份收市價0.84港元、上文所示行使價、波幅39%、股息率5.4%、預期購股權年限五年及無風險年利率1.03%。按預期股價回報之標準偏離率計量之波幅乃以授出日期前過往期間本公司每日股份收市價之統計數據分析為基準。		18,800	19,150
		-	(350)
		18,800	18,800

於截至2019年3月31日止年度授出之購股權之加權平均公平值使用二項式估值模式釐定為每份購股權0.17港元。該模式之重要輸入數據為於授出日期之股份收市價0.84港元、上文所示行使價、波幅39%、股息率5.4%、預期購股權年限五年及無風險年利率1.03%。按預期股價回報之標準偏離率計量之波幅乃以授出日期前過往期間本公司每日股份收市價之統計數據分析為基準。

29 儲備

本集團於本年及往年之儲備及其變動金額呈列於本綜合財務報表第87頁之綜合權益變動表。

本集團之資本儲備指於本公司股份上市前，根據集團重組收購之附屬公司股份之面值超出本公司發行以換取上述股份之股份面值之數額。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

30 OTHER PAYABLE AND ACCRUALS

		As at 31 March 於3月31日	
		2019 2019年 HK\$'000 千港元	2018 2018年 HK\$'000 千港元
Rental deposits received	已收租金按金	498	454
Interest payable on bonds	債券之應付利息	1,147	1,246
Other payables and accrued charges	其他應付款項及應計開支	4,908	6,549
		6,553	8,249

The Group's other payable and accruals are denominated in Hong Kong dollars and the carrying amounts approximate their fair values.

本集團之其他應付款項及應計費用以港元計值，而賬面值與其公平值相若。

31 BANK AND OTHER BORROWINGS

Bank and other borrowings are analysed as follows:

		As at 31 March 於3月31日	
		2019 2019年 HK\$'000 千港元	2018 2018年 HK\$'000 千港元
Bank loans	銀行貸款	217,771	233,003
Bank overdrafts	銀行透支	21,112	18,440
Other borrowings	其他借款	122,000	71,000
Total bank and other borrowings	銀行及其他借款總額	360,883	322,443

The weighted average effective interest rate on bank loans and bank overdrafts during the year ended 31 March 2019 was 5.0% (2018: 4.7%) per annum.

截至2019年3月31日止年度，銀行貸款及銀行透支之加權平均實際年利率為5.0% (2018年：4.7%)。

Other borrowings of HK\$122,000,000 (2018: HK\$71,000,000) are unsecured, interest bearing at rates ranging from 4.5% to 24.0% (2018: ranging from 4.5% to 6.5%) per annum and repayable within one year.

為數122,000,000港元(2018年：71,000,000港元)之其他借款為無抵押、按年利率介乎4.5%至24.0%(2018年：介乎4.5%至6.5%)計息及須於一年內償還。

At 31 March 2019 and 2018, all bank borrowings are denominated in Hong Kong dollars and the carrying amounts approximate their fair values.

於2019年及2018年3月31日，所有銀行借款以港元計值，而賬面值與其公平值相若。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

31 BANK AND OTHER BORROWINGS (Continued)

As at 31 March 2019, the bank loans and overdrafts utilised by the Group amounted to HK\$238,883,000 (2018: HK\$251,443,000). Unutilised banking facilities as at the same date amounted to HK\$133,199,000 (2018: HK\$120,559,000). These banking facilities were secured by the followings:

- (i) investment properties held by the Group amounting to HK\$84,680,000 (2018: HK\$86,170,000);
- (ii) land and buildings held by the Group with net book value of HK\$75,764,000 (2018: HK\$77,701,000);
- (iii) pledge of certain properties mortgaged to a subsidiary of the Company for loans granted to its respective customers. The fair value of these properties were approximately HK\$479,220,000 (2018: HK\$524,420,000); and
- (iv) corporate guarantee of the Company.

32 BONDS

As at 31 March 2019, the Company had balances of Bond I and Bond II (in aggregate, the "Bonds") with an aggregate amount of HK\$84,000,000 and HK\$18,000,000 (2018: HK\$84,000,000 and HK\$27,000,000), before placing commission, respectively, with coupon rates at 6.0% (2018: 6.0%) and 4.5% (2018: 4.5%) per annum, respectively, repayable in 7 years from the respective issue dates. Bond II carries an option by the bondholders to redeem Bond II three years after the date of issuance. During the year ended 31 March 2019, a principal amount of Bond II of HK\$9,000,000 was redeemed.

