



ZZ CAPITAL INTERNATIONAL LIMITED

中植資本國際有限公司

(Incorporated in the Cayman Islands with limited liability)

於開曼群島註冊成立的有限公司

Stock Code 股份代號: 08295



2019/
ANNUAL
REPORT
年報

2020

CHARACTERISTICS OF GEM OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)

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This report, for which the board (the “Board”) of the directors (the “Directors”) of ZZ Capital International Limited 中植資本國際有限公司 (the “Company”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this report is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this report misleading.

Should there be any discrepancy between the English and Chinese versions, the English version shall prevail.

香港聯合交易所有限公司(「聯交所」) GEM的特色

GEM的定位，乃為相比起其他在聯交所上市的公司帶有較高投資風險的公司提供一個上市的市場。有意投資的人士應了解投資於該等公司的潛在風險，並應經過審慎周詳的考慮後方作出投資決定。**GEM**的較高風險及其他特色表示**GEM**較適合專業及其他老練投資者。

由於**GEM**上市公司新興的性質所然，在**GEM**買賣的證券可能會較於主板買賣之證券承受較大的市場波動風險，同時無法保證在**GEM**買賣的證券會有高流通量的市場。

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本報告的資料乃遵照聯交所**GEM**證券上市規則而刊載，旨在提供有關ZZ Capital International Limited 中植資本國際有限公司(「本公司」)的資料；本公司的董事(「董事」)會(「董事會」)願就本報告的資料共同及個別地承擔全部責任。各董事在作出一切合理查詢後，確認就其所知及所信，本報告所載資料在各重要方面均屬準確完備，沒有誤導或欺詐成分，且並無遺漏任何事項，足以令致本報告或其所載任何陳述產生誤導。

倘中英文版本出現歧義，概以英文版本為準。

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Company Profile 公司簡介

ZZ Capital International Limited 中植資本國際有限公司 (the "Company"), together with its subsidiaries (collectively, the "Group") (Stock Code: 08295) is an investments and corporate investment advisory services firm with its headquarter based in Hong Kong. It was established in 2010 and is listed on GEM of The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

The Group's principal operating subsidiary, ZZCI Corporate Finance Limited ("ZZCF"), is licensed with the Securities and Futures Commission of Hong Kong ("SFC") for carrying on type 1 (dealing in securities), type 4 (advising on securities), type 6 (advising on corporate finance) and type 9 (asset management) regulated activities. It provides a diversified range of corporate advisory and assets management services.

In furtherance of the Group's business, a subsidiary of ZZCF, 深圳前海卓亞股權投資基金管理有限公司 (Asian Capital (Qianhai) Investment Management Limited*) has been established in 2016, which has been approved by Shenzhen Municipal Government Financial Services Office as a Qualified Foreign Limited Partnership.

Moreover, a wholly-owned subsidiary of the Company, ZZCI Credit Limited, holds a money lenders licence, where the Group can complement its financial services capabilities by providing finance against marketable securities.

Further information about the Group is available on the Company's website at www.zzcapitalinternational.com.

ZZ Capital International Limited 中植資本國際有限公司 (「本公司」, 連同其附屬公司 (統稱「本集團」) (股份代號: 08295) 為一家總部設於香港的投資及企業投資諮詢服務公司。其於2010年成立, 並在香港聯合交易所有限公司 (「聯交所」) GEM上市。

本集團之主要營運附屬公司 — 中植資本企業融資有限公司 (「中植資本企業融資」), 乃香港證券及期貨事務監察委員會 (「證監會」) 之持牌法團, 可從事第1類 (證券交易)、第4類 (就證券提供意見)、第6類 (就機構融資提供意見) 及第9類 (提供資產管理) 受規管活動, 從而提供多元化企業顧問及資產管理服務。

為促進本集團業務, 中植資本企業融資的一家附屬公司, 深圳前海卓亞股權投資基金管理有限公司已於2016年成立, 並獲深圳市人民政府金融發展服務辦公室批准為合格境外有限合夥人。

再者, 本公司全資附屬公司中植資本信貸有限公司持有放債人牌照, 本集團可提供有價證券的融資, 從而與其金融業務能力相輔相成。

有關本集團的進一步資料請瀏覽本公司網站 www.zzcapitalinternational.com。

* For identification purpose only

Corporate Information

公司資料

DIRECTORS

Executive Directors

Mr. NIU Zhanbin (*Chairman*)
 Mr. JIANG Yulin (*Chief Executive Officer*)
 Mr. WU Hui (*Chief Operating Officer*)

Independent Non-Executive Directors

Mr. Stephen MARKSCHEID
 Mr. ZHANG Weidong
 Mr. ZHANG Longgen

AUDIT COMMITTEE

Mr. Stephen MARKSCHEID (*Chairman of Committee*)
 Mr. ZHANG Weidong
 Mr. ZHANG Longgen

NOMINATION COMMITTEE

Mr. NIU Zhanbin (*Chairman of Committee*)
 Mr. Stephen MARKSCHEID
 Mr. ZHANG Weidong

REMUNERATION COMMITTEE

Mr. ZHANG Longgen (*Chairman of Committee*)
 Mr. NIU Zhanbin
 Mr. ZHANG Weidong

AUTHORISED REPRESENTATIVES

Mr. WU Hui
 Ms. CHAN Sau Mui Juanna

COMPLIANCE OFFICER

Mr. WU Hui

董事

執行董事

牛占斌先生(*主席*)
 蔣玉林先生(*行政總裁*)
 吳輝先生(*首席運營官*)

獨立非執行董事

Stephen MARKSCHEID 先生
 張衛東先生
 張龍根先生

審核委員會

Stephen MARKSCHEID 先生(*委員會主席*)
 張衛東先生
 張龍根先生

提名委員會

牛占斌先生(*委員會主席*)
 Stephen MARKSCHEID 先生
 張衛東先生

薪酬委員會

張龍根先生(*委員會主席*)
 牛占斌先生
 張衛東先生

授權代表

吳輝先生
 陳秀梅女士

監察主任

吳輝先生

Corporate Information 公司資料

COMPANY SECRETARY

Ms. CHAN Sau Mui Juanna

公司秘書

陳秀梅女士

REGISTERED OFFICE

P.O. Box 309
Ugland House
Grand Cayman
KY1-1104
Cayman Islands

註冊辦事處

P.O. Box 309
Ugland House
Grand Cayman
KY1-1104
Cayman Islands

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS

11/F, 8 Queen's Road Central
Hong Kong

總辦事處及主要營業地點

香港
皇后大道中8號11樓

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

MaplesFS Limited
P.O. Box 1093
Boundary Hall
Grand Cayman
KY1-1102
Cayman Islands

股份過戶登記總處

MaplesFS Limited
P.O. Box 1093
Boundary Hall
Grand Cayman
KY1-1102
Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Investor Services Limited
Level 54
Hopewell Centre
183 Queen's Road East
Hong Kong

香港股份過戶登記分處

卓佳證券登記有限公司
香港
皇后大道東183號
合和中心
54樓

AUDITOR

Messrs. Deloitte Touche Tohmatsu

核數師

德勤•關黃陳方會計師行

Corporate Information 公司資料

LEGAL ADVISORS

Deacons
Linklaters
Maples and Calder
Michael Li & Co.
Shihui Partners

BANKERS

Bank of Ningbo
China CITIC Bank International Limited
Hua Xia Bank
The Hongkong and Shanghai Banking Corporation Limited
The Bank of East Asia, Limited

WEBSITE

www.zzcapitalinternational.com

STOCK CODE

08295

法律顧問

的近律師行
年利達律師事務所
邁普達律師事務所
李智聰律師事務所
世輝律師事務所

往來銀行

寧波銀行
中信銀行(國際)有限公司
華夏銀行
香港上海滙豐銀行有限公司
東亞銀行有限公司

網站

www.zzcapitalinternational.com

股份代號

08295

Management Discussion and Analysis

管理層討論及分析

Dear Shareholders,

I am pleased to present the 2019/2020 annual report of ZZ Capital International Limited 中植資本國際有限公司 (the “Company”), and its subsidiaries (collectively, the “Group”) for the year ended 31 March 2020 (the “Year”).

BUSINESS REVIEW

During the Year, the Company focused on adjusting its overseas strategy and narrowing the scope of its business, with positive progress made in this respect, including the completion of the deregistration of its overseas subsidiaries in the UK and Israel.

On 19 August 2019, the Company entered into a memorandum of understanding (“MOU”) with the potential sellers with regard to a potential acquisition of a public company established in China (the “Target Company”). The Target Company mainly provides internet-based back-office services, internet integrated marketing services and smart data solutions. The Group has continued to push forward the potential acquisition and is actively negotiating with the potential sellers. Further announcement(s) will be made to provide more details as and when appropriate. The Board considers that the potential acquisition provides a good opportunity for the Group to diversify its business and revenue sources, thereby increasing the shareholders’ value.

To achieve the Group’s new development strategy, the management of the Company underwent certain changes. On 29 August 2019, Ms. Duan Di resigned as the Company’s executive director, chairman of the board, chairman of the nomination committee and member of the remuneration committee, and Ms. Zhang Yun resigned as the Company’s executive director, chief executive officer, compliance officer and authorised representative. Mr. Niu Zhanbin, a veteran with internet background, was appointed as the Company’s executive director, chairman of the board, chief executive officer, chairman of the nomination committee and member of the remuneration committee. Mr. Wu Hui, the Company’s chief operating officer, was appointed as the Company’s executive director, compliance officer and authorised representative. On 26 March 2020, Mr. Jiang Yulin was appointed as the Company’s executive director and took over the position of chief executive officer.

各位股東：

我欣然提呈 ZZ Capital International Limited 中植資本國際有限公司(「本公司」)及其附屬公司(統稱「本集團」)截至 2020 年 3 月 31 日止年度(「本年度」)之 2019/2020 年報。

業務回顧

本年度本公司著力調整海外戰略，收縮業務範圍並取得了積極的進展，海外英國子公司及以色列子公司已經完成註銷。

於 2019 年 8 月 19 日，本公司就可能收購一家在中國成立的公眾公司(「目標公司」)與潛在賣方訂立諒解備忘錄。目標公司主要提供互聯網的後台服務、互聯網整合營銷服務及智能數據解決方案。本集團持續不斷的推動潛在收購事項，積極與潛在賣方繼續磋商，適時會發公告提供更多詳情。董事會認為該潛在收購事項為本集團提供實現業務及收入來源多元化的良機，從而提升股東價值。

為了配合本集團新的發展戰略，公司管理層隨之發生了若干變動。於 2019 年 8 月 29 日，段迪女士辭任本公司執行董事、董事會主席、提名委員會主席及薪酬委員會成員，張韻女士辭任本公司執行董事、行政總裁、監察主任及授權代表。具有互聯網背景的資深人士牛占斌先生獲委任為本公司執行董事、董事會主席、行政總裁、提名委員會主席及薪酬委員會成員。本公司首席運營官吳輝先生獲委任為本公司執行董事、監察主任及授權代表。於 2020 年 3 月 26 日蔣玉林先生獲委任為本公司執行董事並接任行政總裁之職務。

Management Discussion and Analysis

管理層討論及分析

BUSINESS REVIEW (Continued)

The Group has achieved certain results in investment advisory business this Year. A total of 3 new institutional customers were gained this Year and the income from investment advisory business increased from HK\$1.63 million to HK\$15.02 million.

During the Year, the Group focused on developing the financial advisory business and engaging prominent professionals in the market, with the aim to provide corporate financing and consulting services to more institutional customers. This Year, a total of 2 new institutional customers were gained with the income from financial advisory service amounted to HK\$0.37 million.

The sudden outbreak of the novel coronavirus epidemic has caused huge impact on economic activities. The Group's business is mainly conducted in the Mainland China and Hong Kong. Some of the Group's potential customers have delayed or suspended their financing plans due to the epidemic, resulting in the Group's loss of some business opportunities. However, the Group has tried its best to provide corresponding services to its customers through remote conference and the provision of off-site services.

The Group will continue to look for more institutional customers and provide diversified financial services to them, including investment consulting, asset management, corporate consulting, corporate financing and proprietary investment.

With regard to the announcement issued by the Company on 8 March 2019, Geoswift Holding Limited (the "Borrower") has defaulted in repayment of the principal amount with interest in the sum of approximately US\$34.10 million on 7 March 2019. The Group received US\$300,000 and US\$750,000 on 19 June 2019 and 6 November 2019 respectively from the Borrower as partial repayment of the loan. As at 31 March 2020, according to the loan agreement, the aggregated amount (including outstanding principal, interest and default interest) owed by the Borrower to the Group was approximately US\$36.64 million. On 31 March 2020, the Company's indirect wholly-owned subsidiary (the "Assignor") and an independent third party (the "Assignee") entered into an assignment and assumption deed pursuant to which the Assignor assigned and the Assignee accepted the assignment by the Assignor of, all relevant right, title, benefits and interests in the relevant loan and security documents, and the Assignee assumed all the obligations thereunder at a settlement amount of US\$28 million. Completion of the assignment took place on 31 March 2020.

業務回顧(續)

本年度本集團在投資顧問等業務方面取得了一定的成績，本年度共計新增機構客戶3名，投資顧問業務收入由去年之1,630,000港元增至15,020,000港元。

本年度本集團著力發展財務顧問業務，引進了市場上優秀的專業人才，旨在為更多機構客戶提供企業融資及諮詢服務，本年度共計新增2名機構客戶，取得財務顧問服務收入370,000港元。

新冠疫情的突然爆發給經濟活動帶來了巨大衝擊，本集團業務範圍主要在中國大陸和香港，部分集團潛在客戶因疫情原因推遲了或暫停了其融資計劃，導致本集團失去了一些商業機會。但本集團也通過遠端會議、提供非現場服務等方式盡力努力為客戶提供了相應服務。

本集團將尋找更多的機構客戶，持續為客戶提供多元化金融服務，包括投資諮詢、資產管理、企業諮詢、企業融資及自營投資等業務。

就有關於本公司於2019年3月8日發出之公告，Geoswift Holding Limited(「借款人」)於2019年3月7日未能償還本金額連同利息合計約34,100,000美元，本集團分別於2019年6月19日和2019年11月6日收到300,000美元及750,000美元借款人償還之部份貸款。於2020年3月31日，根據貸款協議，借款人結欠本集團的總金額(包括未償還本金、利息及違約利息)約為36,640,000美元。於2020年3月31日，本公司間接全資附屬公司(「轉讓人」)與一名獨立第三方(「受讓人」)訂立轉讓及承擔契據，據此，轉讓人轉讓，及受讓人接納轉讓人於相關貸款及抵押文件之所有相關權利、所有權、利益及權益之轉讓且受讓人承擔所有責任，結算金額為28,000,000美元。轉讓事項於2020年3月31日完成。

Management Discussion and Analysis

管理層討論及分析

BUSINESS REVIEW *(Continued)*

In order to enhance corporate governance and internal control, the Group has engaged BT Corporate Governance Limited again as its internal auditor to evaluate, assess and improve its internal control process and to ensure appropriate policies and procedures are in place. The Group has further improved various control measures on internal operation and management based on the findings and recommendations from the internal audit.

Under the Greater Bay Area plan, the business of the Group will leverage on Hong Kong's geographical advantages and global presence. It is the intention of the Company's management to optimise its resources and to develop business strategies oriented from the perspective of China, and to diversify products and services for achieving a sustainable growth.

FINANCIAL REVIEW

Results of the Group

For the Year, corporate advisory fee income increased to approximately HK\$15.39 million (2019: HK\$1.63 million). Interest income from lending business of approximately HK\$1.58 million was recognised for the Year (2019: HK\$2.31 million). Accordingly, the Group's revenue increased to approximately HK\$16.97 million (2019: HK\$3.94 million).

Net investment income for the Year was approximately HK\$54.28 million (2019: net investment loss HK\$84.99 million), mainly because of the fair value gain on convertible loan receivable at fair value through profit and loss ("FVTPL") of HK\$57.37 million recognised during the Year.

Interest income on structured deposit was approximately HK\$8.83 million (2019: Nil). Interest income from bank deposits decreased to approximately HK\$5.32 million (2019: HK\$9.01 million).

Net exchange loss of HK\$16.12 million was recognised for the Year (2019: HK\$8.90 million), mostly driven by the foreign exchange revaluation of the Group's Renminbi ("RMB") bank balances.

業務回顧 *(續)*

為加強企業管治及內部監控，本集團再度委聘哲慧企管專才有限公司為其內部核數師，以評估、評定及改善其內部監控程序，並確保其已訂立合適之政策及程序。本集團根據內部審計的結果及建議進一步完善了內部經營和管理的各項控制措施。

在大灣區宏偉規劃下，本集團的業務將借助香港的地理優勢及全球影響力，本公司管理層維持持續優化資源，制定從中國視角定位的業務戰略，並將產品及服務多元化以實現可持續性增長。

財務回顧

本集團業績

於本年度，企業顧問費收入增加至約15,390,000港元(2019年：1,630,000港元)。本年度已確認來自貸款業務的利息收入約1,580,000港元(2019年：2,310,000港元)。因此，本集團的收入增加至約16,970,000港元(2019年：3,940,000港元)。

本年度的淨投資收入約為54,280,000港元(2019年：淨投資虧損84,990,000港元)，主要是由於本年度確認按公平值計入損益的應收可換股貸款的公平值收益57,370,000港元。

結構性存款的利息收入約為8,830,000港元(2019年：無)。銀行存款的利息收入減少至約5,320,000港元(2019年：9,010,000港元)。

本年度確認匯兌虧損淨額16,120,000港元(2019年：8,900,000港元)，主要是由於本集團的人民幣銀行結餘外匯重估所致。

Management Discussion and Analysis

管理層討論及分析

FINANCIAL REVIEW (Continued)

Results of the Group (Continued)

Operating expenses during the Year was approximately HK\$64.39 million (2019: HK\$186.90 million). The decrease in operating expenses was mainly attributable to reduction in staff costs to HK\$20.80 million (2019: HK\$79.25 million), rental related expenses to HK\$4.10 million (2019: HK\$37.60 million) and professional fee to HK\$31.63 million (2018: HK\$50.26 million).

Profit for the Year was approximately HK\$1.59 million, compared to the loss of approximately HK\$284.71 million for the last financial year.

Basic earnings per share for the Year was approximately HK0.04 cent (2019: losses per share of HK8.02 cents), while diluted earnings per share for the Year was the same as basic earnings per share of approximately HK0.04 cent (2019: losses per share of HK8.02 cent).

As at 31 March 2020, the Group's non-current assets was approximately HK\$26.56 million (2019: HK\$19.19 million). The increase was mainly due to recognition of right-of-use assets as a result of adoption of HKFRS 16 in the Year.