The aggregate carrying amounts of the Bonds are HK\$98,216,000 as at 31 March 2019 (2018: HK\$105,919,000), and approximate their fair values. The fair values are determined using the expected future payments discounted at effective interest rates prevailing at the year ended and are within level 3 of the fair value hierarchy. The carrying amounts of the Group's bonds are denominated in Hong Kong dollars.

31 銀行及其他借款(續)

於2019年3月31日，本集團已使用之銀行貸款及透支為238,883,000港元(2018年：251,443,000港元)。於同日，未使用之銀行融資為133,199,000港元(2018年：120,559,000港元)。該等銀行融資以下列各項作為抵押：

- (i) 本集團所持金額為84,680,000港元(2018年：86,170,000港元)之投資物業；
- (ii) 本集團所持賬面淨值為75,764,000港元(2018年：77,701,000港元)之土地及樓宇；
- (iii) 若干抵押予本公司旗下一間附屬公司作為其相關客戶獲授貸款之質押之物業。該等物業之公平值約為479,220,000港元(2018年：524,420,000港元)；及
- (iv) 本公司之企業擔保。

32 債券

於2019年3月31日，本公司有總金額(扣除配售佣金前)分別為84,000,000港元及18,000,000港元(2018年：84,000,000港元及27,000,000港元)之債券一及債券二(統稱「債券」)結餘，票面年息率分別為6.0%(2018年：6.0%)及4.5%(2018年：4.5%)，須由各自之發行日期起計7年內償還。債券二賦予債券持有人選擇權可於發行日期後三年贖回債券二。於截至2019年3月31日止年度，本金額為9,000,000港元之債券二已贖回。

於2019年3月31日，債券之賬面值合共為98,216,000港元(2018年：105,919,000港元)，與其公平值相若。公平值乃使用按年終現行實際利率貼現之預期未來付款而釐定，並屬公平值等級第三級範圍內。本集團債券之賬面值以港元計值。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

33 DEFERRED INCOME TAX

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes relate to the same fiscal authority.

The analysis of deferred tax assets and liabilities is as follows:

		As at 31 March 於3月31日	
		2019 2019年 HK\$'000 千港元	2018 2018年 HK\$'000 千港元
Deferred tax assets:	遞延稅項資產：		
– To be recovered within 12 months	– 將於12個月內收回	(619)	(2,385)
Deferred tax liabilities:	遞延稅項負債：		
– To be settled after more than 12 months	– 將於超過12個月後結清	2,210	2,918
Deferred tax liabilities, net	遞延稅項負債淨額	1,591	533

The gross movement on the deferred income tax account is as follows:

		As at 31 March 於3月31日	
		2019 2019年 HK\$'000 千港元	2018 2018年 HK\$'000 千港元
At beginning of the year	於年初	533	3,866
Adjustment on adoption of HKFRS 9 (Note 2.1.1(b))	就採納香港財務報告準則第9號 之調整(附註2.1.1(b))	(241)	–
Recognised in the consolidated statement of comprehensive income	於綜合全面收入表內確認	1,299	(3,333)
At end of the year	於年終	1,591	533

33 遞延所得稅

當有合法強制執行權力將即期稅項資產與即期稅項負債互相抵銷，且遞延所得稅涉及同一稅務機關時，則可將遞延所得稅資產與負債互相抵銷。

遞延稅項資產及負債之分析如下：

		As at 31 March 於3月31日	
		2019 2019年 HK\$'000 千港元	2018 2018年 HK\$'000 千港元
Deferred tax assets:	遞延稅項資產：		
– To be recovered within 12 months	– 將於12個月內收回	(619)	(2,385)
Deferred tax liabilities:	遞延稅項負債：		
– To be settled after more than 12 months	– 將於超過12個月後結清	2,210	2,918
Deferred tax liabilities, net	遞延稅項負債淨額	1,591	533