As mentioned in Business Review section above, the Group has assigned the convertible loan receivable at FVTPL at a settlement amount of US\$28 million (equivalent to approximately HK\$217.12 million), resulting in an increase of other assets and receivables for the same amount as at 31 March 2020. The Group has received the settlement amount in full subsequent to 31 March 2020. The carrying value of the said convertible loan receivable at FVTPL as at 31 March 2019 was approximately HK\$167.99 million.

Total liabilities as at 31 March 2020 was approximately HK\$21.96 million (2019: HK\$9.70 million). The increase was mainly due to adoption of HKFRS 16 resulting in recognition of lease liabilities in aggregated amount of HK\$6.94 million and increase in professional fee payable for the acquisition project.

Net assets value of the Group as at 31 March 2020 increased to approximately HK\$709.89 million (2019: HK\$705.18 million). The net assets value per share as at 31 March 2020 was approximately HK19.99 cents (2019: HK19.86 cents).

財務回顧(續)

本集團業績(續)

本年度的經營開支約為64,390,000港元(2019年: 186,900,000港元)。經營開支減少主要是由於員工成本減少至20,800,000港元(2019年: 79,250,000港元)，租金相關開支減少至4,100,000港元(2019年: 37,600,000港元)及專業費用減少至31,630,000港元(2018年: 50,260,000港元)。

本年度溢利約為1,590,000港元，而上一個財政年度則虧損約284,710,000港元。

本年度的每股基本盈利約為0.04港仙(2019年: 每股虧損8.02港仙)，而本年度的每股攤薄盈利與每股基本盈利約0.04港仙(2019年: 每股虧損8.02港仙)相同。

於2020年3月31日，本集團的非流動資產約為26,560,000港元(2019年: 19,190,000港元)。該增加主要是由於本年度採納香港財務報告準則第16號而確認使用權資產。

如上文業務回顧部分所述，本集團已轉讓按公平值計入損益的應收可換股貸款，結算金額為28,000,000美元(相當於約217,120,000港元)，導致其他資產及應收款項於2020年3月31日增加相同數額。本集團於2020年3月31日後已悉數收到結算金額。於2019年3月31日，上述按公平值計入損益的應收可換股貸款的賬面值約為167,990,000港元。

於2020年3月31日的負債總額約為21,960,000港元(2019年: 9,700,000港元)。該增加主要是由於採納香港財務報告準則第16號，導致確認租賃負債合共6,940,000港元及就收購項目應付之專業費用增加所致。

於2020年3月31日，本集團的資產淨值增加至約709,890,000港元(2019年: 705,180,000港元)。於2020年3月31日，每股資產淨值約為19.99港仙(2019年: 19.86港仙)。

Management Discussion and Analysis

管理層討論及分析

FINANCIAL REVIEW (Continued)

Liquidity and financial resources

The Group continued to adopt a prudent financial management strategy and maintained a healthy liquidity position. As at 31 March 2020, the Group had net current assets of approximately HK\$686.34 million (2019: HK\$685.99 million), and the current ratio was approximately 37.22 (2019: 71.71).

The Group's operations and investments were financed principally by revenues generated from business operations and available bank balances. Funds are largely placed with financial institutions with maturities timed to cover any known capital investments or commitments. The Group had no borrowing and the gearing ratio of the Group, calculated as total borrowings over total equity, was nil as at 31 March 2020 (2019: Nil).

For foreign currency risk, the Group will continue to monitor its foreign currency exposure and will consider using hedging instruments if available in respect of significant foreign currency exposure should the need arise.

Capital structure

There has been no material change in the capital structure of the Company during the Year. The capital source of the Company comprises only ordinary shares.

Total equity attributable to owners of the Company amounted to approximately HK\$709.89 million as at 31 March 2020 (2019: HK\$705.18 million). This increase was mainly attributable to the increase in the retained profits and translation reserve for the Year.

財務回顧(續)

流動性與財務資源

本集團繼續採取審慎的財務管理策略及保持穩健的流動性狀況。於2020年3月31日，本集團的流動資產淨值約為686,340,000港元(2019年：685,990,000港元)，而流動比率則約為37.22(2019年：71.71)。

本集團的營運及投資資金主要來自業務營運所產生的收益及可動用之銀行結餘。資金主要存放於金融機構，並安排適當到期日以支付任何已知資本投資或承諾。於2020年3月31日，本集團並無借貸，而本集團的負債比率(按借貸總額除以權益總額計算)為零(2019年：零)。

就外匯風險而言，本集團會繼續監控其外匯風險，並在需要時考慮就重大外匯風險使用可供採用的對沖工具。

股本架構

本公司之股本架構於本年度並無重大變動。本公司資本來源僅包含普通股。

於2020年3月31日，本公司擁有人應佔權益總額約709,890,000港元(2019年：705,180,000港元)。此增加主要由於本年度內保留溢利及換算儲備增加所致。

Management Discussion and Analysis

管理層討論及分析

FINANCIAL REVIEW (Continued)

Commitments

As at 31 March 2020, the Group has no operating lease commitment after adoption of HKFRS 16 (2019: HK\$11.13 million). As at 31 March 2020, the establishment of a wholly-owned foreign equity investment management enterprise in Qianhai, Shenzhen for which there will be a capital contribution of US\$1.60 million (31 March 2019: US\$1.60 million). Save for the above, the Group and the Company did not have any significant commitment as at 31 March 2020 and 2019.

Charge on the Group's assets

As at 31 March 2020, the Group did not have any charge on its assets (2019: Nil).

Employees and remuneration policies

As of 31 March 2020, the Group had 23 employees including Directors (31 March 2019: 23 employees). Total staff cost (including Directors' emoluments) for the Year amounted to approximately HK\$20.80 million. Employees' remuneration packages are decided based on their job responsibilities, local market benchmarks and industry trends. Employee bonus is distributable according to the performance of the respective subsidiaries and employees concerned.

The Remuneration Committee will review and determine the remuneration and compensation packages of the Directors and senior management of the Company with reference to salaries paid by comparable companies, time commitment and responsibilities of the Directors and performance of the Group.

The Company adopted a share option scheme on 7 June 2010 (the "Share Option Scheme"), details of which are set out in note 27 to the consolidated financial statements. No option has however been granted, exercised or lapsed under this Share Option Scheme.

財務回顧(續)

承擔

於2020年3月31日，本集團在採納香港財務報告準則第16號後沒有經營租賃承擔(2019：11,130,000港元)。於2020年3月31日，於深圳前海設立外商獨資股權投資管理企業的資本投入將為1,600,000美元(2019年3月31日：1,600,000美元)。除上述者外，本集團及本公司於2020年及2019年3月31日並無任何重大承擔。

本集團資產抵押

於2020年3月31日，本集團並無抵押其任何資產(2019年：無)。

僱員及薪酬政策

於2020年3月31日，本集團聘有23名僱員，包括董事(2019年3月31日：23名僱員)。於本年度的僱員成本總額(包括董事酬金)約20,800,000港元。僱員薪酬組合乃根據其工作職責、本地市場標準及行業趨勢而釐定。僱員花紅乃根據有關附屬公司及相關僱員的表現發放。

薪酬委員會將會參考可資比較公司所支付的薪金、董事投放之時間及職責以及本集團的業績，檢討及釐定本公司董事及高級管理層的酬金及薪酬待遇。

本公司於2010年6月7日採納一項認股權計劃(「認股權計劃」)，詳情載於綜合財務報表附註27。然而，該認股權計劃項下概無認股權獲授出、行使或失效。

Management Discussion and Analysis

管理層討論及分析

FINANCIAL REVIEW (Continued)

Contingent liabilities

As at 31 March 2020, the Group had no material contingent liabilities (2019: Nil).

Future plans for material investments or capital assets

As mentioned in the Business Review of this report, on 19 August 2019, the Company, as a potential purchaser, entered into the MOU with the potential sellers in respect of the possible acquisition of the Target Company. Pursuant to the MOU, the Company intends to acquire and obtain from the potential sellers, and the potential sellers intend to sell and transfer to the Company, in each case through the contractual arrangements, the control over the operations of the Target Company and the right to enjoy the economic benefits generated by the Target Company. Details of the MOU and this possible acquisition were disclosed in the announcement of the Company dated 19 August 2019.

Save as aforementioned, the Group has no plans for material investments or acquisitions of capital assets but will pursue investment and lending opportunities to enhance its profitability in the ordinary course of its business.

Material acquisitions and disposals of subsidiaries and affiliated companies

During the Year, two indirect wholly-owned subsidiaries of the Company, namely ZZ Capital International (Israel) Limited and ZZ Capital International (UK) Limited were deregistered with loss on such deregistration of approximately HK\$3.11 million recognised in the Year. Save as aforementioned, the Group had no material acquisitions or disposal of subsidiaries and affiliated companies during the Year.

財務回顧(續)

或然負債

於2020年3月31日，本集團並無重大或然負債(2019年：無)。

未來重大投資或資本資產計劃

如本報告之業務回顧所述，於2019年8月19日，本公司(作為潛在買方)與潛在賣方就可能收購目標公司訂立了諒解備忘錄。根據諒解備忘錄，雙方透過合約安排，本公司有意向潛在賣方收購並獲得，而潛在賣方有意向本公司出售及轉讓對營運目標公司的控制權及享有目標公司產生的經濟利益的權利。諒解備忘錄及該可能收購事項的詳情披露於本公司日期為2019年8月19日的公告。

除前述者外，本集團概無重大投資或購入資本資產的計劃，惟將在其日常業務過程中尋求投資及借貸機會，以提高其盈利能力。

附屬公司及聯屬公司的重大收購及出售

本年度，本公司的兩家間接全資附屬公司ZZ Capital International (Israel) Limited及ZZ Capital International (UK) Limited已撤銷公司註冊，此舉動引起了本年度確認約3,110,000港元的虧損。除上文所述，本集團於本年度概無重大收購或出售附屬公司及聯屬公司。

Management Discussion and Analysis

管理層討論及分析

OUTLOOK

According to the “World Economic Situation and Outlook 2020” released by the United Nations, as a result of the Sino-US trade dispute and the significant decrease in investment, the global economic growth rate dropped to 2.3% in 2019, which is the lowest level in ten years.

Nevertheless, the economic growth rate of Mainland China in 2019 is 6.1% and the annual GDP is RMB99 trillion, in line with the expected target of 6%–6.5%. On a quarterly basis, the first quarter, the second quarter, the third quarter and the fourth quarter increased by 6.4%, 6.2%, 6.0% and 6.0% year-on-year, respectively. Affected by the novel coronavirus epidemic, the tension of global trade continues, the Sino-U.S. confrontation escalates and the instability in some regions intensifies, the International Monetary Fund has recently predicted the economic growth rate in 2020 to be -3%.

The impact caused by the global novel coronavirus epidemic has brought severe impact on the global economy. On 28 May 2020, the third session of the 13th National People’s Congress was concluded and the PRC government did not set any quantitative indicators for GDP growth. Nevertheless, the PRC government has promptly controlled the spread of the novel coronavirus epidemic and various domestic economic activities had gradually resumed. It is believed that the economic performance of the PRC in 2020 would still outperform the global average economic growth. At the same time, the 2020 Government Work Report of the PRC advocated the idea of accelerating the implementation of regional development strategies and further push forward the construction of the Guangdong-Hong Kong-Macao Greater Bay Area. At the same time, it also proposed to continue to launch supporting policies and to fully promote “Internet Plus”, creating new advantages of digital economy.

前景

聯合國在其發佈的《世界經濟形勢與展望2020》表示，由於中美之間的貿易爭端以及投資的大幅縮減，全球經濟增速在2019年降至2.3%，為10年來的最低水準。

而中國大陸2019年經濟增長率為6.1%，全年國內生產總值99萬億元人民幣，符合6%–6.5%的預期目標。分季度與去年同期相比，第一季度增長6.4%，第二季度增長6.2%，第三季度增長6.0%，第四季度增長6.0%。受新冠疫情影响，全球貿易局勢持續緊張、中美全面對抗升級及部分地區不穩定因素加劇等因素影響，國際貨幣基金組織近期將2020年經濟增長率為負3%。

因全球受新冠疫情影响，給全球經濟造成了嚴重的衝擊。2020年5月28日，十三屆全國人大三次會議閉幕，中國政府沒有確定GDP增長的量化指標。但中國政府快速控制了新冠疫情的傳播，國內各項經濟活動已逐漸恢復，相信中國2020年經濟表現依然會高於全球平均經濟增長。同時，2020年中國政府工作報告中提出加快落實區域發展戰略，深入推進粵港澳大灣區建設的發展思路。同時也提出要繼續出台支持政策，全面推進「互聯網+」，打造數字經濟新優勢。

Management Discussion and Analysis 管理層討論及分析

OUTLOOK (Continued)

The novel coronavirus epidemic has caused significant impact on the global economy and the Group's business has also been affected to a certain extent. Due to the epidemic, the contracts with respect to part of the Group's investment consulting business were not renewed by our customers, which would bring certain loss to the Group. Nevertheless, the novel coronavirus epidemic has also brought new development opportunities to the internet economy. The Target Company that the Company proposes to acquire is a company that provides internet back-office services, internet integrated marketing solutions and smart data solutions. The impact of the novel coronavirus epidemic on it is less significant and may even bring new development opportunity to it.

Given the above situation, the Group will re-emphasize the combination of Hong Kong's strategic geographic location and its integration with Mainland China in order to achieve a diversified development by crossing different geographical locations and asset classes. On the one hand, it will continue to provide financial services to customers, on the other hand, it will be through the acquisition of quality assets as soon as possible to improve the Group's operating conditions and enhance the Group's operating efficiency so as to achieve greater value for the shareholders.

APPRECIATION

We would like to take this opportunity to thank all members of the team for their diligence and dedication and to thank our board members for their trust, guidance and support in terms of strategy and implementation during the reporting period. At the same time, we also thank all the customers of the Group for their trust in us and all the cooperating professional bodies for their support. With the joint efforts of all our staff and the support of various parties, we believe that we will be able to achieve better results and greater value for the shareholders in the new year to come.

By Order of the Board

JIANG Yulin
Executive Director

Hong Kong, 19 June 2020

前景(續)

新冠疫情對全球經濟造成了巨大的衝擊，本集團業務也受到了一定程度的影響，本集團部分投資諮詢業務因疫情原因客戶未能續約，將會給本集團帶來一定的損失。但新冠疫情也給互聯網經濟帶來了新的發展機遇，本公司擬收購的目標公司是一家提供互聯網後台服務、互聯網整合營銷服務及智能數據解決方案的公司，新冠疫情對其衝擊相對較小且可能會給其帶來新的發展機遇。

在此背景下，本集團將進一步注重香港的戰略地理位置以及與中國大陸的結合綜效，通過跨地域及資產類別實現多元化發展。一方面持續為客戶提供金融服務，另一方面通過儘快完成對優質資產的收購改善本集團經營狀況，提升本集團經營效益，實現更大的股東價值。

致謝

我們謹藉此機會感謝團隊全體成員的勤奮耕耘及敬業盡責，我們亦感謝董事會同儕於本報告期間在策略及執行方面給予我們的信任、指引及支持。同時我們也感謝本集團所有客戶對我們的信任，亦感謝所有與我們開展合作的專業機構對我們的支持。憑藉全體員工的共同努力及各位的支持，我們相信在新的年度裡一定能夠做出更好的成績，實現更大的股東價值。

承董事會命

執行董事
蔣玉林

香港，2020年6月19日

Biographical Details of Directors 董事詳細履歷

EXECUTIVE DIRECTORS

Mr. NIU Zhanbin, aged 45, joined the Group in August 2019, is an executive Director, the Chairman of the Board, the chairman of the Nomination Committee and the member of the Remuneration Committee of the Company. He also holds several directorships in certain other subsidiaries of the Company. Mr. Niu is also a chief operating officer of Zhongzhi Enterprise Group Co.,Ltd. Zhongzhi Enterprise Group Co.,Ltd. is a company directly or indirectly held as to 76% by Mr. Xie Zhikun. Mr. Xie Zhikun is the controlling shareholder of the Company.

Mr. Niu worked in the Office of the Cyberspace Administration of China from 2014 to 2017. He worked in China Internet Network Information Center from December 2017 to July 2019. He had participated in a number of major research projects and has extensive management experience in the fields including network infrastructure, information and communication technology, digital economy and fund investment in the People's Republic of China ("PRC"). Mr. Niu has been paying close attention to the development of the internet industry in the PRC for a long time and has a thorough thought on the development prospect of the industry. He has established good relationships with well-known experts and scholars, famous internet companies and major news media. Mr. Niu obtained a bachelor of laws degree from Renmin University of China in 1996 and a master of laws degree from China University of Political Science and Law in 2012.

執行董事

牛占斌先生，45歲，於2019年8月加入本集團，擔任本公司的執行董事、董事會主席、提名委員會主席及薪酬委員會成員，彼亦擔任本公司其他若干附屬公司之董事。牛先生同時亦是中植企業集團有限公司首席運營官，中植企業集團有限公司為解直錕先生直接或間接擁有76%的公司，解直錕先生為本公司控股股東。

牛先生自2014年至2017年在中國國家互聯網信息辦公室工作，自2017年12月至2019年7月在中國互聯網絡信息中心工作。曾參與多項重大課題研究，在中國網絡基礎設施、信息通訊技術、數字經濟和基金投資等領域擁有豐富的管理經驗。牛先生長期以來密切關注跟進中華人民共和國（「中國」）互聯網行業發展狀況，對行業發展前景有深入思考，與知名專家學者、著名互聯網企業、重點新聞媒體建立了良好的關係。牛先生於1996年在中國人民大學獲得法學學士學位，於2012年在中國政法大學獲得法學碩士學位。

Biographical Details of Directors 董事詳細履歷

EXECUTIVE DIRECTORS *(Continued)*

Mr. Jiang Yulin, aged 61, joined the Group in March 2020, appointed as an executive Director and chief executive officer of the Company.

Mr. Jiang is currently the independent non-executive director, chairman of nomination committee and member of remuneration and evaluation committee of Haitong UniTrust International Leasing Co., Ltd. (a company listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"), stock code: 01905). He is also the independent director of Anhui Zhonghuan Environmental Protection Technology Co., Ltd. (a company listed on Shenzhen Stock Exchange, stock code: 300692). Mr. Jiang served as an executive director, chairman of the board and member of nomination committee of China Tian Yuan Healthcare Group Limited (a company listed on the Stock Exchange, stock code: 00557) from August 2016 to March 2020. Mr. Jiang has over 30 years of banking experience and has extensive experience in financing, investment and management. Mr. Jiang had worked for Industrial and Commercial Bank of China Limited ("ICBC") for more than 30 years from 1985 to 2016. Since 2015, Mr. Jiang was the board chairman of ICBC Financial Leasing Co., Ltd., a wholly-owned subsidiary of ICBC, and held concurrent posts as the board chairman of ICBC (Moscow) Limited, a wholly-owned subsidiary of ICBC, and a non-executive director, chairman of risk management committee and member of the audit committee of Industrial and Commercial Bank of China (Asia) Limited. Mr. Jiang had resigned with ICBC in 2016. From 2002 to 2005, he also served as an independent supervisor of Maanshan Iron & Steel Company Limited, one of the largest iron and steel producers and marketers in the PRC, which is listed on the Shanghai Stock Exchange (stock code: 600808) and the Stock Exchange (stock code: 00323). Mr. Jiang holds a doctorate degree in Economics from Wuhan University. He is a registered accountant and was qualified as a senior economist issued by the Appraisal and Approval Committee for Professional and Technical Competence of ICBC. Mr. Jiang has published several journals and certain books in relation to the banking industry and risk prevention.

執行董事 *(續)*

蔣玉林先生，61歲，於2020年3月加入本集團，擔任本公司執行董事及行政總裁。

蔣先生現為海通恒信國際租賃股份有限公司(公司於香港聯合交易所(「聯交所」)上市；股份代號：01905)獨立非執行董事、提名委員會主席及薪酬與考核委員會成員。蔣先生現亦為安徽中環環保科技股份有限公司(公司於深圳證券交易所上市；股份代號：300692)獨立董事。蔣先生曾於2016年8月至2020年3月期間擔任中國天元醫療集團有限公司(公司於聯交所上市；股份代號：00557)執行董事、董事會主席及提名委員會成員。蔣先生具有超過30年的銀行經驗並於金融、投資及管理方面具有豐富的經驗。蔣先生於1985年至2016年期間在中國工商銀行有限公司(工商銀行)任職超過30年，自2015年起，蔣先生為工銀金融租賃有限公司(工商銀行全資附屬公司)董事會主席，其兼任中國工商銀行(莫斯科)股份公司(工商銀行全資附屬公司)董事會主席及中國工商銀行(亞洲)有限公司非執行董事、風險管理委員會主席及審核委員會成員。於2016年，蔣先生離任工商銀行。彼亦曾於2002年至2005年間擔任中國最大鋼鐵生產及銷售商之一馬鞍山鋼鐵股份有限公司之獨立監事，該公司於上海證券交易所(股份代號：600808)及聯交所(股份代號：00323)上市。蔣先生持有武漢大學的經濟學博士學位，彼為註冊會計師，並取得由工商銀行專業技術職務任職資格評審委員會頒發的高級經濟師資格。蔣先生就銀行業及風險防範刊發多份期刊及若干書目。

Biographical Details of Directors 董事詳細履歷

EXECUTIVE DIRECTORS *(Continued)*

Mr. WU Hui, aged 37, joined the Group in November 2018 as the chief operating officer and has been appointed as an executive Director, the compliance officer, and an authorised representative of the Company since August 2019. He also acts as the legal representative or holds directorships in certain other subsidiaries of the Company.

Mr. Wu has over 10 years of experience in internal control and management of financial corporates. He has worked in Zhongzhi Capital Management Company Limited (“Zhongzhi Capital”) since 2016 and is currently holding the post of its supervisor. He is also the director of Kang Bang Qi Hui (HK) Company Limited (“Kang Bang”) and Tian Xi Capital Company Limited (“Tian Xi”) as well as the supervisor of 常州京江資本管理有限公司 (Changzhou Jingjiang Capital Management Company Limited*) (“Changzhou Jingjiang”) and 西藏康邦勝博企業管理有限公司 (Tibet Kangbang Shengbo Business Management Company Limited*) (“Tibet Kangbang”). As at the date of this annual report, Kang Bang and Tian Xi are the substantial shareholders of the Company and Zhongzhi Capital, Changzhou Jingjiang and Tibet Kangbang ceased to be substantial shareholders of the Company since April 2020 after the restructuring of shareholders. Mr. Wu obtained a master of management degree from the Central University of Finance and Economics in 2008.

執行董事 *(續)*

吳輝先生，37歲，於2018年11月加入本集團擔任首席運營官，並自2019年8月起獲委任為本公司執行董事、監察主任及授權代表。吳先生亦擔任本公司其他若干附屬公司之法定代表人或董事。

吳先生擁有10年以上金融企業內部控制和管理經驗。彼自2016年起就職於中植資本管理有限公司（「中植資本」），現擔任其監事。彼亦為康邦齊輝（香港）有限公司（「康邦」）及Tian Xi Capital Company Limited（「Tian Xi」）的董事以及常州京江資本管理有限公司（「常州京江」）及西藏康邦勝博企業管理有限公司（「西藏康邦」）之監事。於本年報日期，康邦及Tian Xi為本公司的主要股東，而自2020年4月股東架構重組後，中植資本、常州京江及西藏康邦不再為本公司主要股東。吳先生於2008年獲得中央財經大學管理學碩士學位。

* for identification purpose only

Biographical Details of Directors 董事詳細履歷

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Stephen MARKSCHEID, aged 66, joined the Group in June 2016 as an independent non-executive Director, the chairman of the Audit Committee and a member of the Nomination Committee of the Company.

Mr. Markscheid is a venture partner at DealGlobe, a Shanghai based boutique investment bank. He currently serves as a non-executive director of ChinaCast Education Corporation and as an independent director of Fanhua Inc., Jinko Solar Inc., and Ener-Core Inc. ChinaCast Education Corporation and Ener-Core trade Over-The-Counter and Fanhua Inc. is listed on The NASDAQ Stock Market ("NASDAQ") while Jinko Solar Inc. is listed on The New York Stock Exchange ("NYSE"). Mr. Markscheid also served as independent director of China Integrated Energy Corporation (a company previously listed on NASDAQ) and China Ming Yang Wind Power Group Limited (a company previously listed on NYSE). He is also a trustee of Princeton-in-Asia. From 1998-2006, Mr. Markscheid worked for GE Capital ("GE"). During his time with GE, Mr. Markscheid led GE's business development activities in China and Asia Pacific, primarily acquisitions and direct investments. Prior to GE, Mr. Markscheid worked with the Boston Consulting Group throughout Asia. He was a commercial banker for ten years in London, Chicago, New York, Hong Kong and Beijing with Chase Manhattan Bank and First National Bank of Chicago and has years of professional experience in the financial services industries. Mr. Markscheid obtained a bachelor of arts degree from Princeton University in 1976, a master degree in international affairs from Johns Hopkins University in 1980, and a master of degree in business administration from Columbia University in 1991, where he was class valedictorian.

獨立非執行董事

Stephen MARKSCHEID 先生，66歲，於2016年6月加入本集團，擔任本公司獨立非執行董事、審核委員會主席及提名委員會成員。

Markscheid先生為上海小型投資銀行DealGlobe之合資夥伴。彼現時擔任ChinaCast Education Corporation之非執行董事以及泛華金融控股集團、晶科能源控股有限公司及Ener-Core Inc.之獨立董事。ChinaCast Education Corporation及Ener-Core, Inc.為在場外交易的公司，泛華金融控股集團為納斯達克證券交易所(「納斯達克」)上市公司，而晶科能源控股有限公司為紐約證券交易所(「紐交所」)上市公司。Markscheid先生亦曾擔任China Integrated Energy Corporation(曾為納斯達克上市公司)及中國明陽風電集團有限公司(曾為紐交所上市公司)之獨立董事。彼亦為普林斯頓在亞洲之信託人。1998年至2006年，Markscheid先生任職於GE Capita(「GE」)。彼在任職於GE期間領導GE在中國及亞太區之業務開發工作，主要為收購及直接投資。Markscheid先生於加入GE前在亞洲各地的波士頓諮詢公司工作。Markscheid先生曾於倫敦、芝加哥、紐約、香港及北京任職於商業銀行美國大通銀行及美國芝加哥第一國民銀行十年，並於金融服務業擁有多年專業經驗。Markscheid先生於1976年在普林斯頓大學取得文學士學位及於1980年在約翰霍普金斯大學取得國際事務碩士學位。彼亦於1991年在哥倫比亞大學取得工商管理碩士學位，當時為畢業生代表。

Biographical Details of Directors 董事詳細履歷

INDEPENDENT NON-EXECUTIVE DIRECTORS

(Continued)

Mr. ZHANG Weidong, aged 55, joined the Group in July 2016 as an independent non-executive director, a member of the Audit Committee, Remuneration Committee and Nomination Committee of the Company.

Mr. Zhang was the executive director of OP Financial Investments Limited (a company listed on the Stock Exchange, stock code: 01140) and a partner of Oriental Patron Financial Group primarily responsible for private equity investments. Mr. Zhang has over 14 years of experience in the operation and management of commercial banking, during which he worked in the international business department of ICBC with final position level as deputy general manager of department, including 3 years in ICBC Almaty Branch, where he was in charge of treasury, credit lending and office operations. Moreover, Mr. Zhang has 12 years of investment banking experience, served as executive director of ICEA Finance Group (the investment banking arm of ICBC) and managing director of Alpha Alliance Finance Holdings, responsible for corporate finance and sales department respectively. He is also an independent non-executive Director of Tianjin Port Development Holdings Limited (a company listed on the Stock Exchange, stock code: 03382). Mr. Zhang holds a master degree from Renmin University in Economics, a diploma of Programme for Management Development of Harvard Business School and held a fellowship from Columbia University in New York.

獨立非執行董事(續)

張衛東先生，55歲，於2016年7月加入本集團，擔任本公司獨立非執行董事、審核委員會、薪酬委員會及提名委員會之成員。

張先生曾為東英金融投資有限公司(公司股份於聯交所上市，股份代號：01140)執行董事及東英金融集團合夥人，主要負責私募股權投資業務。張先生擁有逾14年商業銀行經營及管理經驗，曾任職於工商銀行國際業務部，其最後職級為副總經理，包括阿拉木圖工商銀行3年工作經歷，分管資金、借貸及辦公室工作。此外，張先生同時擁有12年投資銀行經驗，先後於工商東亞(工商銀行的投資銀行)及香港冠聯金融控股擔任執行董事及董事總經理，分管企業融資部及市場銷售部。彼亦為天津港發展控股有限公司(公司於聯交所上市，股份代號：03382)之獨立非執行董事。張先生持有中國人民大學經濟學碩士學位及哈佛大學商學院管理發展課程證書，且曾為美國紐約哥倫比亞大學的訪問學者。

Biographical Details of Directors

董事詳細履歷

INDEPENDENT NON-EXECUTIVE DIRECTORS

(Continued)

Mr. ZHANG Longgen, aged 56, joined the Group in January 2018 as an independent non-executive director, the chairman of the Remuneration Committee and a member of the Audit Committee of the Company.

Mr. Zhang is currently a director of JinkoSolar Holding Co., Ltd. (stock code: JKS) and the chief executive director of Daqo New Energy Corp. (stock code: DQ), both are listed on the New York Stock Exchange ("NYSE"). Before that, from September 2008 to September 2014, he was the chief financial officer and director of JinkoSolar Holding Co., Ltd. From February 2006 to August 2008, he worked in Xinyuan Real Estate Co., Ltd. (stock code: XIN), a company listed on NYSE as the chief financial officer and director. Mr. Zhang has extensive financial expertise and financial management experience. He has served as an independent director in various listed companies, including, among others, China Ming Yang Wind Power Group Limited (a company listed on the NYSE, stock code: MY), China Fordoo Holdings Limited (a company listed on the Stock Exchange, stock code: 02399) and CCS Supply Chain Management Co., Ltd. (a company listed on the Shanghai Stock Exchange, stock code: 600180). Mr. Zhang was qualified as a certified public accountant and was granted such certificate by the State Board of Public Accounting of the State of Texas in the United States in August 1995. He obtained his membership from the American Institute of Certified Public Accountants in July 2002. Mr. Zhang holds a master's degree in professional accounting and a master's degree in business administration from West Texas A&M University.

獨立非執行董事(續)

張龍根先生，56歲，於2018年1月加入本集團，為本公司之獨立非執行董事、薪酬委員會主席及審核委員會成員。

張先生現為紐約證券交易所(「紐交所」)上市公司晶科能源有限公司(股份代碼：JKS)之董事及大全新能源公司(股份代碼：DQ)之行政總裁。在此之前，他曾於2008年9月至2014年9月擔任晶科能源有限公司首席財務官兼董事，於2006年2月至2008年8月擔任紐交所上市公司鑫苑置業控股有限公司(股份代碼：XIN)首席財務官兼董事。張先生擁有豐富的財務知識和金融管理運作經驗，曾擔任多家上市公司獨立董事，其中包括中國明陽風電集團有限公司(於紐交所上市，股份代碼：MY)，中國虎都控股有限公司(公司於聯交所上市，股份代碼：02399)，以及瑞茂通供應鏈管理股份有限公司(於上海證券交易所上市，股份代碼：600180)等。張先生於1995年8月考取美國執業會計師資格並獲德克薩斯州州公共會計委員會(State Board of Public Accounting of the State of Texas)頒發有關證書。彼於2002年7月取得美國執業會計師公會會員資格。張先生獲得西德克薩斯州農工大學職業會計碩士及工商管理碩士學位。

Biographical Details of Directors 董事詳細履歷

CHANGES IN INFORMATION OF DIRECTORS

Pursuant to Rule 17.50A(1) of the GEM Listing Rules, change in information of Directors are set out below:

Name of Director	Details of changes
Mr. NIU Zhanbin	The remuneration package increased from HK\$1,800,000 to approximately HK\$3,140,000 per annum with effect from 22 November 2019. Ceased to act as Chief Executive Officer of the Company with effect from 26 March 2020.
Mr. WU Hui	Appointed as the director of Tian Xi and Kang Bang in November 2019 and April 2020 respectively. Tian Xi and Kang Bang are the current substantial shareholders of the Company.
Mr. ZHANG Weidong	Resigned as an executive director of OP Financial Investment Limited (a company listed on the Stock Exchange, stock code: 01140) with effect from 10 February 2020 and ceased to be a partner of Oriental Patron Financial Group.

董事資料變動

根據GEM上市規則第17.50A(1)條，董事資料的變動載列如下：

董事姓名	變動詳情
牛占斌先生	薪酬待遇由每年1,800,000港元增加至約3,140,000港元，自2019年11月22日起生效。 不再擔任本公司行政總裁，自2020年3月26日起生效。
吳輝先生	分別於2019年11月及2020年4月獲任為Tian Xi及康邦之董事。Tian Xi及康邦為本公司現時之主要股東。
張衛東先生	於2020年2月10日辭去東英金融有限公司(公司於聯交所上市，股份代號：01140)的執行董事一職，並不再為東英金融集團的合夥人。

Directors' Report 董事會報告

The Board is pleased to present its annual report together with the audited consolidated financial statements of the Group for the Year.

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. Its subsidiaries are principally engaged in investment holding, provision of corporate advisory services, investment advisory and assets management services, proprietary investments and money lending.

BUSINESS REVIEW

The business review of the Group for the Year as required by Schedule 5 to the Hong Kong Companies Ordinance has been covered in the "Management Discussion and Analysis" section as well as this Directors' Report of this annual report. Risk disclosure sections that follow hereafter should be read in conjunction with the "Management Discussion and Analysis" and note 31 to the consolidated financial statements. These form part of this directors' report.

Principal risks and uncertainties

Operational risk

With reference to uncertainty in the regulated business sustainability poses other operational risks to ZZCI Corporate Finance Limited ("ZZCF"), the Group majority put its effort to expand and diversify the scope of the regulated business. In addition, ZZCF has also developed and implemented differentiated business strategies to relocate different competent experts, licensed persons and professional staffs of front, middle and back office to strengthen its expertise and capacity to accomplish ZZCF's key performance indicator.

COVID-19 virus presents a unique risk while companies of all sizes have been greatly impacted under this situation. The Group has implemented a business continuity plan ("BCP") throughout the period. Having said that working from home practice is implemented in the Group in order to protect the employees, it is still a new challenge to most of the businesses and bringing uncertainty to the operation.

董事會欣然提呈本集團於本年度之年報及經審核綜合財務報表。

主要業務

本公司之主要業務為投資控股。其附屬公司主要從事投資控股、提供企業顧問服務、投資顧問以及資產管理服務、自有資金投資及借貸。

業務回顧

本集團於本年度之業務回顧已根據香港公司條例附表5的規定載述於本年報「管理層討論及分析」一節以及本董事會報告內。以下風險披露章節應與「管理層討論及分析」以及綜合財務報表附註31一併閱讀。該等部分構成本董事會報告的一部分。

主要風險及不明確因素

營運風險

鑒於受規管業務可持續性的不確定性給中植資本企業融資有限公司(「中植資本企業融資」)帶來的其他營運風險，本集團主要將其精力放在擴充並多元化中植資本企業融資的受規管業務範疇。此外，中植資本企業融資亦已制定及實施劃分性業務戰略，以重新分配前、中、後台的不同合資格專業人士、持牌人及專業員工，以加強其專業知識和能力來完成中植資本企業融資之關鍵績效指標。

這次2019冠狀病毒病帶來特殊的風險狀況，對所有規模的企業都有相當嚴重的影響。本集團於此期間採取了業務延續計劃面對疫情。為了保障員工，本集團亦實施了在家辦公措施，對於各行各業而言，在家辦公亦是一項具有挑戰性的新營運模式，亦存在一定的不確定性。

Directors' Report

董事會報告

BUSINESS REVIEW *(Continued)*

Principal risks and uncertainties *(Continued)*

Business and associated risks

With objective of sustainable exploitation of harvest strategy for the Group, the Group has performed an internal reorganisational restructuring and adopted the new business strategy to reform the business of the Group. Such exploitation brings improving result of the Group's business after the first stage of reformation. In the presence of the Group's estimation, the revenue in future may insufficient to satisfy on the expenses of retaining talented staffs to carry on their contributions with the Group; besides, the Group may face the challenge of talent shortage, spending on capital expenditure, technology upgradation and the expenditure of rental of business premises may not entirely be covered by revenue in the long-run future. Moreover, subject to China's capital control restrictions and the fluctuation of exchange rate between Renminbi and the Hong Kong dollar, the flexibility under business operation of the Group are being affected by the uncertainty as aforementioned.

The spread of the COVID-19 virus has been bringing certain level of uncertainties and risks to any kind of businesses. The Group are also being affected in the business expansion and strategy. Critical situation in the global transportation has also created a sudden crash in the global business and the Group as well.

Credit and counter party risks

The Group extends credit financing and carries a money lender license in Hong Kong, therefore credit and counterparty risks shall be carefully evaluated and managed. As mentioned in this report with heading "Management Discussion and Analysis", on 31 March 2020, the Group has assigned the convertible loan receivable at FVTPL, which was in default, to an independent third party at a settlement amount of US\$28 million. The Group has received the settlement amount in full subsequent to 31 March 2020. The Group's deposits with licensed banks in Hong Kong and the PRC also give rise to counterparty risks, although these are well-known and well-capitalised institutions.