遞延所得稅賬目之整體變動如下：

		As at 31 March 於3月31日	
		2019 2019年 HK\$'000 千港元	2018 2018年 HK\$'000 千港元
At beginning of the year	於年初	533	3,866
Adjustment on adoption of HKFRS 9 (Note 2.1.1(b))	就採納香港財務報告準則第9號 之調整(附註2.1.1(b))	(241)	–
Recognised in the consolidated statement of comprehensive income	於綜合全面收入表內確認	1,299	(3,333)
At end of the year	於年終	1,591	533

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

33 DEFERRED INCOME TAX (Continued)

The movement in deferred income tax assets and liabilities during the year, without taking into consideration the offsetting of balances within the same tax jurisdiction, is as follows:

33 遞延所得稅(續)

遞延所得稅資產及負債於年內之變動(未考慮同一稅務司法權區內之結餘抵銷)如下:

		Tax losses	Provisions for collective impairment of loans receivable 應收貸款 整體減值撥備	Total
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
At 1 April 2017	於2017年4月1日	–	(233)	(233)
Credited to the consolidated statement of comprehensive income	計入綜合全面收入表	(1,520)	(1,070)	(2,590)
At 31 March 2018	於2018年3月31日	(1,520)	(1,303)	(2,823)
Adjustment on adoption of HKFRS 9 (Note 2.1.1(b))	就採納香港財務報告準則第9號之調整 (附註2.1.1(b))	–	(241)	(241)
Charged to the consolidated statement of comprehensive income	於綜合全面收入表扣除	1,520	696	2,216
At 31 March 2019	於2019年3月31日	–	(848)	(848)
			Accelerated tax depreciation 加速稅項折舊	
			HK\$'000 千港元	
At 1 April 2017	於2017年4月1日			4,099
Credited to the consolidated statement of comprehensive income	計入綜合全面收入表			(743)
At 31 March 2018	於2018年3月31日			3,356
Charged to the consolidated statement of comprehensive income	於綜合全面收入表扣除			(917)
At 31 March 2019	於2019年3月31日			2,439

As at 31 March 2018, the Group has recognised deferred tax assets of HK\$1,520,000 in respect of tax losses amounting to HK\$9,215,000 that can be carried forward indefinitely against future taxable income.

於2018年3月31日，本集團已就金額為9,215,000港元之可無限期結轉以抵銷未來應課稅收入之稅項虧損確認遞延稅項資產1,520,000港元。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

34 OPERATING LEASE COMMITMENTS – AS LESSOR

The Group leases out its investment properties to independent third parties under non-cancellable operating lease agreements. The lease terms range from 1 to 2 years.

The future aggregate minimum lease receipts under non-cancellable operating leases in respect of the investment properties are as follows:

		As at 31 March 於3月31日	
		2019 2019年 HK\$'000 千港元	2018 2018年 HK\$'000 千港元
Within 1 year	1年內	547	510
Within 2–5 years	2至5年內	238	229
		785	739

The Company did not have any significant capital commitment at 31 March 2019 (2018: Nil).

35 RELATED PARTY TRANSACTIONS

Related parties are those parties that have the ability to control the other party or exercise significant influence in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence.

The following is a summary of the significant transactions carried out between the Group and its related parties in the ordinary course of business during the years ended 31 March 2019 and 2018, and balances arising from related party transactions as at 31 March 2019 and 2018.

34 經營租賃承擔 — 作為出租人

本集團根據不可撤銷之經營租賃協議向獨立第三方出租投資物業。租期介乎1至2年。

根據投資物業之不可撤銷經營租約，應收之未來最低租金總額如下：

		As at 31 March 於3月31日	
		2019 2019年 HK\$'000 千港元	2018 2018年 HK\$'000 千港元
Within 1 year	1年內	547	510
Within 2–5 years	2至5年內	238	229
		785	739

於2019年3月31日，本公司並無任何重大資本承擔(2018年：無)。

35 關聯方交易

關聯方指有能力控制另一方或可對另一方之財政及營運決策行使重大影響力之人士。受共同控制或共同重大影響之人士亦被視為有關聯。

下文概述本集團與其關聯方於截至2019年及2018年3月31日止年度在日常業務過程中進行之重大交易，以及於2019年及2018年3月31日之關聯方交易結餘。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

35 RELATED PARTY TRANSACTIONS (Continued)

(a) Significant related party transactions

Saved as disclosed elsewhere in this report, the following significant transactions were undertaken by the Group with related parties.