業務回顧 *(續)*

主要風險及不明確因素 *(續)*

業務及相關風險

為可持續利用本集團的豐收策略，本集團進行內部架構重組及採納新業務策略以改革本集團的業務。上述策略於第一階段的改革後令本集團的業務獲得改善。本集團估計，未來收入可能不足以滿足挽留優秀員工繼續為本集團作貢獻所需的開支；此外，本集團可能面臨人才短缺的挑戰，長期而言其收入可能無法完全應對於資本開支、技術升級及營業場所租金開支方面的支出。此外，在中國的資本管控限制及人民幣兌港元匯率波動的規限下，本集團業務營運的靈活性亦同時受到上述不確定性所影響。

2019冠狀病毒病的擴散，為所有行業帶來了一定程度的不確定性及風險。本集團的業務擴充及策略等亦同樣受到影響。國際交通的特殊情況造成了跨國業務的突然停頓，本集團亦難獨善其身。

信貸及對手方風險

本集團授出信貸融資，並在香港持有放債人牌照，因此應審慎評估及管理信貸及對手方風險。如本報告內標題「管理層討論及分析」所述，於2020年3月31日，本集團已將一筆逾期的以公平值計入損益的可換股貸款轉讓予一獨立第三方，結算金額為28,000,000美元。本集團已於2020年3月31日後全額收到結算金額。本集團於香港及中國的持牌銀行之存款亦具有交易對手風險，即使該類銀行為知名且資本雄厚的機構。

Directors' Report

董事會報告

BUSINESS REVIEW *(Continued)*

Principal risks and uncertainties *(Continued)*

Financial risk

The Group has no borrowing during the Year so the liquidity and funding cost risks were low. The Group has maintained its investment portfolio in Hong Kong and US listed securities with manageable market risk and liquidity. As the Group will diversify its revenue stream and perhaps starting to apply leverage, its financial risk profile may change accordingly.

Environmental policies and performance

The Group's policies and practices are environmentally friendly. To help conserve the environment, the management has implemented green office practices and practice of recycling and reducing consumption of resources. The Group commits to maintain awareness within the Group of the responsibility of the Group and its employees to ensure protection of the environment. For example, purchasing the environmentally preferable products with reputable certifications or labels, transmission of bulk documents through electronic means, marking up of documents electronically rather than using printed version, double-sided black & white printing, recycling of printed papers and envelopes, and switching off lights and air-conditioning after working/non-office hours, public holidays.

Compliance with relevant laws and regulations

Compliance with relevant laws and regulations is a cornerstone of operating the businesses of the Group. Changes in laws, rules, regulations and enforcement practices may constantly pose challenges to the operation of the Group. Amongst others, the Group operates within the confine of the relevant company laws in Hong Kong, Cayman Islands, British Virgin Islands, Israel, England, the United States and The People's Republic of China, as well as under the GEM Listing Rules and the Securities Futures Ordinance, Chapter 571 of the laws of Hong Kong ("SFO"). ZZCF is a corporation licensed under section 116 of the SFO for carrying on Type 1,4,6 and 9 regulated activities, and therefore subject to the requirements of SFO and codes and guidelines issued by the Hong Kong Securities and Futures Commission of Hong Kong ("SFC").

業務回顧 *(續)*

主要風險及不明確因素 *(續)*

財務風險

本集團於本年度間並無借款，故流動性及融資成本風險為低。本集團持有其香港及美國上市證券的投資組合，市場風險及流動性容易控制。隨著本集團將分散其收入來源並可能啟動財務槓桿，故其財務風險組合將可能會相應變更。

環境政策及表現

本集團的政策及流程尊重環境保護。為保護環境，管理層已實行綠色辦公慣例並踐行資源回收利用、減少浪費。本集團致力於維護集團及其僱員對環境保護責任的意識。例如購買具有良好環保認證或標籤的產品、以電子渠道傳送大量文件、以電子方式而非印刷版本來標註文件、雙面黑白印刷、重複使用已印刷紙張及信封以及於下班後／非辦公時間、公眾假期關閉燈具及冷氣。

遵守相關法例及規例

遵守相關法例及規例乃本集團業務營運的基石。法例、規則、規例及執法慣例的變動可能持續對本集團的營運帶來挑戰。其中包括，本集團根據香港、開曼群島、英屬維爾京群島、以色列、英國、美國及中華人民共和國的相關公司法、GEM 上市規則及香港法例第 571 章《證券及期貨條例》（「證券及期貨條例」）進行營運。中植資本企業融資為根據證券及期貨條例第 116 條進行第 1、4、6 及 9 類受規管活動的持牌法團，因此須遵守證券及期貨條例及香港證券及期貨事務監察委員會（「證監會」）頒佈的守則和指引的規定。

Directors' Report

董事會報告

BUSINESS REVIEW (Continued)

Compliance with relevant laws and regulations (Continued)

ZZCI Credit Limited holds a money lender's licence and is subject to the provisions of the Money Lenders Ordinance (Chapter 163 of the laws of Hong Kong). To provide for the control and regulation of money lenders and money lending transactions mainly involves, the Commissioner of Police and Registrar of Money Lenders. The Group has established and maintained adequate policies and procedures to ensure compliance with all applicable laws and regulations. In addition, the Group has also adopted a whistleblowing policy for reporting of wrong-doing within the Group. The whistleblowing policy can be found in the Group's compliance manual which is regularly reviewed and updated as and when necessary. The Group has assembled a team of professionals with many years of experience and expertise in legal, compliance and financial control in the financial industry. With the right blend of talent, this team provides the Group with the requisite level of quality assurance to ensure compliance with all relevant laws and regulations, and to minimize the Group's risk exposure as it embarks on new business initiatives in relation to money lending business.

Key relationships with employees, customers, suppliers and other stakeholders

The Group has developed and implemented a competitive remuneration structure which is key for the Group to attract and retain the best talent. Details of emolument policy and employee benefits are set out in the section headed "Employees and remuneration policies" under "Management Discussion and Analysis" in this annual report. The Group's operational and organisational structure is fairly simple and has not encountered major difficulties in recruitment, retention or restructuring. There have been no interruptions to operations nor any labour disputes to date. In addition, the Group encourages and supports employees to attend courses, seminars and workshops that are relevant to their jobs to obtain up-skills so as to keep them challenged and engaged as well as assist the Group's sustainable business success.

In particular to the COVID-19 virus situation, the Group has also implemented special arrangement for the protection of employees' health and safety.

業務回顧(續)

遵守相關法例及規例(續)

中植資本信貸有限公司持有放債人牌照並須遵守香港法例第163章《放債人條例》的條文。放債人及放債交易主要受警務處處長及放債人註冊處處長所管控及監管。本集團已建立及維持足夠政策及程序，以確保遵守所有適用法例及規例。此外，本集團亦已採納有關報告本集團內違規事件的舉報政策程序。上述舉報政策及程序載錄於本集團的合規手冊內，該手冊乃於需要時定期審閱及更新。本集團已組建一支於金融行業對法律、合規及財務監控等方面擁有多年經驗及專業知識的專業團隊。該團隊內的恰當人才組合為本集團提供所需的質素保證，以確保符合所有相關法例及規例，從而盡量降低本集團開展有關放債業務的新業務活動所面對的風險。

與僱員、客戶、供應商及其他利益相關者的重要關係

本集團已制定並實施有競爭力之薪酬架構，這是本集團吸引及保留人才的關鍵。薪酬政策及僱員福利的詳情載於本年報「管理層討論及分析」項下「僱員及薪酬政策」一節。本集團營運以及組織架構相對簡單，未曾於招聘、挽留或重組方面遇到重大困難。迄今為止，本公司從未中斷營運，亦未有任何勞資糾紛。此外，本集團亦鼓勵及支持員工參與與其工作相關的課程、研討會及工作坊，讓員工獲取最新的技能，保持他們的競爭力，從而協助本集團可持續業務成功。

針對2019冠狀病毒病的情況，本集團亦採取了特別措施，以保障僱員的健康和安全。

Directors' Report

董事會報告

BUSINESS REVIEW *(Continued)*

Key relationships with employees, customers, suppliers and other stakeholders *(Continued)*

The Group has maintained productive relationships with its customers, investees, co-investors and suppliers. With its professional board, company website, financial reports and the annual general meeting, the Group has significantly improved its transparency and communication with its shareholders. The controlling shareholder has also been very supportive and resourceful in growing the business and mindful of all shareholders' interests to see the Company succeed.

RESULTS AND DIVIDENDS

The results of the Group for the Year and the state of affairs of the Group as at 31 March 2020 are set out in the consolidated financial statements on pages 63 to 147 of this annual report.

The Company has adopted a dividend policy in June 2019 (the "Dividend Policy"). The declaration, form, frequency and amount of dividend paid by the Company must be in accordance with all applicable laws, rules and regulations and subject to the articles of association of the Company (the "Articles of Association"). The Company does not have any pre-determined dividend payout ratio. When considering dividend declaration or recommendation, the Board shall take into account a number of factors, including but not limited to the Group's business condition and strategy, capital requirement; and earnings, financial and cash flow position, and distributable reserves.

Having considered the factors stated in the Dividend Policy adopted by the Company, the Board does not recommend the payment of a dividend for the Year (2019: Nil).

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Thursday, 6 August 2020 to Tuesday, 11 August 2020 (both days inclusive) for the purpose of determining the entitlement to attend and vote at the forthcoming annual general meeting of the Company (the "AGM"). During which period no transfer of shares of the Company will be registered. In order to be eligible to attend and vote at the AGM, all completed transfer documents accompanied by the relevant share certificate(s) must be lodged with the Hong Kong Branch Share Registrar of the Company, Tricor Investor Services Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than 4:30 p.m. on Wednesday, 5 August 2020.

業務回顧 *(續)*

與僱員、客戶、供應商及其他利益相關者的重要關係 *(續)*

本集團與其客戶、被投資人、共同投資者及供應商維持富有建設性的關係。憑藉本集團專業的董事會、公司網站、財務報告及股東週年大會，本集團大幅提升了透明度及與股東的溝通。控股股東亦一直對增長業務提供大力支持及財務資源，同時關注全體股東的利益，期盼本公司的成功。

業績及股息

本集團於本年度的業績及於2020年3月31日的事務狀況載於本年報第63頁至第147頁的綜合財務報表。

本公司於2019年6月採納一項股息政策（「股息政策」）。本公司的股息宣派、形式、頻次及金額須根據所有適用法律、規則及法規作出，並須受本公司章程細則（「章程細則」）規限。本公司並無任何預定的派息比率。當考慮宣派或建議派發股息時，董事會須考慮多項因素，包括但不限於本集團的業務狀況及策略、資本需求；及盈利、財務及現金流量狀況，以及可供分派儲備。

經計及本公司採納之股息政策中所載列的因素，董事會不建議就本年度派付股息（2019年：無）。

暫停辦理股份過戶登記

本公司將由2020年8月6日（星期四）至2020年8月11日（星期二）（包括首尾兩天）暫停辦理股份過戶登記手續，以便釐定擁有出席本公司應屆股東週年大會（「股東週年大會」）並於會上投票之權利。期間將不會進行任何本公司股份之過戶登記。如欲符合出席股東週年大會並於會上投票之資格，所有填妥之過戶文件連同有關股票，最遲須於2020年8月5日（星期三）下午4時30分前送交本公司股份過戶登記處香港分處卓佳證券登記有限公司，（地址為香港皇后大道東183號合和中心54樓），辦理過戶登記手續。

Directors' Report

董事會報告

PLANT AND EQUIPMENT

Movements in the plant and equipment of the Group during the Year are set out in note 13 to the consolidated financial statements.

SHARE CAPITAL

Details of the share capital of the Company are set out in note 26 to the consolidated financial statements.

DISTRIBUTABLE RESERVES

As at 31 March 2020, the Company's reserves available for distribution to shareholders comprising share premium account and accumulated loss amounted to approximately HK\$577.40 million (31 March 2019: HK\$650.68 million). Details of the Company's distributable reserves as at 31 March 2020 are set out in note 35 to the consolidated financial statements.

DIRECTORS

The Directors during the Year and as at the date of this report are as follows:

Executive Directors

Mr. NIU Zhanbin (*Chairman*) (appointed on 29 August 2019)
 Mr. JIANG Yulin (*Chief Executive Officer*) (appointed on 26 March 2020)
 Mr. WU Hui (*Chief Operating Officer*) (appointed on 29 August 2019)
 Ms. DUAN Di (resignation effective on 29 August 2019)
 Ms. ZHANG Yun (resignation effective on 29 August 2019)

Non-executive Directors

Mr. FU Chi King Johnson (resignation effective on 29 April 2020)

Independent non-executive Directors

Mr. Stephen MARKSCHEID
 Mr. ZHANG Weidong
 Mr. ZHANG Longgen

Biographical details of the Directors currently in service are set out on pages 15 to 20 of this annual report.

廠房及設備

本集團於本年度的廠房及設備變動載於綜合財務報表附註13。

股本

本公司的股本詳情載於綜合財務報表附註26。

可供分派儲備

於2020年3月31日，本公司可供分派予股東的儲備包括股份溢價賬及累計虧損合共約577,400,000港元(2019年3月31日：650,680,000港元)。於2020年3月31日本公司可供分派儲備的詳情載於綜合財務報表附註35。

董事

於本年度及於本報告刊發日期之董事如下：

執行董事

牛占斌先生(主席)(於2019年8月29日獲委任)
 蔣玉林先生(行政總裁)(於2020年3月26日獲委任)
 吳輝先生(首席運營官)(於2019年8月29日獲委任)
 段迪女士(於2019年8月29日離任)
 張韻女士(於2019年8月29日離任)

非執行董事

符致京先生(於2020年4月29日離任)

獨立非執行董事

Stephen MARKSCHEID 先生
 張衛東先生
 張龍根先生

目前在職董事的詳細履歷載於本年報第15頁至第20頁。

Directors' Report 董事會報告

DIRECTORS' SERVICE CONTRACTS

None of the Directors has a service contract with the Group which is not determinable by the Group within one year without payment of compensation, other than statutory compensation.

PERMITTED INDEMNITY PROVISION

The Articles of Association provide that Directors shall be entitled to be indemnified out of the assets of the Company against all losses or liabilities incurred or sustained in defending any proceedings, whether civil or criminal, in which judgment is given in his favour, or in which he is acquitted. The Company has maintained liability insurance to provide appropriate cover for the directors of the Group during the Year.

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY ASSOCIATED CORPORATION

As at 31 March 2020, none of the Directors and chief executive of the Company had any interests or short positions in any shares, underlying shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or which were required, pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules relating to securities transactions by the Directors to be notified to the Company and the Stock Exchange.

董事的服務合約

概無董事與本集團訂立有本集團不可於一年內不給予賠償(法定賠償除外)之情況下而予以終止的服務合約。

准許彌償條文

組織章程細則規定，董事有權就其在獲判勝訴或獲判無罪的任何法律訴訟(不論民事或刑事)中進行抗辯而招致或蒙受的一切損失或責任從本公司資產中獲得彌償。於本年度內，本公司已續購責任保險，為本集團董事提供適當保障。

董事及最高行政人員於本公司或任何相聯法團的股份、相關股份及債權證中的權益及淡倉

於2020年3月31日，概無本公司董事及最高行政人員於本公司或其相聯法團(定義見證券及期貨條例第XV部)的任何股份、相關股份或債權證中擁有任何權益或淡倉而須根據證券及期貨條例第XV部第7及第8分部知會本公司及聯交所(包括彼等根據證券及期貨條例有關條文被認為或視作擁有的權益或淡倉)，或須根據證券及期貨條例第352條記錄在該條文所述登記冊內，或須根據GEM上市規則第5.46至5.67條有關董事進行證券交易而知會本公司及聯交所。

Directors' Report

董事會報告

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY

As at 31 March 2020, so far as was known to the Directors, the following persons (other than the Directors or chief executive of the Company) had, or were deemed to have, interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company 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, or who were directly or indirectly interested in 5% or more of the nominal value of any class of shares capital carrying rights to vote in all circumstances at general meetings of any member of the Group:

Long positions in share of the Company

主要股東於本公司股份及相關股份中的權益及淡倉

於2020年3月31日，據董事所知，下列人士（本公司董事或最高行政人員除外）於本公司股份或相關股份中擁有或被視為擁有須根據證券及期貨條例第XV部第2及第3分部條文向本公司披露或須記錄在本公司根據證券及期貨條例第336條須予以存置的登記冊的權益或淡倉，或直接或間接擁有附帶權利可於所有情況下在本集團任何成員公司的股東大會上投票的任何類別股本面值的5%或以上權益：

於本公司股份的好倉

Name of shareholder	Capacity	Number of shares held	Approximate percentage of shareholding in the Company 佔本公司股權的概約百分比
股東名稱	身份	所持股份數目	百分比
Zhong Zhi Xin Zhuo Capital Company Limited ("ZZXZ") (Note 1)	Beneficial owner	2,159,552,102	60.82%
Zhong Zhi Xin Zhuo Capital Company Limited (「ZZXZ」)(附註1)	實益擁有人		
Jinhui Capital Company Limited ("Jinhui") (Note 1)	Interest of controlled corporation	2,159,552,102	60.82%
Jinhui Capital Company Limited (「Jinhui」)(附註1)	受控制法團的權益		
Zhongzhi Capital (HK) Company Limited ("Zhongzhi Capital (HK)") (Note 1)	Interest of controlled corporation	2,159,552,102	60.82%
中植資本(香港)有限公司 (「中植資本(香港)」)(附註1)	受控制法團的權益		

Directors' Report

董事會報告

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY

(Continued)

主要股東於本公司股份及相關股份中的權益及淡倉(續)

Long positions in share of the Company (Continued)

於本公司股份的好倉(續)

Name of shareholder	Capacity	Number of shares held	Approximate percentage of shareholding in the Company 佔本公司股權的概約百分比
股東名稱	身份	所持股份數目	
深圳前海中植金輝投資管理合夥企業(有限合夥)(Shenzhen Qianhai Zhongzhi Jinhui Investment Management Partnership Enterprise (Limited Partnership)* ("Shenzhen Zhongzhi") (Notes 1 and 3)	Interest of controlled corporation	2,159,552,102	60.82%
深圳前海中植金輝投資管理合夥企業(有限合夥)(「深圳中植」)(附註1及3)	受控制法團的權益		
Kang Bang Qi Hui (HK) Company Limited ("Kang Bang") (Note 2)	Beneficial owner	455,820,525	12.84%
康邦齊輝(香港)有限公司(「康邦」)(附註2)	實益擁有人		
常州康邦齊輝投資中心(有限合夥)(Notes 2 and 3)	Interest of controlled corporation	455,820,525	12.84%
常州康邦齊輝投資中心(有限合夥)(附註2及3)	受控制法團的權益		
西藏康邦勝博企業管理有限公司(Tibet Kangbang Sheng Bo Business Management Company Limited*) ("Tibet Kangbang") (Note 3)	Interest of controlled corporation	2,615,372,627	73.66%
西藏康邦勝博企業管理有限公司(「西藏康邦」)(附註3)	受控制法團的權益		
常州京江資本管理有限公司(Changzhou Jingjiang Capital Management Company Limited*) ("Changzhou Jingjiang") (Note 3)	Interest of controlled corporation	2,615,372,627	73.66%
常州京江資本管理有限公司(「常州京江」)(附註3)	受控制法團的權益		

* For identification purpose only

Directors' Report

董事會報告

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY

主要股東於本公司股份及相關股份中的權益及淡倉(續)

(Continued)

Long positions in share of the Company (Continued) 於本公司股份的好倉(續)

Name of shareholder	Capacity	Number of shares held	Approximate percentage of shareholding in the Company 佔本公司股權的概約百分比
股東名稱	身份	所持股份數目	
中植資本管理有限公司 (Zhongzhi Capital Management Company Limited*) ("Zhongzhi Capital") (Note 3)	Interest of controlled corporation	2,615,372,627	73.66%
中植資本管理有限公司(「中植資本」) (附註3)	受控制法團的權益		
中海晟融(北京)資本管理集團有限公司 (Note 3)	Interest of controlled corporation	2,615,372,627	73.66%
中海晟融(北京)資本管理集團有限公司 (附註3)	受控制法團的權益		
中海晟豐(北京)資本管理有限公司 (Note 3)	Interest of controlled corporation	2,615,372,627	73.66%
中海晟豐(北京)資本管理有限公司(附註3)	受控制法團的權益		
Mr. XIE Zhikun ("Mr. Xie") (Note 3)	Interest of controlled corporation	2,615,372,627	73.66%
解直錕先生(「解先生」)(附註3)	受控制法團的權益		
Mr. LONG Rui Ming John ("Mr. Long") (Note 4)	Security interest in shares through controlled corporation	2,615,372,627	73.66%
龍瑞明先生(「龍先生」)(附註4)	透過受控制法團擁有股份的抵押權益		
Precious Elite Investments Limited ("Precious Elite") (Note 4)	Security interest in shares through controlled corporation	2,615,372,627	73.66%
Precious Elite Investments Limited (「Precious Elite」)(附註4)	透過受控制法團擁有股份的抵押權益		
Crystal Wise Investments Limited ("Crystal Wise") (Note 4)	Security interest in shares through controlled corporation	2,615,372,627	73.66%
Crystal Wise Investments Limited (「Crystal Wise」)(附註4)	透過受控制法團擁有股份的抵押權益		
Jing Gang Properties Resources Development Company ("Jing Gang") (Note 4)	Security interest in shares	2,615,372,627	73.66%
京港物業發展有限公司(「京港」)(附註4)	擁有股份的抵押權益		

* For identification purpose only

Directors' Report

董事會報告

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY

(Continued)

Notes:

- As at 31 March 2020, ZZXZ was a wholly-owned subsidiary of Jinhui and Jinhui was a wholly-owned subsidiary of Zhongzhi Capital (HK), which in turn was wholly-owned by Shenzhen Zhongzhi. As such, each of ZZXZ, Jinhui, Zhongzhi Capital (HK) and Shenzhen Zhongzhi was deemed to be interested in the 2,159,552,102 shares in the Company by virtue of the SFO as at 31 March 2020.
- As at 31 March 2020, Kang Bang was a wholly-owned subsidiary of 常州康邦齊輝投資中心(有限合夥). As such, each of Kang Bang and 常州康邦齊輝投資中心(有限合夥) was deemed to be interested in the 455,820,525 shares of the Company by virtue of the SFO as at 31 March 2020.
- As at 31 March 2020, Shenzhen Zhongzhi was owned as to 95% by Tibet Kangbang as limited partner and 5% by Changzhou Jingjiang as general partner, and 常州康邦齊輝投資中心(有限合夥) was owned as to 99% by Changzhou Jingjiang as limited partner and 1% by Tibet Kangbang as general partner. Tibet Kangbang and Changzhou Jingjiang were wholly-owned subsidiaries of Zhongzhi Capital which in turn was wholly and beneficially owned by 中海晟融(北京)資本管理集團有限公司. 中海晟融(北京)資本管理集團有限公司 was owned as to 99.933% by 中海晟豐(北京)資本管理有限公司 which was wholly and beneficially owned by Mr. Xie. As such, each of Tibet Kangbang, Changzhou Jingjiang, Zhongzhi Capital, 中海晟融(北京)資本管理集團有限公司, 中海晟豐(北京)資本管理有限公司 and Mr. Xie was deemed to be interested in an aggregate of 2,615,372,627 shares of the Company held by ZZXZ and Kang Bang by virtue of the SFO as at 31 March 2020.
- On 17 April 2019, ZZXZ and Kang Bang executed share charge with respect to an aggregate of 2,615,372,627 shares of the Company in favour of Jing Gang pursuant to a facility agreement whereby Jing Gang agreed to make available to Jinhui a term loan facility. Jing Gang was a wholly-owned subsidiary of Crystal Wise, which in turn was wholly-owned by Precious Elite. Precious Elite was beneficially owned by Mr. Long and therefore Mr. Long was deemed to be interested in an aggregate of 2,615,372,627 shares of the Company held by Jing Gang by virtue of the SFO as at 31 March 2020. The captioned share charge was released on 15 April 2020 and therefore Jing Gang, Crystal Wise, Precious Elite and Mr. Long ceased to have any interest in the shares of the Company thereafter.

Save as disclosed above, as at 31 March 2020, the Directors were not aware of any other person (other than the Directors and 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 to the Company 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, or who was directly or indirectly interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any member of the Group.

主要股東於本公司股份及相關股份中的權益及淡倉(續)

附註：

- 於2020年3月31日，ZZXZ為Jinhui的全資附屬公司，Jinhui為中植資本(香港)的全資附屬公司，而中植資本(香港)由深圳中植全資擁有。因此，於2020年3月31日根據證券及期貨條例，ZZXZ、Jinhui、中植資本(香港)及深圳中植各被視為於本公司2,159,552,102股股份中擁有權益。
- 於2020年3月31日，康邦為常州康邦齊輝投資中心(有限合夥)的全資附屬公司。因此，於2020年3月31日根據證券及期貨條例，康邦及常州康邦齊輝投資中心(有限合夥)各被視為於本公司455,820,525股股份中擁有權益。
- 於2020年3月31日，深圳中植由西藏康邦以有限合夥人身份擁有95%，並由常州京江以普通合夥人身份擁有5%，而常州康邦齊輝投資中心(有限合夥)由常州京江以有限合夥人身份擁有99%，並由西藏康邦以普通合夥人身份擁有1%。西藏康邦及常州京江為中植資本的全資附屬公司，而中植資本則由中海晟融(北京)資本管理集團有限公司全資實益擁有。中海晟融(北京)資本管理集團有限公司則由中海晟豐(北京)資本管理有限公司擁有99.933%，而中海晟豐(北京)資本管理有限公司由解先生全資實益擁有。因此，於2020年3月31日根據證券及期貨條例，西藏康邦、常州京江、中植資本、中海晟融(北京)資本管理集團有限公司、中海晟豐(北京)資本管理有限公司及解先生各自被視為於ZZXZ及康邦所持本公司共2,615,372,627股股份中擁有權益。
- 於2019年4月17日，ZZXZ及康邦就本公司合共2,615,372,627股股份而根據融資協議以京港為受益人簽立股份押記，據此，京港已同意向Jinhui提供一筆定期貸款融資。京港為Crystal Wise的全資附屬公司，而Crystal Wise由Precious Elite全資擁有。Precious Elite由龍先生實益擁有，龍先生因而於2020年3月31日根據證券及期貨條例被視為於京港所持本公司合共2,615,372,627股股份中擁有權益。所述股份押記已於2020年4月15日解除，因此，京港、Crystal Wise、Precious Elite及龍先生其後不再擁有本公司股份的任何權益。

除上文所披露者外，於2020年3月31日，董事並不知悉任何其他人士(本公司董事及最高行政人員除外)於本公司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及第3分部條文向本公司披露或須記錄在本公司根據證券及期貨條例第336條須予以存置的登記冊的權益或淡倉，或直接或間接擁有附帶權利可於所有情況下在本集團任何成員公司的股東大會上投票的任何類別股本面值的5%或以上權益。

Directors' Report

董事會報告

SHARE OPTION SCHEME

The Company has adopted the Share Option Scheme on 7 June 2010. The principal terms of the Share Option Scheme were summarised in the section headed "Share Option Scheme" in Appendix V to the Company's prospectus dated 11 June 2010. The Share Option Scheme has expired on 18 June 2020.

During the Year, no option was granted, exercised or lapsed under the Share Option Scheme.

ARRANGEMENTS TO PURCHASE SHARES OR DEBENTURES

Save as disclosed under the section headed "Share Option Scheme" above, at no time during the Year was the Company, its subsidiaries or its ultimate holding company or any subsidiary of such ultimate holding company a party to any arrangement to enable the Directors to acquire benefits by means of acquisition of shares in, or debentures of, the Company or any other body corporate.

DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS OF SIGNIFICANCE

Save as disclosed in this annual report, no other transactions, arrangements or contracts of significance in relation to the Group's business to which the Company or any of its subsidiaries was a party or were parties and in which a Director or any entities connected with a Director had a material interest, whether directly or indirectly, subsisted at the end of the Year or at any time during the Year.

MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the business of the Group were entered into or in existence during the Year.

認股權計劃

於2010年6月7日，本公司已採納認股權計劃。認股權計劃的主要條款概述於本公司日期為2010年6月11日的招股章程附錄五「認股權計劃」。認股權計劃已於2020年6月18日失效。

於年內，根據認股權計劃概無認股權獲授出、行使或失效。

購買股份或債權證的安排

除上文「認股權計劃」一節所披露者外，本公司、其附屬公司或其最終控股公司或有關最終控股公司的任何附屬公司於年內任何時間概無訂立任何安排，致使董事可藉購入本公司或任何其他法團之股份或債權證而獲益。

董事於重要交易、安排或合約的權益

除本年報所披露者外，於年末或於年內任何時間，概無董事或其任何關連實體於本公司或其任何附屬公司所訂立並與本集團業務有關而存續的其他重要交易、安排或合約中，直接或間接擁有重大權益。

管理合約

於年內，概無訂立或存在有關於本集團全部或任何重大部分業務的管理及行政方面的合約。

Directors' Report

董事會報告

INDEPENDENT NON-EXECUTIVE DIRECTORS

The Company has through the Nomination Committee reviewed the independence of each of the independent non-executive Directors, namely Mr. Stephen MARKSCHEID, Mr. ZHANG Weidong and Mr. ZHANG Longgen who were in service during the Year, and has received annual confirmations of their independence pursuant to Rule 5.09 of the GEM Listing Rules. These written confirmations also covered the immediate family members (as defined under the GEM Listing Rules) of each of the independent non-executive Directors. The Company considers all of them independent.

CONNECTED TRANSACTIONS

During the Year, there were no connected transactions and continuing connected transactions which were required to be disclosed in accordance with the requirements of the GEM Listing Rules. Moreover, there were no related party transactions as set out in note 33 to the consolidated financial statements constituted a connected transaction or a continuing connected transaction which was subject to the disclosure requirements under Chapter 20 of the GEM Listing Rules during the Year.

COMPETING BUSINESS

As of 31 March 2020, Zhongzhi Capital, through its wholly-owned subsidiaries, ZZXZ and Kang Bang, indirectly owned a 73.66% interest in the Company and was the controlling shareholder of the Company. Zhongzhi Capital's key services include private equity investments in the primary market, private placement, mergers and acquisitions of overseas businesses and funds which may compete or are likely to compete with the business of the Group. Zhongzhi Capital ceased to be the controlling shareholder of the Company since April 2020 after the restructuring of shareholders.

Save as disclosed above, the Directors are not aware of any business or interest of the Directors, the controlling shareholders of the Company and their respective close associates (as defined under the GEM Listing Rules) that competed or might compete with the businesses of the Group nor any conflict of interest which any such person had or might have with the Group.

獨立非執行董事

本公司已透過提名委員會檢討各獨立非執行董事（分別為於本年度任職的Stephen MARKSCHEID先生、張衛東先生及張龍根先生）的獨立性，並已收到彼等根據GEM上市規則第5.09條就彼等的獨立性提交之年度確認書。該等書面確認書亦涵蓋每名獨立非執行董事的直屬家庭成員（定義見GEM上市規則）。本公司認為彼等均屬獨立人士。

關連交易

本年度內，概無根據GEM上市規則之規定須予披露之關連交易及持續關連交易。此外，本年度內並無綜合財務報表附註33所載的關連方交易構成須遵守GEM上市規則第20章下之披露規定的關連交易或持續關連交易。

競爭業務的權益

於2020年3月31日，中植資本透過其全資附屬公司ZZXZ及康邦間接擁有本公司73.66%的權益，並為本公司控股股東。中植資本之主要業務包括一級市場的私募股權投資、私人配售、海外業務及資本併購，而此等業務與或可能與本集團業務構成競爭。自2020年4月股東架構重組後，中植資本不再為本公司控股股東。

除上文所披露者外，董事不知悉本公司董事、控股股東及彼等各自的緊密聯繫人（定義見GEM上市規則）的任何業務或權益與本集團的業務存在或可能存在競爭，亦不知悉任何該等人士會或可能會與本集團存有任何利益衝突。

Directors' Report

董事會報告

CHARITABLE DONATIONS

No donation was made by the Group during the Year (2019: Nil).

慈善捐款

年內，本集團並無捐款(2019年：無)。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

The Group endeavors to minimize impact to the environment. For the purpose of disclosing the information in relation to environment, social and governance ("ESG") in accordance with ESG Reporting Guide in Appendix 20 to the GEM Listing Rules, an ESG report of the Company will be published on the websites of the Stock Exchange and the Company within three months after the publication of this annual report of the Company.

環境、社會及管治報告

本集團致力於減低對環境的影響。本公司須根據GEM上市規則附錄20的環境、社會及管治報告指引披露與環境、社會及管治(「環境、社會及管治」)有關之資料，並將於刊發本公司年報後3個月內，於聯交所及本公司網站內刊登其環境、社會及管治報告。

MAJOR CUSTOMERS

In the Year, the Group's five largest customers accounted for approximately 92% of the Group's revenue with the largest customer constituted approximately 34% of the Group's revenue.

主要客戶

於年內，本集團的五個最大客戶佔本集團收入約92%，而其中最大客戶佔本集團收入約34%。

Based on information available to the Company and within the knowledge of the Directors, none of the Directors, their close associates, or any shareholders of the Company (which to the knowledge of the Directors owned more than 5% of the Company's issued share capital) had interest in any of the Group's five largest customers during the Year.

根據本公司可獲取的資料及就董事所知，於年內，概無董事、其緊密聯繫人或任何本公司股東(據董事所知擁有5%以上的本公司已發行股本)於任何本集團的五個最大客戶擁有權益。

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Articles of Association or the laws of Cayman Islands which would oblige the Company to offer new shares on a pro rata basis to existing shareholders.

優先購買權

根據章程細則或開曼群島法例，並無有關優先購買權的條文，規定本公司必須按比例向現有股東發售新股份。

PUBLIC FLOAT

Based on publicly available information and within the knowledge of the Directors, as at the date of this report, there is sufficient public float in the issued share capital of the Company pursuant to the GEM Listing Rules.

公眾持股量

於本報告日期根據可獲取的公開資料及就董事所知，本公司已發行股本根據GEM上市規則維持足夠的公眾持股量。

Directors' Report 董事會報告

BANK LOANS AND OTHER BORROWINGS

The Group did not have any outstanding bank loans and other borrowings as at 31 March 2020 (2019: Nil).

PROPERTIES

The Group did not own any property or property interests as at 31 March 2020.

INTEREST CAPITALISED

No interest was capitalised by the Group during the Year.

RETIREMENT SCHEMES

Particulars of the retirement schemes are set out in note 28 to the consolidated financial statements.

EMOLUMENTS OF DIRECTORS AND THE FIVE HIGHEST PAID INDIVIDUALS

Details of the emoluments of the Directors and the highest paid individuals of the Group are set out in notes 9 and 10 to the consolidated financial statements.

GROUP FINANCIAL SUMMARY

A summary of the results and the assets and liabilities of the Group for the last five financial years is set out on page 148 of this annual report.

SUBSIDIARIES

Particulars of the Company's principal subsidiaries are set out in note 34 to the consolidated financial statements.

銀行貸款及其他借貸

於2020年3月31日，本集團並無任何未償還的銀行貸款及其他借貸(2019年：無)。

物業

於2020年3月31日，本集團並無擁有任何物業或物業權益。

資本化利息

於年內，本集團概無將利息撥作資本。

退休計劃

退休計劃的詳情載於綜合財務報表附註28。

董事及五名最高薪人士之酬金

董事及本集團最高薪人士之酬金詳情載於綜合財務報表附註9及10。

集團財務概要

本集團過往五個財政年度的業績以及資產及負債的概要載於本年報第148頁。

附屬公司

本公司的主要附屬公司的詳情載於綜合財務報表附註34。

Directors' Report

董事會報告

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

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities during the Year.

CORPORATE GOVERNANCE

A report on the principal corporate governance practice adopted by the Company is set out on pages 38 to 55 of this annual report.

AUDITOR

The consolidated financial statements of the Company for the Year have been audited by Messrs. Deloitte Touche Tohmatsu who will retire and, being eligible, offer themselves for re-appointment at the forthcoming annual general meeting. A resolution for the re-appointment of Messrs. Deloitte Touche Tohmatsu as the auditor of the Company is to be proposed at the annual general meeting.

By order of the Board

NIU Zhanbin
Chairman

Hong Kong, 19 June 2020

購入、出售或贖回本公司的上市證券

於年內，本公司或其任何附屬公司概無購入、出售或贖回本公司的任何上市證券。

企業管治

有關本公司採納的主要企業管治常規的報告載於本年報第38頁至第55頁。

核數師

本公司於本年度的綜合財務報表乃經德勤•關黃陳方會計師行審核。德勤•關黃陳方會計師行將於應屆股東週年大會上任滿退任，惟其符合資格並願膺聘續任。有關續聘德勤•關黃陳方會計師行為本公司核數師的決議案將於股東週年大會上提呈。

承董事會命

主席
牛占斌

香港，2020年6月19日

Corporate Governance Report 企業管治報告

(A) CORPORATE GOVERNANCE PRACTICES

The Company has applied the principles and complied with all code provisions set out in the Corporate Governance Code contained in Appendix 15 of the GEM Listing Rules (the "CG Code") throughout the Year except for the deviations from code provisions A.2.1 of the CG Code. In accordance with code provision A.2.1 of the CG Code, the roles of chairman and chief executive should be separate and should not be performed by the same individual. Mr. NIU Zhanbin has been appointed as the Chairman and Chief Executive Officer of the Company on 29 August 2019. Following the appointment of Mr. JIANG Yulin on 26 March 2020, the roles of chairman of the Board and the chief executive officer of the Company are separated.