		Year ended 31 March 截至3月31日止年度	
		2019 2019年 HK\$'000 千港元	2018 2018年 HK\$'000 千港元
Interest expenses paid to a fellow subsidiary	付予一間同系附屬公司之利息開支		
— Tin Ching Industrial Company Limited (“Tin Ching Industrial”)	— 天晶實業有限公司 (「天晶實業」)	7,271	5,241

Interest expenses on an amount due to a fellow subsidiary was charged at effective interest rate of 6.625% (2018: 6.5%) per annum.

應付一間同系附屬公司款項之利息開支按實際年利率6.625% (2018年：6.5%)收取。

(b) Amount due to a fellow subsidiary

Tin Ching Industrial, a fellow subsidiary, provided the Group with a loan facility with a limit of HK\$200,000,000 (2018: HK\$200,000,000), of which the Group utilised an amount of HK\$106,524,000 (2018: HK\$125,284,000) as at 31 March 2019.

(b) 應付一間同系附屬公司款項

同系附屬公司天晶實業向本集團提供貸款融資，限額為200,000,000港元 (2018年：200,000,000港元)，本集團於2019年3月31日已動用其中106,524,000港元 (2018年：125,284,000港元)。

The amount was unsecured, interest bearing at effective interest rate of 6.625% (2018: 6.5%) per annum on the outstanding amount, and repayable on demand. The carrying amount of the amount due to a fellow subsidiary is denominated in Hong Kong dollars.

該款項為無抵押、未清結餘按實際年利率6.625% (2018年：6.5%)計息及須按要求償還。應付一間同系附屬公司款項之賬面值以港元計值。

(c) Key management compensation

(c) 主要管理層薪酬

		Year ended 31 March 截至3月31日止年度	
		2019 2019年 HK\$'000 千港元	2018 2018年 HK\$'000 千港元
Salaries and bonus	薪金及花紅	9,023	9,234
Other benefits	其他福利	840	840
Pension costs — defined contribution plans	退休金成本 — 界定供款計劃	126	126
		9,989	10,200

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

36 STATEMENT OF FINANCIAL POSITION OF THE COMPANY (a) Statement of financial position

36 本公司財務狀況表 (a) 財務狀況表

		As at 31 March 於3月31日	
		2019 2019年 HK\$'000 千港元	2018 2018年 HK\$'000 千港元
Assets	資產		
Non-current assets	非流動資產		
Investments in subsidiaries	於附屬公司之投資	480,903	472,349
Total non-current assets	非流動資產總額	480,903	472,349
Current assets	流動資產		
Tax recoverable	可收回稅項	176	414
Prepayments, deposits, and other receivables	預付款項、按金及其他應收款項	56	165
Cash and cash equivalents	現金及現金等價物	442	165
Total current assets	流動資產總額	674	744
Total assets	資產總額	481,577	473,093
Equity	權益		
Equity attributable to the owners of the Company	本公司擁有人應佔權益		
Share capital	股本	4,150	4,150
Reserves	儲備	363,023	361,741
Total equity	權益總額	367,173	365,891
Liabilities	負債		
Current liabilities	流動負債		
Trade and other payables	貿易及其他應付款項	1,186	1,283
Bonds	債券	-	27,000
Loan from a subsidiary	來自一間附屬公司之貸款	15,000	-
Total current liabilities	流動負債總額	16,186	28,283
Non-current liabilities	非流動負債		
Bonds	債券	98,216	78,919
Total non-current liabilities	非流動負債總額	98,216	78,919
Total liabilities	負債總額	114,402	107,202
Total equity and liabilities	權益及負債總額	481,575	473,093
Net current liabilities	流動負債淨額	(15,512)	(27,539)
Total assets less current liabilities	資產總額減流動負債	465,391	444,810

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

36 STATEMENT OF FINANCIAL POSITION OF THE COMPANY

(Continued)

(b) Reserve movements of the Company

36 本公司財務狀況表(續)