The Board regularly monitors and reviews the Group's progress in respect of corporate governance practices to ensure compliance with the code provisions of the CG Code.

(B) SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted a code of conduct regarding securities transactions by the Directors on terms no less exacting than the required standard of dealings set out in Rules 5.48 to 5.67 of the GEM Listing Rules. The Company had made specific enquiries to all the Directors who confirmed their compliance with the required standard of dealings and the code of conduct regarding securities transactions by the Directors throughout the Year. No incident of non-compliance was noted by the Company during this Year.

(A) 企業管治常規

本公司於整個本年度，一直應用及遵守GEM上市規則附錄十五《企業管治守則》（「守則」）中載列的原則及所有守則條文，惟守則的守則條文第A.2.1條之偏離情況除外。根據守則條文第A.2.1條，主席及行政總裁的角色應予區分，並不應由一人同時兼任。牛占斌先生於2019年8月29日獲委任為本公司之主席及行政總裁，隨著蔣玉林先生於2020年3月26日上任後，本公司董事會主席及行政總裁的角色已作區分。

董事會定期監控及檢討本集團的企業管治常規進展，以確保遵守守則的守則條文。

(B) 董事進行證券交易

本公司已採納一套有關董事進行證券交易的行為守則，該守則條款的嚴格程度不遜於GEM上市規則第5.48條至第5.67條所載的交易必守標準。經本公司向所有董事作出特定查詢後，所有董事已確認於整個本年度一直遵守交易必守標準及有關董事進行證券交易的行為守則。據本公司所知，於本年度間並無任何不遵守該等標準及守則的情況。

Corporate Governance Report

企業管治報告

(C) BOARD OF DIRECTORS

Board compositions

The Board is responsible for formulating the overall strategy and overseeing the development of the Group. In so doing, the Board receives monthly reports from the chief executive officer of the Company, monitors the internal control policies as well as risk management effectiveness, and evaluates the financial performance of the Group with an aim to enhancing shareholders' value. The Board currently comprises three executive Directors and three independent non-executive Directors. The composition of the Board sets out on page 27 of this annual report. Biographical details of the Directors and the relationship amongst them, if any, are set out on pages 15 to 20 of this annual report.

Eight board meetings were held during the Year. The attendance of the relevant Directors are set out on page 46 of this report.

Independent non-executive Directors

In compliance with Rules 5.05(1) and (2), and 5.05A of the GEM Listing Rules, the Company has appointed three independent non-executive Directors representing not less than one-third of the Board with all of them having appropriate professional qualifications or accounting or related financial management expertise. The Company has, through the Nomination Committee, reviewed the independence of, and received an annual confirmation of independence from each of Mr. Stephen MARKSCHEID, Mr. ZHANG Weidong and Mr. ZHANG Longgen, and considers all of them independent in accordance with the guidelines set out in Rule 5.09 of the GEM Listing Rules.

(C) 董事會

董事會組成

董事會負責製訂整體策略及監督本集團的發展。在此過程中，董事會每月獲取本公司行政總裁報告，監察內部監控政策和風險管理的有效性，以及評估本集團財務表現，旨在提升股東價值。董事會目前由三位執行董事以及三位獨立非執行董事組成。董事會組成載列於本年報第27頁。董事及彼此之間的關係(如有)詳情載於本年報第15頁至第20頁。

本年度舉行八次董事會會議。有關董事的出席率載於本報告第46頁。

獨立非執行董事

為符合GEM上市規則第5.05(1)及(2)條以及第5.05A條的規定，本公司已委任三位獨立非執行董事，不少於董事會人數三分之一，全部具備適當的專業資格或具備會計或相關的財務管理專長。本公司已透過提名委員會檢討Stephen MARKSCHEID先生、張衛東先生及張龍根先生各自的獨立性，及收到彼等就其獨立性提交之年度確認書，並認為彼等根據GEM上市規則第5.09條所載的指引均屬獨立人士。

Corporate Governance Report

企業管治報告

(C) BOARD OF DIRECTORS *(Continued)*

Delegation to Board committees and management

The Board is ultimately accountable for the Group's activities, strategies and financial performance, which includes formulating business development strategies, directing and supervising the Group's affairs, reviewing the financial statements of the Company, approving quarterly reports, interim reports, annual reports and announcements of quarterly results, interim results and annual results, considering dividend policy, reviewing the effectiveness of the risk management and internal control systems and so on.

The Board has established three committees, namely, the Remuneration Committee, the Nomination Committee and the Audit Committee with written terms of reference set out in accordance with the CG Code. More details of these committees are set out in separate sections of this report.

The Board delegates necessary powers and authorities to the executive Directors to facilitate the efficient day to day management of the Group's business. Investment decisions were made by the executive Directors pursuant to the procedures and limits adopted by the Group. Delegated authorities in the form of monetary limits were set for the executive Directors and management of the Group for financial commitments and capital expenditures so that they could apply their discretion and respond swiftly to investment opportunities and business needs.

The Board also delegates certain necessary powers and authorities to the subsidiary's board of directors to review the corporate advisory services while the Board has an oversight role.

In addition, the Board delegates to the Remuneration Committee authorities to determine remuneration for individual executive Directors and members of senior management.

(C) 董事會 *(續)*

董事會的權力轉授予轄下委員會及管理層

董事會對本集團之業務、策略及財務表現承擔最終責任，當中包括制訂業務發展策略；領導及督導本集團事務；審閱本公司的財務報表；批准季度報告、中期報告、年報以及季度業績、中期業績及年度業績之公告；考慮股息政策；檢討風險管理及內部監控系統之成效等。

董事會成立了三個委員會，即薪酬委員會、提名委員會及審核委員會，該等委員會已根據守則訂有書面的職權範圍。該等委員會的進一步詳情分別載於本報告個別章節內。

董事會將必要的權力及職權轉授予執行董事，以便有效率地管理本集團的日常業務。投資決策是由執行董事根據本集團採納的程序和限額作出。有關財務承擔及資本開支方面的權力轉授則以設置財務限額方式授予本集團執行董事及管理層，使他們運用其酌情權對投資機遇及商業需求迅速作出回應。

董事會亦將若干必要的權力及職權轉授予附屬公司董事會以審核企業顧問服務，而董事會則承擔監控職責。

此外，董事會授權薪酬委員會釐定個別執行董事及高級管理層的薪酬。

Corporate Governance Report

企業管治報告

(C) BOARD OF DIRECTORS *(Continued)*

Corporate governance functions

The Company is committed to maintaining the highest standards of corporate governance yet being pragmatic on business decisions and management efficiency. The independent non-executive Directors were members, and represent the majority, of all the Board committees of the Company, namely, the Audit Committee, the Remuneration Committee and the Nomination Committee. Whilst the Board was ultimately responsible for corporate governance matters, it delegated much of these functions to the Audit Committee which comprised only of independent non-executive Directors and was assisted by BT Corporate Governance Limited (the “Internal Auditor”) performing the internal audit function.

During the Year, the Board, among other things, reviewed the policies and practices on corporate governance, reviewed and monitored the policies and practices on compliance with legal and regulatory requirements; reviewed the Group’s compliance manual; reviewed and monitored the training and continuous professional development of Directors and senior management; and reviewed the Company’s compliance with the CG Code and disclosure in the corporate governance report.

Continuous Professional Development

Reading materials relevant to the Board’s duties and responsibilities and/or the Group’s businesses are provided to the Board from time to time to develop, refresh and update their knowledge and skills and to keep them abreast of the latest developments.

Each Directors has also provided to the Company a record of the training he/she has received during the Year, which is set out on page 46 of this annual report.

(C) 董事會 (續)

企業管治職能

本公司致力維持最高水準的企業管治，而在業務決策及管理效率方面則務實行事。獨立非執行董事均為所有董事會轄下委員會，即審核委員會、薪酬委員會及提名委員會的成員，並佔各委員會的過半數成員。儘管企業管治事宜的最終責任乃由董事會負責，惟董事會將大部分這些職能轉授予僅由獨立非執行董事組成的審核委員會，並由哲慧企管專才有限公司(「內部核數師」)協助審核委員會履行內部審核功能。

於本年度，董事會(其中包括)檢討有關企業管治的政策及常規；檢討及監察有關遵守法定及監管規定的政策及常規；檢討本集團的合規手冊；檢討及監察董事及高級管理人員的培訓及持續專業發展；以及檢討本公司遵守守則的情況及在企業管治報告內的披露。

持續專業發展

有關董事會職務及責任及／或本集團業務的材料已不時提供予董事會，以發展、補充並更新其知識及技能，並讓其時刻知悉最新發展。

各董事亦已向本公司提供其於本年度接受的培訓記錄(載於本年報第46頁)。

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(D) CHAIRMAN AND CHIEF EXECUTIVE

The roles of chairman and chief executive officer of the Company are separated.

Mr. NIU Zhanbin is the chairman of the Company who is responsible for overseeing the function of the Board. Mr. JIANG Yulin is the chief executive officer of the Company who is responsible to the Board for managing the business of the Group.

(E) NON-EXECUTIVE DIRECTORS

The terms of appointment of the independent non-executive Directors are for a period of three years. All of them are subject to retirement by rotation and re-election at the annual general meeting of the Company pursuant to the Articles of Association and the GEM Listing Rules.

(F) REMUNERATION COMMITTEE

The Remuneration Committee was established with written terms of reference. It currently comprises three member, Mr. NIU Zhanbin and two independent non-executive Directors namely, Mr. ZHANG Longgen (Chairman of the Remuneration Committee) and Mr. ZHANG Weidong. The primary duties of the Remuneration Committee included, among other things, (i) formulating, reviewing and making recommendations to the Board on the remuneration policy and structure for all Directors and members of senior management; (ii) reviewing and approving the management's remuneration proposals with reference to the Board's corporate goals and objectives; (iii) determining the remuneration packages of individual executive Directors and members of senior management; and (iv) making recommendations to the Board on the remuneration of non-executive Directors. The Remuneration Committee held four meetings during the Year.

During the Year, the Remuneration Committee reviewed the Group's remuneration policy and structure, determined the remuneration packages of the executive Directors, having regard to comparable companies and other relevant factors.

(D) 主席及行政總裁

本公司主席及行政總裁之角色已界分。

牛占斌先生為本公司主席，彼負責監察董事會職能。蔣玉林先生為本公司行政總裁，彼管理本集團業務並向董事會負責。

(E) 非執行董事

根據委任條款，獨立非執行董事的任期為三年。彼等均須按章程細則及GEM上市規則於本公司的股東週年大會上輪值退任及重新選舉。

(F) 薪酬委員會

本公司已成立薪酬委員會，並已書面訂明其職權範圍。目前包括三名成員，即牛占斌先生以及兩名獨立非執行董事張龍根先生（薪酬委員會主席）及張衛東先生。薪酬委員會的主要職責包括（其中包括）(i) 制定、檢討並就董事及高級管理人員的全體薪酬政策及架構向董事會提出建議；(ii) 因應董事會所訂企業方針及目標而檢討及批准管理層的薪酬建議；(iii) 釐定個別執行董事及高級管理層的薪酬待遇；以及(iv) 就非執行董事的薪酬向董事會提出建議。薪酬委員會於本年度舉行了四次會議。

於本年度，薪酬委員會檢討本集團的薪酬政策及架構、釐定執行董事之薪酬待遇，當中已考慮同類公司及其他相關因素而作出。

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企業管治報告

(G) NOMINATION COMMITTEE

The Nomination Committee was established with written terms of reference. It currently comprises three members, Mr. NIU Zhanbin (Chairman of the Nomination Committee) and two independent non-executive Directors, namely Mr. Stephen MARKSCHEID and Mr. ZHANG Weidong. The primary duties of the Nomination Committee covered, among other things, (i) the reviewing of the structure, size and composition (including the skills, knowledge, experience and diversity of perspectives) of the Board; (ii) identifying and nominating suitably qualified candidates for directorship; and (iii) making recommendations to the Board on the appointment or reappointment of Directors. The Nomination Committee held three meetings during the Year.

During the Year, the Nomination Committee reviewed the established policy and procedure for the nomination and appointment of new Directors, reviewed the structure, size, composition and diversity of the Board, assessed the independence of the independent non-executive Directors, made recommendations to the Board on the reappointment of retiring Directors at the annual general meeting in 2019, and nominated the appointment of executive Directors.

(G) 提名委員會

本公司已成立提名委員會，並已書面訂明其職權範圍。目前包括三名成員，即牛占斌先生（提名委員會主席）以及兩名獨立非執行董事 Stephen MARKSCHEID 先生及張衛東先生。提名委員會的主要職責包括（其中包括）(i) 檢討董事會的架構、人數及組成（包括技能、知識、經驗及多元化的觀點與角度）；(ii) 物色及提名具備合適資格的董事人選；及 (iii) 就董事委任或重新委任向董事會提出建議。提名委員會於本年度舉行了三次會議。

於本年度，提名委員會檢討已制定之提名及委任新董事的政策及程序，檢討董事會的架構、人數、組成及多元化、評估獨立非執行董事的獨立性、就於2019年股東週年大會上重新委任退任董事向董事會提出建議，以及提名委任執行董事。

Corporate Governance Report

企業管治報告

(G) NOMINATION COMMITTEE *(Continued)*

According to the Nomination Policy adopted by the Company, the Nomination Committee shall review the structure, size, composition and diversity (including the evaluation of skills, knowledge, professional experience, cultural and educational background, gender and age of the Board members and assessment on the independence of the independent non-executive Directors) of the Board at least annually. It is responsible for making recommendations on any proposed changes to the Board to complement the Company's corporate strategy and succession planning for the Directors from time to time and selecting suitable and qualified individuals to become Board members. In evaluating and selecting candidate(s) for directorship, the Nomination Committee considers various factors including but not limited to: the character and integrity; skills and expertise; professional and educational background; potential time commitment for the board and/or committee responsibilities; and the elements of our Board Diversity Policy as stated below etc. The Nomination Committee makes recommendation to the Board to appoint the appropriate person among the candidates nominated for directorship. The Board appoints suitable candidate(s) in accordance with the Articles of the Association and the GEM Listing Rules.

Board Diversity Policy

The Company recognises and embraces the benefit of having a diverse board, and sees increasing diversity at board level as an essential element in maintaining a competitive advantage and achieving long-term sustainable growth for the Group. A balanced and diversified Board brings a broad range of views to bear upon discussions and critical decision-making, and balances against "group thinking". Our Board Diversity Policy is multi-faceted stressing business experience, skill-sets, knowledge and professional expertise in addition to gender, ethnicity and age. The said elements have substantially been included in the current Board composition.

Having reviewed the Board composition, the Nomination Committee recognises the importance and benefits of the gender diversity at the Board level and shall continue to take initiatives to identify at least one female candidate to enhance the gender diversity among the Board members.

(G) 提名委員會(續)

根據本公司採納的提名政策，提名委員會須最少每年檢討董事會的架構、人數、組成及多元化(包括對董事會成員之技能、知識、專業經驗、文化及教育背景、性別及年齡作評估，及對獨立非執行董事之獨立性作評核)。提名委員會負責不時就任何為配合本公司之企業策略而擬對董事會作出的變動及就董事之繼任計劃提出建議並挑選合適及合資格人士成為董事會成員。於評估及挑選董事職位之人選時，提名委員會會考慮不同因素(包括但不限於)：其品格及誠信、技能及專長、專業及學術背景、就履行董事會及／或委員會職責承諾能投放之時間、以及下述我們的董事會多元化政策之元素等。提名委員會在董事職位之候選名單中挑選合適人選並向董事會提供建議。董事會根據章程細則及GEM上市規則委任合適之人士。

董事會多元化政策

本公司認同及相信多元化董事會帶來之裨益，並視董事會日益多元化為維持本集團競爭優勢及實現長遠可持續增長之必須元素。一個均衡且多元化的董事會可帶來多角度的觀點，有助於討論和作出重要決策，並通過「集體思維」令意見持平。我們的董事會成員多元化政策是多方面的，除了性別、種族和年齡外，同時強調業務經驗、專長、知識與專業經驗。董事會目前之組成已大致包含上述元素。

在審閱董事會組成後，提名委員會了解性別多元化於董事會層面的重要性及好處，將繼續主動物色至少一名女性候選人以增加董事會的性別多元化。

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(H) AUDIT COMMITTEE

The Audit Committee was established with written terms of reference. It currently comprises three independent non-executive Directors namely, Mr. Stephen MARKSCHEID (Chairman of the Audit Committee), Mr. ZHANG Longgen and Mr. ZHANG Weidong in compliance with Rules 5.28 and 5.29 of the GEM Listing Rules. The primary duties of the Audit Committee include, among other things, (i) reviewing and supervising the financial reporting process; (ii) reviewing internal control as well as risk management systems of the Group; (iii) reviewing the consolidated financial statements and the quarterly, interim and annual reports of the Group; and (iv) reviewing the terms of engagement and scope of audit work of the internal auditor and external auditor and ensure their coordination. The Audit Committee held four meetings during the Year.

During the Year, the Audit Committee was engaged in, among other duties, receiving and reviewing reports from the Internal Auditor, reviewing quarterly, interim and annual results of the Group and providing advice and comments thereon to the Board. The Audit Committee also reviewed the Group's internal control and risk management systems and made recommendations to the Board for improvements. The Audit Committee considered and approved the terms of engagement and remuneration of the external auditor, and discussed with them the nature and scope of their audits before the audits commenced. In discharging its duties, the Audit Committee met with the Group's management, Internal Auditor and external auditor two times during the Year.

At the meeting held in June 2020, among other things, the Audit Committee has reviewed this annual report and recommended it for the Board's approval.

(H) 審核委員會

本公司已成立審核委員會，並已書面訂明其職權範圍。審核委員會目前包括三位獨立非執行董事Stephen MARKSCHEID先生（審核委員會主席）、張龍根先生及張衛東先生，符合GEM上市規則第5.28條及第5.29條之規定。審核委員會的主要職責包括（其中包括）(i)檢討及監察財務匯報程序；(ii)檢討本集團內部監控及風險管理制度；(iii)審閱本集團的綜合財務報表以及季度、中期及年度報告；以及(iv)檢閱內部核數師及外部核數師的聘用條款及審核工作範疇，及確保他們的工作得到協調。審核委員會於本年度舉行了四次會議。

於本年度，審核委員會（其中職責包括）接收及審閱內部核數師報告、審閱本集團的季度、中期及年度業績並就此向董事會提供建議及意見。審核委員會亦檢討本集團的內部監控及風險管理制度，並向董事會提供改進建議。審核委員會考慮及批准外部核數師的聘用條款及薪酬，並於審核工作開始前就審核性質及範疇跟他們作出討論。為履行其職責，審核委員會與本集團的管理層、內部核數師及外部核數師於本年度舉行了兩次會議。

於2020年6月舉行的會議上，除其他事項外，審核委員會已審閱本年報並建議董事會批准。

Corporate Governance Report

企業管治報告

(I) ATTENDANCE AT MEETINGS AND TRAINING

During the Year, the attendance records of the Directors at Board Meetings, Audit Committee Meetings, Remuneration Committee Meetings, Nomination Committee Meeting and the 2019 Annual General Meeting, and their training records are as follows:

(I) 出席會議及培訓

於本年度，各董事出席董事會會議、審核委員會會議、薪酬委員會會議、提名委員會會議及2019年股東週年大會，以及培訓之記錄如下：

Name of Directors during the Year	Number of meetings attended/held					2019 Annual General Meeting	Training
	Board Meeting	Audit Committee Meeting	Remuneration Committee Meeting	Nomination Committee Meeting	2019 Annual General Meeting		
本年度董事姓名	董事會 會議	審核 委員會 會議	薪酬 委員會 會議	提名 委員會 會議	2019年 股東週年 大會	培訓	
Executive Directors:							
Mr. NIU Zhanbin (Appointed on 29 August 2019)	牛占斌先生 (於2019年8月29日獲委任)	5/5	-	2/2	1/1	-	✓
Mr. JIANG Yulin (Appointed on 26 March 2020)	蔣玉林先生 (於2020年3月26日獲委任)	1/1	-	-	-	-	✓
Mr. WU Hui (Appointed on 29 August 2019)	吳輝先生 (於2019年8月29日獲委任)	5/5	-	-	-	-	✓
Ms. DUAN Di (Resignation effective on 29 August 2019)	段迪女士 (於2019年8月29日離任)	3/3	-	2/2	2/2	1/1	✓
Ms. ZHANG Yun (Resignation effective on 29 August 2019)	張韻女士 (於2019年8月29日離任)	3/3	-	-	-	1/1	✓
Non-executive Director:							
Mr. FU Chi King Johnson (Resignation effective on 29 April 2020)	符致京先生 (於2020年4月29日離任)	8/8	-	-	-	0/1	✓
Independent non-executive Directors:							
Mr. Stephen MARKSCHEID	Stephen MARKSCHEID 先生	8/8	4/4	-	3/3	1/1	✓
Mr. ZHANG Weidong	張衛東先生	8/8	4/4	4/4	3/3	1/1	✓
Mr. ZHANG Longgen	張龍根先生	8/8	4/4	4/4	-	1/1	✓

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企業管治報告

(J) RISK MANAGEMENT AND INTERNAL CONTROL

The Group places high importance on internal control which is the foundation of the Group's reputation and maintenance of clients' confidence. The Board is responsible for supervising a sound and effective internal control system in order to safeguard the interests of the shareholders of the Company and the assets of the Group against improper use or disposition, ensuring maintenance of proper books and records for the provision of reliable financial information, and ensuring compliance with relevant rules and regulations. The Board has delegated responsibility to its Audit Committee to review the Group's risk management and internal control matters. The risk management and internal control systems are designed to manage rather than eliminate risks of failure in operational systems so that the Group's objectives can be achieved, and can only provide reasonable and not absolute assurance against material misstatement or loss.

The Audit Committee was assisted by the Internal Auditor, to assess and review if a sound and effective risk management and internal control system are in place at least once a year. The Internal Auditor reported to and met with the Audit Committee to review internal audit findings on enterprise risk and internal control matters.

The world has been facing a critical situation caused by the COVID-19 virus since the first quarter of 2020, giving a significant challenge to all stakeholders in the globe. The Group has taken a series of appropriate arrangements to handle the impact throughout this extraordinary period.

(J) 風險管理及內部監控

本集團高度重視內部監控，認為此乃本集團贏得聲譽及維持客戶信任的基礎。董事會負責督導內部監控系統穩健妥善而且有效，以保障本公司股東利益及本集團資產免受不當使用或處置，確保妥善保存賬冊及記錄以提供可靠財務資料，及確保遵守相關規則及法規。董事會已下放職責予其審核委員會，檢視本集團的風險管理及內部監控事宜。風險管理及內部監控系統乃為管理而非消除營運系統失效之風險而設，令本集團可達成目標，惟僅可就重大錯誤陳述或虧損提供合理惟非絕對之保證。

審核委員會由內部核數師協助每年最少一次評估及檢視是否已設有健全及有效的風險管理及內部監控系統。內部核數師向審核委員會匯報並與審核委員會會晤以審閱對企業風險的審核發現及內部監控事宜。

2019冠狀病毒病由2020年第一季起對全球所有持份者都帶來了相當顯著的挑戰。本集團於此特殊時期亦採取了一系列的合適安排和措施去應對期間所出現的影響。

Corporate Governance Report

企業管治報告

(J) RISK MANAGEMENT AND INTERNAL CONTROL *(Continued)*

Risk management system

Based on the Group's business and operations, Internal Auditor, using risk-based approach, has identified and carried out review on four areas covering financial, operational, strategies and compliance.

The approach used by the Internal Auditor comprises the following phases:

- Obtaining an understanding of the existing procedures, systems and controls established by the Group through enquiries and discussion with management and appropriate personnel;
- Identifying and classifying the key risks faced by the Group;
- Assessing the likelihood and impact of each risk factor;
- Carrying out review and assessment on the those critical aspects of the key procedures, systems and controls of the Group to address the risk factors;
- Evaluating the residual risks with the relevant control measures taken into account; and
- Making recommendations, based on Internal Auditor's observations, documentation and review of the procedures, systems and controls that could improve the effectiveness and/or efficiency of the procedures, systems and controls to mitigate the risks to which the Group is subjected.

Based on the report done by the Internal Auditor, apart from the risk of COVID-19 virus, the Group has been reminded that the management control for new businesses through mergers and acquisitions in different sectors should be aware. The analysis and opinions from in-depth industry knowledge and relevant-experienced professional third parties should be taken into considerations.

(J) 風險管理及內部監控 *(續)*

風險管理系統

基於本集團的業務及營運，內部核數師利用風險為本的方法，已識別四大領域並加以檢視，涵蓋財務、營運、策略及合規。

內部核數師所使用方法包括以下步驟：

- 通過向管理層及適當人員作出查詢並與之討論，瞭解本集團制定的現有程序、制度及控制措施；
- 識別及分類本集團所面臨的主要風險；
- 評估各風險因素發生的可能性及其影響；
- 對本集團主要程序、制度及控制措施的該等關鍵層面進行檢討及評估，以解決風險因素；
- 評估剩餘風險並考慮相關控制措施；及
- 根據內部核數師的觀察、文件證據以及對檢討程序、制度及控制措施所提出可提升有關程序、制度及控制措施的成效及／或效率的推薦建議，以減低本集團所面對的風險。

根據內部核數師完成的報告，除了2019冠狀病毒病所帶來的風險外，本集團須注意對收購及合併其他不同範疇新業務的管理和控制。於考慮項目時，亦會納入擁有行業深入知識和相關經驗的專業第三方的分析和意見。

Corporate Governance Report

企業管治報告

(J) RISK MANAGEMENT AND INTERNAL CONTROL *(Continued)*

Internal control system

The Group has set up an effective internal control mechanism which are sufficient to enable the Directors to make a proper assessment of the financial position and prospect of the Group.

Internal Auditor has conducted a review of the Group's internal control system by conducting interviews, walkthroughs and tests on the effectiveness of the procedures, systems and controls established by the Group in its operating cycles, in particular, revenue and receipt cycle, treasury management cycle and compliance management cycle.

With respect to the internal control review done by the Internal Auditor, no major issues on control failure is noted during the Year.

The Board has conducted a review and is of the view that both risk management and internal control systems are effective and adequate for the Group to achieve its objectives during the Year. The Board will continue to assess the effectiveness of the risk management and internal control systems taking into consideration of the results of reviews and audits performed by the Internal Auditor, external auditor and Audit Committee and making sure that all significant legal and regulatory requirements are adhered to.

Dissemination of inside information

In order to enhance the Group's system of handling inside information and enable a consistent practice of timely, accurate and complete disclosure of material information of the Group, the Group has adopted policies and procedures which sets out guidelines and procedures as well as measures to handle and disseminate inside information as well as to establish minimum standards for handling of material non-public information to protect client-sensitive data and avoid violating any applicable laws or internal policies. With these procedures and measures in place, the Group is able to control and properly discharge its reporting obligation, especially in relation to inside information disclosure obligations, in a timely and effective manner and in accordance with the requirements under applicable laws.

(J) 風險管理及內部監控 (續)

內部監控系統

本集團已建立有效的內部監控機制，足以讓董事對本集團的財務狀況及前景作出適當評定。

內部核數師已透過對本集團於其營運週期(尤其是收益及收款週期、財務管理週期及合規管理週期)建立的程序、系統及監控有效性進行訪談、進行測試及檢測，檢視本集團的內部監控系統。

就內部核數師完成的內部監控檢視而言，於本年度概無發現監控失誤造成的重大事宜。

於本年度董事會已審核並認為風險管理和內部監控系統有效及足夠為本集團達成其目標。董事會會繼續考慮內部核數師、外部核數師及審核委員會所履行檢視及審計的結論，評估風險管理及內部監控系統的有效性；以及確保已遵守所有重大法律及法規規定。

發佈內幕資料

為強化本集團處理內部資料的系統，令本集團的重大資料可一直得以及時、準確及完整地披露，本集團已採納載列指引及程序以及處理及發佈內幕資料措施的政策及程序，以及建立處理重大非公開資料的最低標準，以保障客戶敏感資料及避免違反任何適用法律或內部政策。憑藉該等程序及措施，本集團能依照適用法律要求，及時及有效地控制及妥善履行其申報責任，尤其是關於內幕資料的披露責任。

Corporate Governance Report 企業管治報告

(J) RISK MANAGEMENT AND INTERNAL CONTROL *(Continued)*

COVID-19 Virus and Business Continuity Plan

COVID-19 virus presents a unique risk and impact to the globe since the beginning of this year, it creates uncertainty and anxiety to the global economy and produces critical damages to some industries. The Group realised that a traditional business continuity plan such as relocating staff to a secondary site may be insufficient to mitigate the risk.

The Group has developed a communication plan with staffs to ensure the coordination and cooperation can be maintained at a satisfactory level during this extraordinary period.

Working-from-home practice has been widely adopted in most of the businesses, the Group has also implemented such practice to protect our employees.

Although the epidemic prevention products and supplies were in a severe shortage within a period of time due to the rapid spread of virus and panic, the Group had kept purchasing epidemic prevention products throughout the period with the best effort to provide a certain level of protection to our employees.

(K) AUDITOR'S REMUNERATION

During the Year, the remuneration in respect of audit and non-audit services provided by the Company's external auditor were approximately HK\$1.82 million and HK\$4.48 million respectively. The non-audit services were related to the professional fees for reporting accountant services HK\$4.40 million, tax compliance HK\$60,000 and other consulting services HK\$20,000.

(J) 風險管理及內部監控(續)

2019冠狀病毒病與業務延續計劃

今年年初起，2019冠狀病毒病為全球都帶來特殊的風險，不確定性和不安影響著全球的經濟，某些行業甚至面對相當嚴峻的情況和損害。本集團明白到，一般業務延續計劃的安排減低有關風險，例如安排員工到後備辦公室地點上班。

為確保在這段非常時期能夠維持合理水平的調配及合作，本集團訂立了員工聯絡溝通之安排。

在家遠程辦公的措施於各行業中都廣泛應用，而本集團亦採取了相關措施以保障僱員的健康安全。

在疫情和恐慌迅速擴散的初期，各項防疫物資都出現嚴重短缺的情況。本集團持續以最大的努力採購防疫物資，向僱員提供適切的保障。

(K) 核數師酬金

於本年度，有關本公司外部核數師就提供核數及非核數服務所得的酬金分別約為1,820,000港元及4,480,000港元。非核數服務是有關申報會計師服務4,400,000港元、稅務合規60,000港元及其他顧問服務20,000港元之專業費用。

Corporate Governance Report

企業管治報告

(L) DIRECTORS' AND AUDITOR'S RESPONSIBILITIES FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Directors acknowledge their responsibilities for the preparation of the consolidated financial statements which give a true and fair view in accordance with the Hong Kong Financial Reporting Standards issued by the HKICPA and the disclosure requirements of the Hong Kong Companies Ordinance. The statement of the Company's auditor about its reporting responsibilities on the consolidated financial statements is set out in the "Independent Auditor's Report" on pages 56 to 62 of this annual report.

(M) COMPANY SECRETARY

Ms. CHAN Sau Mui Juanna, the company secretary of the Company, is a fellow member of both the Institute of Chartered Secretaries and Administrators and the Hong Kong Institute of Chartered Secretaries. During the Year, she undertook no less than fifteen hours of relevant professional training to update her knowledge and skills.

(N) DIVIDEND POLICY

The Board has approved and adopted the Dividend Policy on 21 June 2019 that aims to set out the principles and guidelines of the Company in relation to the declaration, recommendation and payment of dividends to its shareholders.

Under the Dividend Policy, the Company does not have any predetermined dividend payout ratio. Distribution of dividends should be in the interests of the Company and its shareholders as a whole. When considering dividend declaration or recommendation, the Board shall take into account the following factors: –

- (1) business condition and strategy of the Group;
- (2) capital requirement for the Group's existing/potential project or investment;

(L) 董事及核數師對綜合財務報表的責任

董事承認彼等編製綜合財務報表之責任，該等綜合財務報表須根據香港會計師公會所頒佈的相關財務報告準則及相關公司條例的披露規定作出真實公平的反映。本公司核數師有關其綜合財務報表申報責任的聲明載於本年報第56頁至第62頁的「獨立核數師報告」內。

(M) 公司秘書

本公司公司秘書陳秀梅女士同時為英國特許秘書及行政人員公會以及香港特許秘書公會的資深會員。於本年度，彼接受不少於十五個小時的相關專業培訓以更新其知識及技能。

(N) 股息政策

董事會於2019年6月21日批准並採納股息政策，旨在列明有關本公司向其股東宣派、建議及派發股息之原則及指引。

根據股息政策，本公司並無任何預定的派息比率。派發股息應符合本公司及其股東的整體利益。當考慮宣派或建議派發股息時，董事會應考慮以下因素：—

- (1) 本集團的業務狀況及策略；
- (2) 本集團現有／潛在項目或投資的資本需求；

Corporate Governance Report 企業管治報告

(N) DIVIDEND POLICY *(Continued)*

- (3) earnings, financial and cash flow position and distributable reserves of the Company and the Group; and
- (4) other factors that the Board deems relevant.

The declaration and payment of dividends is subject to the provisions of the Articles of Association and any other applicable laws, rules and regulations.

The Company's dividend distribution record in the past may not be used as a reference or basis to determine the level of dividends that may be declared or paid by the Company in future.

The Board has the sole discretion to recommend or not to recommend final dividends to the shareholders for approval; and to declare or not to declare any other dividends, including but not limited to interim and/or special dividends, after taking into consideration the factors as stated in (1) to (4) above.

The Dividend Policy may be updated, amended, modified and/or cancelled from time to time as the Board may think fit and necessary.

(O) CONSTITUTIONAL DOCUMENTS

There was no change in the Company's constitutional documents during the Year.

(N) 股息政策 *(續)*

- (3) 本公司及本集團的盈利、財務及現金流量狀況以及可分派儲備；及
- (4) 董事會認為相關的其他因素。

宣派及派付股息受限於章程細則及任何其他適用法律、規則及法規。

本公司過往的股息分派記錄不可用作釐定本公司日後可能宣派或派付之股息水平之參考或基準。

董事會經考慮上述(1)至(4)項因素後，可全權酌情建議或不建議向股東派發末期股息；及宣派或不宣派任何其他股息，包括但不限於中期及／或特別股息。

董事會認為適當和必要時，可不時更新、修訂、修改及／或取消股息政策。

(O) 章程文件

於本年度，本公司的章程文件概無變動。

Corporate Governance Report

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(P) SHAREHOLDERS' RIGHTS

Convening of extraordinary general meeting and putting forward proposals

Pursuant to the Articles of Association, any two or more registered members of the Company (the "Shareholders") or any one Shareholder which is a recognised clearing house (or its nominee(s)) holding not less than one-tenth of the paid up capital of the Company which carries the right of voting at general meetings of the Company, shall have the right, by written requisitions, to put forward proposals and require an extraordinary general meeting (the "EGM") to be convened. Subject to applicable legislations and regulations, the procedures for Shareholders to convene and put forward proposals at an EGM are as follows:

1. The written requisitions shall be deposited at the principal office of the Company in Hong Kong situated at 11/F, 8 Queen's Road Central, Hong Kong (for the attention of the Company Secretary), specifying the objects of the meeting and signed by the requisitionists.
2. The Company will then verify the request with the Company's branch share registrar in Hong Kong and upon its confirmation that the request is proper and in order, the Company Secretary will then ask the Board to convene an EGM by serving sufficient notice in accordance with the regulatory requirements and the Articles of Association to all the Shareholders. If the request has been verified as not in order, the Shareholders concerned will be advised of the outcome and an EGM will not be convened as requested.

(P) 股東權利

召開股東特別大會及提出建議

根據章程細則，任何兩名或以上本公司登記股東（「股東」）或任何一位股東（為一間認可結算所（或其提名人））持有本公司不少於十分之一繳足股本而附有權利於本公司股東大會上投票，有權以書面要求提出動議及要求召開股東特別大會（「股東特別大會」）。受限於適用的法律及規例，股東召開股東特別大會及於股東特別大會提出動議的程序載列如下：

1. 書面要求須送達本公司的香港主要辦事處，地址為香港皇后大道中 8 號 11 樓，抬頭註明公司秘書收，並須列明會議目的及由遞呈要求人士簽署。
2. 本公司會向其香港股份過戶登記分處核實有關要求，並於獲得股份過戶登記分處確認有關要求為恰當及符合程序後，公司秘書會要求董事會召開股東特別大會，並根據法定要求及章程細則向所有股東發出充分通知。反之，若有關要求經核實為不符合程序，有關股東將獲知會結果，而股東特別大會將不會按要求而召開。

Corporate Governance Report

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(P) SHAREHOLDERS' RIGHTS *(Continued)*

Convening of extraordinary general meeting and putting forward proposals *(Continued)*

3. If within 21 days from the date of deposit of the requisition, the Board fails to proceed to convene the meeting to be held within a further 21 days, the requisitionist(s) themselves or any of them representing more than one-half of the total voting rights of all of them, may convene the general meeting but any meeting so convened shall not be held after the expiration of three months from the date of deposit of the requisition, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board to convene the meeting shall be reimbursed to them by the Company.

Proposing a person for election as a Director

Pursuant to the Articles of Association, no person shall, unless recommended by the Board, be eligible for election to the office of Director at any general meeting unless during the period, which shall be at least seven days, commencing no earlier than the day after the despatch of the notice of the meeting appointed for such election and ending no later than seven days prior to the date of such meeting, there has been given to the Company Secretary notice in writing by a Shareholder (not being the person to be proposed), entitled to attend and vote at the meeting for which such notice is given, of his/her intention to propose such person for election and also notice in writing signed by the person to be proposed of his/her willingness to be elected.