(b) 本公司儲備變動

		Share premium 股份溢價 HK\$'000 千港元	Share-based capital reserve 以股份為基礎之資本儲備 HK\$'000 千港元	Share-based payment 以股份為基礎之付款 HK\$'000 千港元	(Accumulated losses)/ retained earnings (累計虧損)/ 保留盈利 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Balance at 1 April 2017	於2017年4月1日之結餘	103,665	260,829	3,256	(3,919)	363,831
Total comprehensive income for the year	年度全面收入總額	-	-	-	5,795	5,795
Transactions with owners	與擁有人之交易					
Employee share option scheme:	僱員購股權計劃:					
- Lapse of share options	- 購股權失效	-	-	(60)	60	-
Dividends relating to 2017	有關2017年之股息	-	-	-	(4,565)	(4,565)
Dividends relating to 2018	有關2018年之股息	-	-	-	(3,320)	(3,320)
Balance at 31 March 2018	於2018年3月31日之結餘	103,665	260,829	3,196	(5,949)	361,741
Representing	指					
Reserves	儲備	103,665	255,849	3,196	(5,949)	356,761
Proposed final dividend	建議末期股息	-	4,980	-	-	4,980
Balance at 31 March 2018	於2018年3月31日之結餘	103,665	260,829	3,196	(5,949)	361,741
Balance at 1 April 2018	於2018年4月1日之結餘	103,665	260,829	3,196	(5,949)	361,741
Total comprehensive income for the year	年度全面收入總額	-	-	-	11,242	11,242
Transactions with owners	與擁有人之交易					
Dividends relating to 2018	有關2018年之股息	-	-	-	(4,980)	(4,980)
Dividends relating to 2019	有關2019年之股息	-	-	-	(4,980)	(4,980)
Balance at 31 March 2019	於2019年3月31日之結餘	103,665	260,829	3,196	(4,667)	363,023
Representing	指					
Reserves	儲備	103,665	255,849	3,196	(4,667)	358,043
Proposed final dividend	建議末期股息	-	4,980	-	-	4,980
Balance at 31 March 2019	於2019年3月31日之結餘	103,665	260,829	3,196	(4,667)	363,023

The Company's capital reserve represents the excess of the fair value of the net assets of the subsidiaries acquired by the Company pursuant to the group reorganisation prior to the listing of the Company's share, over the nominal value of the Company's share issued in exchange therefor.

Under Companies Law of the Cayman Islands, a company may make distributions to its shareholders out of the capital reserves in certain circumstances.

本公司之資本儲備指於本公司股份上市前，本公司根據集團重組收購之附屬公司資產淨值之公平值超出本公司發行以換取上述股份之面值之數額。

根據開曼群島公司法，公司可於若干情況下自資本儲備向其股東作出分派。

SCHEDULE OF INVESTMENT PROPERTIES

投資物業列表

As at 31 March 2019 於2019年3月31日

	Property 物業	Use 用途	Remaining lease terms 餘下租期	Percentage of interest attributable to our Company 本公司應佔權益百分比
1.	Unit No. 2 on 7th Floor Sunray Industrial Centre No. 610 Cha Kwo Ling Road Kowloon 九龍 茶果嶺道610號 生利工業中心 7樓2室	Godown 倉庫	Medium term 中期	100%
2.	Flat E on 10/F of Block 3 (Orchid Court) New Town Plaza (Phase III) Nos. 2-8 Sha Tin Centre Street Shatin New Territories 新界 沙田 沙田正街2-8號 新城市廣場(第三期) 3座(蕙蘭閣) 10樓E室	Residential 住宅	Medium term 中期	100%
3.	Unit No. 6A on 25th Floor Tower Two Lippo Centre No. 89 Queensway Hong Kong 香港 金鐘道89號 力寶中心 二座 25樓6A室	Office 辦公室	Medium term 中期	100%

FIVE-YEAR FINANCIAL SUMMARY

五年財務概要

RESULTS	業績	2019	2018	2017	2016	2015
		2019年 HK\$'000 千港元	2018年 HK\$'000 千港元	2017年 HK\$'000 千港元	2016年 HK\$'000 千港元	2015年 HK\$'000 千港元
Revenue	收益	160,992	132,149	103,658	111,273	99,267
Profit and total comprehensive income for the year attributable to owners of the Company	本公司擁有人應佔年度溢利及全面收入總額	42,164	50,050	46,299	48,061	52,876
ASSETS AND LIABILITIES	資產及負債	2019	2018	2017	2016	2015
		2019年 HK\$'000 千港元	2018年 HK\$'000 千港元	2017年 HK\$'000 千港元	2016年 HK\$'000 千港元	2015年 HK\$'000 千港元
Total assets	資產總額	1,144,796	1,104,612	1,006,933	854,569	696,873
Total liabilities	負債總額	575,069	565,867	510,353	391,600	268,972
Total equity	權益總額	569,727	538,745	496,580	462,969	427,901

GLOSSARY

詞彙

In this annual report, unless or otherwise further expressed, the following expressions have the following meanings: 於本年報內，除文義另有所指外，下列詞彙具有以下涵義：

“Board” 「董事會」	the board of Directors 董事會
“CG Code” 「企業管治守則」	“Corporate Governance Code” and “Corporate Governance Report” contained in Appendix 14 to the Listing Rules 上市規則附錄十四所載《企業管治守則》及《企業管治報告》
“Code Provisions” 「守則條文」	the code provisions as set out under the CG Code 企業管治守則所載守則條文
“Company” or “our Company” 「公司」或「本公司」	Hong Kong Finance Group Limited, a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange 香港信貸集團有限公司，一間於開曼群島註冊成立之有限公司，其股份於聯交所主板上市
“Controlling Shareholder(s)” 「控股股東」	has the meaning ascribed to it under the Listing Rules 具上市規則所賦予涵義
“Director(s)” 「董事」	the director(s) of the Company 本公司董事
“Group”, “our Group”, “we”, “our” or “us” 「集團」或「本集團」或「我們」	the Company and its subsidiaries 本公司及其附屬公司
“HK\$” 「港元」	Hong Kong Dollars, the lawful currency of Hong Kong 香港法定貨幣港元
“HKICPA” 「香港會計師公會」	Hong Kong Institute of Certified Public Accountants 香港會計師公會
“HK Finance” 「香港信貸」	Hong Kong Finance Company Limited, a company incorporated in Hong Kong with limited liability with a money lenders licence registered under MLO, which is an indirect wholly-owned subsidiary of the Company 香港信貸財務有限公司，一間於香港註冊成立之有限公司，持有根據放債人條例註冊之放債人牌照，亦為本公司間接全資附屬公司
“Hong Kong” 「香港」	the Hong Kong Special Administrative Region of the People’s Republic of China 中華人民共和國香港特別行政區
“Listing Rules” 「上市規則」	the Rules Governing the Listing of Securities on the Stock Exchange 聯交所證券上市規則

GLOSSARY

詞彙

“MLO” 「放債人條例」	the Money Lenders Ordinance (Chapter 163 of the Laws of Hong Kong) 香港法例第 163 章《放債人條例》
“Model Code” 「標準守則」	“Model Code for Securities Transactions by Directors of Listed Issuers” as set out in Appendix 10 to the Listing Rules 上市規則附錄十所載《上市發行人董事進行證券交易之標準守則》
“SFO” 「證券及期貨條例」	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) 香港法例第 571 章《證券及期貨條例》
“Share Option Scheme” 「購股權計劃」	A share option scheme adopted pursuant to a written resolution of the then sole shareholder of our Company on 4 September 2013 於 2013 年 9 月 4 日根據本公司當時唯一股東之書面決議案採納之購股權計劃
“Share(s)” 「股份」	ordinary share(s) of HK\$0.01 each in the share capital of the Company 本公司股本中每股面值 0.01 港元之普通股
“Shareholder(s)” 「股東」	the holder(s) of Share(s) 股份持有人
“Stock Exchange” 「聯交所」	The Stock Exchange of Hong Kong Limited 香港聯合交易所有限公司
“Tin Ching Holdings” 「天晶控股」	Tin Ching Holdings Limited, a company incorporated in the British Virgin Islands, owned as to 50% by each of Mr. Chan Koung Nam and Mr. Chan Kwong Yin William, and a controlling shareholder of our Company 天晶控股有限公司，一間於英屬處女群島註冊成立之公司，由陳光南先生及陳光賢先生各擁有 50% 權益，並為本公司之控股股東
“Tin Ching Industrial” 「天晶實業」	Tin Ching Industrial Company Limited, a company incorporated in Hong Kong and owed as to 100% interest by Tin Ching Holdings 天晶實業有限公司，一間於香港註冊成立之公司，由天晶控股擁有 100% 權益



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