The written notice must state the full name of the person to be proposed for election as a Director, as well as the person's biographical details as required by Rule 17.50(2) of the GEM Listing Rules. Upon receipt of the notice, the Company will assess whether or not it is necessary to adjourn the meeting of the election to give Shareholders at least 10 business days to consider the proposed appointment.

(P) 股東權利 *(續)*

召開股東特別大會及提出建議 *(續)*

3. 若在送達有關要求之日起計二十一日內，董事會未有召開於隨後的二十一日內舉行之大會，則遞呈要求人士本身或其中任何代表彼等合共投票權超過一半以上的遞呈要求人士可自行召開股東大會，惟按此召開的任何大會不得於送達有關要求之日起計三個月屆滿後舉行，而遞呈要求人士因董事會未有召開大會而產生的所有合理開支將由本公司向遞呈要求人士償付。

提名候選董事

根據章程細則，除獲董事會提名膺選外，否則概無任何人士合資格於任何股東大會參選董事，除非由不早於指定進行有關選舉的會議通知發出後翌日開始及不遲於該會議舉行日期前七日結束之期間內（該期間應至少為七日），有權出席並於該會議投票的股東（被提名人士除外）向公司秘書發出擬提名候選人參選董事之書面通知書，以及由被提名人士簽署確認彼願意參選之書面通知書。

書面通知書必須列明被提名參選董事的人士之全名，以及按GEM上市規則第17.50(2)條要求的個人履歷詳情。本公司於收到通知後，將評估是否需要將選舉董事的會議押後，以讓股東有至少十個營業日考慮所提呈之委任。

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(Q) INVESTOR RELATIONS

The Company is committed to maintaining a high level of transparency and employs a policy of open and timely disclosure of relevant information to its Shareholders. The Board strives to encourage and maintain regular communication with Shareholders through various means. The Company encourages all Shareholders to attend general meetings, which provide opportunities for direct dialogue between the Board and the Shareholders, and for Shareholders to stay informed of the Group's strategy and goals.

At the annual general meeting held 13 August 2019, the Chairman of the Board, the Chief Executive Officer, the chairman of audit, remuneration and nomination committees and representatives from the auditor of the Company, Messrs. Deloitte Touche Tohmatsu, were present to attend to possible questions from Shareholders.

The Company updates its Shareholders on its latest business developments and financial performance through its notices, announcements and circulars, as well as quarterly, interim and annual reports. The corporate website maintained by the Company at www.zzcapitalinternational.com provides an effective communication platform to the public and the Shareholders. Shareholders and investors may at any time send their enquiries to the Board by addressing them to the Company Secretary by post at 11/F, 8 Queen's Road Central, Hong Kong or by email at infohk@zzcapitalinternational.com.

(Q) 投資者關係

本公司致力維持高透明度，並採納公開和及時向其股東披露相關資料的政策。董事會致力鼓勵及通過多種方式保持定期與股東溝通。本公司鼓勵所有股東出席股東大會，此提供董事會與股東直接對話的機會，並讓股東了解本集團的策略及目標。

於2019年8月13日舉行的股東週年大會，董事會主席、行政總裁、審核委員會、薪酬委員會及提名委員會各自的主席，以及本公司核數師德勤•關黃陳方會計師行之代表，均有出席回答股東可能提出的問題。

本公司通過其通告、公告、通函以及季度、中期及年度報告，向股東匯報其最新的業務發展及財務表現。本公司的公司網站 www.zzcapitalinternational.com 為公眾人士及股東提供有效的溝通平台。股東及投資者可隨時將有關向董事會提出的查詢透過郵寄方式發送至香港皇后大道中8號11樓或電郵至 infohk@zzcapitalinternational.com，註明公司秘書收。

Independent Auditor's Report 獨立核數師報告

Deloitte.

德勤

TO THE SHAREHOLDERS OF
ZZ CAPITAL INTERNATIONAL LIMITED
中植資本國際有限公司
(incorporated in the Cayman Islands with limited liability)

致
中植資本國際有限公司股東
(於開曼群島註冊成立的有限公司)

OPINION

We have audited the consolidated financial statements of ZZ Capital International Limited (the "Company") and its subsidiaries (collectively referred to as "the Group") set out on pages 63 to 147, which comprise the consolidated statement of financial position as at 31 March 2020, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

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 2020, 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.

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

意見

我們已審核ZZ Capital International Limited中植資本國際有限公司(以下簡稱「貴公司」)及其附屬公司(以下統稱「貴集團」)列載於第63頁至第147頁的綜合財務報表，包括於2020年3月31日的綜合財務狀況表、截至該日止年度的綜合損益及其他全面收益表、綜合權益變動表及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。

我們認為，該等綜合財務報表已根據香港會計師公會頒佈的《香港財務報告準則》真實而中肯地反映了貴集團於2020年3月31日的綜合財務狀況及其截至該日止年度的綜合財務表現及綜合現金流量，並已遵照香港《公司條例》的披露規定妥為擬備。

意見的基礎

我們已根據香港會計師公會頒佈的「香港審計準則」進行審計。我們在該等準則下承擔的責任已在本報告核數師就審計綜合財務報表承擔的責任部分中作進一步闡述。根據香港會計師公會頒佈的《專業會計師道德守則》(以下簡稱「守則」)，我們獨立於貴集團，並已履行守則中的其他專業道德責任。我們相信，我們所獲得的審計憑證能充足及適當地為我們的審計意見提供基礎。

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.

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。

Key audit matter

關鍵審計事項

How our audit addressed the key audit matter

我們的審計如何處理關鍵審計事項

Assignment of convertible loan receivable to Dragon Ocean Development Ltd. ("Dragon Ocean")

將應收可換股貸款轉讓予海龍發展有限公司(「海龍」)

We identified the assignment of the convertible loan receivable to Dragon Ocean as a key audit matter due to the significance of its impact on the consolidated financial statements as a whole.

由於其對綜合財務報表整體的影響有重大意義，因此吾等將應收可換股貸款轉讓予海龍識別為關鍵審計事項。

As set out in note 18 to the consolidated financial statements, on 31 March 2020, ZZCI Corporate Services Limited ("ZZCICS"), an indirect wholly-owned subsidiary of the Company, entered into an assignment and assumption deed with Dragon Ocean, an independent third party of the Group, to assign its convertible loan receivable to Dragon Ocean at cash consideration of US\$28,000,000 (equivalent to approximately HK\$217,120,000) (the "Assignment"). The Assignment resulted in a fair value gain of HK\$57,366,000 and is recognised in the consolidation statement of profit or loss and other comprehensive income during the year ended 31 March 2020.

誠如綜合財務報表附註18所載，中植資本企業服務有限公司(「中植資本企業服務」)，貴公司的間接全資附屬公司，與海龍，貴集團的獨立第三方，訂立轉讓及承擔契據，以現金代價28,000,000美元(相當於217,120,000港元)轉讓其應收可換股貸款予海龍(「轉讓」)。該轉讓產生公平值收益57,366,000港元，並於截至2020年3月31日止年度的綜合損益及其他全面收益表中確認。

Our procedures in relation to the assignment of the convertible loan receivable to Dragon Ocean included:

吾等將應收可換股貸款轉讓予海龍的程序包括：

- Inspecting the assignment and assumption deed entered by ZZCICS and Dragon Ocean to understand the key terms of the deed to assess whether title and ownership of the convertible loan receivable were transferred to Dragon Ocean as at 31 March 2020;
- 核查中植資本企業服務及海龍訂立的轉讓及承擔契據，以了解契據的關鍵條款，以評估於2020年3月31日應收可換股貸款的所有權及擁有權是否已轉移至海龍；
- Involving our internal specialist to perform an interview with the management of Dragon Ocean to obtain an understanding of its background, including its business and relationship with the Group;
- 涉及吾等內部專家與海龍的管理層進行訪談，以了解其背景，包括其業務及與貴集團的關係；
- Performing company search to confirm that no information indicating that Dragon Ocean was a related party of the Group as at 31 March 2020;
- 進行公司查冊以確認於2020年3月31日並無資料顯示海龍為貴集團的關聯方；

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

After the Assignment, as at 31 March 2020, such receivable from Dragon Ocean was recorded as other receivable, which represented approximately 29.7% of total assets of the Group and the amount has been received in full subsequent to the year ended 31 March 2020 as disclosed in note 19 to the consolidated financial statements.

轉讓後，於2020年3月31日，來自海龍的該等應收款項記賬為其他應收款項，約佔 貴集團資產總額29.7%，且如綜合財務報表附註19所述，該款項已於截至2020年3月31日止年度其後悉數收到。

How our audit addressed the key audit matter

我們的審計如何處理關鍵審計事項

- Obtaining a representation from the directors of the Company and the ultimate holding company of the Company to confirm that Dragon Ocean is not a related party of the Group for the year ended 31 March 2020;
- 獲得 貴公司董事及 貴公司最終控股公司的確認，確認海龍並非 貴集團截至2020年3月31日止年度的關連方；
- Comparing the consideration of the Assignment against a valuation report in relation to the convertible loan receivable provided by the management of the Group; and
- 將轉讓代價與 貴集團管理層提供的有關應收可換股貸款的估值報告進行比較；及
- Checking to the settlement documents (including bank slips) to confirm that the consideration was fully settled by Dragon Ocean subsequent to year end.
- 檢查結算文件(包括銀行票據)以確認代價已於年末其後由海龍完全結清。

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 the information included in the annual report, but does not include 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 THOSE CHARGED WITH GOVERNANCE 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.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

其他信息

貴公司董事須對其他信息負責。其他信息包括年報內的信息，但不包括綜合財務報表及我們的核數師報告。

我們對綜合財務報表的意見並不涵蓋其他信息，我們亦不對該等其他信息發表任何形式的鑒證結論。

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。

董事及規管負責人就綜合財務報表須承擔的責任

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 貴集團持續經營的能力，並在適用情況下披露與持續經營有關的事項，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。

規管負責人須負責監督 貴集團的財務報告過程。

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 solely to you, as a body, in accordance with our agreed terms of engagement, 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 judgement 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.

核數師就審計綜合財務報表承擔的責任

我們的目標，是根據委聘的協定條款對綜合財務報表整體是否不存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並向閣下（作為整體）出具包括我們意見的核數師報告，除此之外本報告別無其他目的。我們不會就本報告的內容向任何其他人士負上或承擔任何責任。合理保證是高水平的保證，但不能保證按照《香港審計準則》進行的審計，在某一重大錯誤陳述存在時總能發現。錯誤陳述可以由欺詐或錯誤引起，如果合理預期它們單獨或滙總起來可能影響綜合財務報表使用者依賴綜合財務報表所作出的經濟決定，則有關的錯誤陳述可被視作重大。

在根據《香港審計準則》進行審計的過程中，我們運用了專業判斷，保持了專業懷疑態度。我們亦：

- 識別和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的風險，設計及執行審計程序以應對這些風險，以及獲取充足和適當的審計憑證，作為我們意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部控制之上，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於未能發現因失誤而導致的重大錯誤陳述的風險。
- 了解與審計相關的內部控制，以設計適當的審計程序，但目的並非對貴集團內部控制的有效性發表意見。
- 評價董事所採用會計政策的恰當性及作出會計估計和相關披露的合理性。

Independent Auditor's Report 獨立核數師報告

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

- 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.
- 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 those charged with governance 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 those charged with governance 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.

核數師就審計綜合財務報表承擔的責任(續)

- 對董事採用持續經營會計基礎的恰當性作出結論。根據所獲取的審計憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對 貴集團的持續經營能力產生重大疑慮。如果我們認為存在重大不確定性，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的相關披露。假若有關的披露不足，則我們應當發表有保留意見。我們的結論是基於核數師報告日止所取得的審計憑證。然而，未來事項或情況可能導致 貴集團不能持續經營。
- 評價綜合財務報表的整體列報方式、結構和內容，包括披露，以及綜合財務報表是否中肯反映交易和事項。
- 就 貴集團內實體或業務活動的財務信息獲取充足、適當的審計憑證，以便對綜合財務報表發表意見。我們負責 貴集團審計的方向、監督和執行。我們為審計意見承擔全部責任。

除其他事項外，我們與規管負責人溝通了計劃的審計範圍、時間安排、重大審計發現等，包括我們在審計中識別出內部控制的任何重大缺陷。

我們還向規管負責人提交聲明，說明我們已符合有關獨立性的相關專業道德要求，並與他們溝通有可能合理地被認為會影響我們獨立性的所有關係和其他事項，以及在適用的情況下，相關的防範措施。

Independent Auditor's Report 獨立核數師報告

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

From the matters communicated with those charged with governance, 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 the independent auditor's report is Fung Hin Chiu.

Deloitte Touche Tohmatsu
Certified Public Accountants
Hong Kong

19 June 2020

核數師就審計綜合財務報表承擔的責任(續)

從與規管負責人溝通的事項中，我們確定哪些事項對本期綜合財務報表的審計最為重要，因而構成關鍵審計事項。我們在核數師報告中描述這些事項，除非法律法規不允許公開披露這些事項，或在極端罕見的情況下，如果合理預期在我們報告中溝通某事項造成的負面後果超過產生的公眾利益，我們決定不應在報告中溝通該事項。

出具獨立核數師報告的審計項目合夥人是馮衍超。

德勤•關黃陳方會計師行
執業會計師
香港

2020年6月19日

Consolidated Statement of Profit or Loss and Other Comprehensive Income

綜合損益及其他全面收益表

For the year ended 31 March 2020 截至2020年3月31日止年度

		Notes 附註	2020年 HK\$'000 千港元	2019年 HK\$'000 千港元
Revenue	收入			
Corporate advisory income	企業顧問收入	5	15,388	1,630
Loan interest income	貸款利息收入	5	1,581	2,305
Total revenue	總收入		16,969	3,935
Net investment income (loss)	投資收入(虧損)淨額	6	54,275	(84,992)
Interest income	利息收入	6	14,153	9,009
Other losses	其他虧損	6	(19,232)	(24,945)
Operating expenses	經營開支		(64,385)	(186,903)
Profit (loss) before tax	除稅前溢利(虧損)		1,780	(283,896)
Income tax expense	所得稅開支	7	(191)	(813)
Profit (loss) for the year	年內溢利(虧損)	8	1,589	(284,709)
Other comprehensive income (loss): Items that may be subsequently reclassified to profit or loss:	其他全面收益(虧損): 其後或會重新分類至損益 的項目:			
Exchange differences arising on translation of foreign operations	換算海外業務產生的匯 兌差額		13	(523)
Reclassification of translation reserve upon deregistration of subsidiaries	註銷附屬公司後的換算 儲備重新分類		3,110	—
Total comprehensive income (loss) for the year	年內全面收入(虧損)總額		4,712	(285,232)
Earnings (losses) per share attributable to owners of the Company	本公司擁有人應佔每股 盈利(虧損)			
— Basic (HK cents)	— 基本(港仙)	12	0.04	(8.02)
— Diluted (HK cents)	— 攤薄(港仙)	12	0.04	(8.02)

Consolidated Statement of Financial Position

綜合財務狀況表

At 31 March 2020 於2020年3月31日

		Notes 附註	2020年 HK\$'000 千港元	2019年 HK\$'000 千港元
Non-current assets	非流動資產			
Plant and equipment	廠房及設備	13	222	851
Loan receivables	應收貸款	14	17,168	16,002
Right-of-use assets	使用權資產	15	6,928	–
Deposits	按金	16	2,241	2,341
Total non-current assets	非流動資產總額		26,559	19,194
Current assets	流動資產			
Trade receivables	貿易應收款項	17	3,513	52
Convertible loan receivable at fair value through profit or loss ("FVTPL")	按公平值計入損益的應收可換股貸款	18	–	167,986
Other assets and receivables	其他資產及應收款項	19	221,542	40,573
Financial assets at FVTPL	按公平值計入損益的金融資產	20	3,584	6,828
Tax recoverable	可收回稅項		2,597	2,597
Cash held on behalf of clients	代客戶持有之現金	21	3	3
Bank balances and cash	銀行結餘及現金	22	474,053	477,651
Total current assets	流動資產總額		705,292	695,690
Current liabilities	流動負債			
Trade payables	貿易應付款項	23	3	3
Other payables and accruals	其他應付款項及應計費用	24	11,433	5,200
Tax payable	應付稅項		3,583	4,499
Lease liabilities	租賃負債	25	3,931	–
Total current liabilities	流動負債總額		18,950	9,702
Net current assets	流動資產淨值		686,342	685,988
Non-current liability	非流動負債			
Lease liabilities	租賃負債	25	3,007	–
Total non-current liability	非流動負債總額		3,007	–
Net assets	資產淨值		709,894	705,182

Consolidated Statement of Financial Position

綜合財務狀況表

At 31 March 2020 於2020年3月31日

		Note	2020年 HK\$'000 千港元	2019年 <i>HK\$'000</i> 千港元
		附註		
Equity	權益			
Equity attributable to owners of the Company	本公司擁有人應佔權益			
Share capital	股本	26	35,505	35,505
Reserves	儲備		674,389	669,677
Total equity	權益總額		709,894	705,182

The consolidated financial statements on pages 63 to 147 were approved and authorised for issue by the Board of Directors on 19 June 2020 and are signed on its behalf by:

第63頁至第147頁綜合財務報表於2020年6月19日已獲董事會批准及授權刊發，並由以下代表簽署。

NIU Zhanbin
牛占斌
DIRECTOR
董事

WU Hui
吳輝
DIRECTOR
董事

Consolidated Statement of Changes in Equity

綜合權益變動表

For the year ended 31 March 2020 截至2020年3月31日止年度

		Share capital	Share premium	Contributed surplus	Translation reserve	Retained profits (Accumulated losses)	Total
		股本	股份溢價	繳入盈餘	換算儲備	保留溢利 (累計虧損)	總計
		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
			(Note i)	(Note ii)			
			(附註 i)	(附註 ii)			
At 1 April 2018	於2018年4月1日	35,505	706,245	9,000	(2,631)	242,295	990,414
Loss for the year	年內虧損	-	-	-	-	(284,709)	(284,709)
Other comprehensive loss for the year	年內其他全面虧損	-	-	-	(523)	-	(523)
Total comprehensive loss for the year	年內全面虧損總額	-	-	-	(523)	(284,709)	(285,232)
At 31 March 2019	於2019年3月31日	35,505	706,245	9,000	(3,154)	(42,414)	705,182
Profit for the year	年內溢利	-	-	-	-	1,589	1,589
Other comprehensive income for the year	年內其他全面收益	-	-	-	3,123	-	3,123
Total comprehensive income for the year	年內全面收益總額	-	-	-	3,123	1,589	4,712
At 31 March 2020	於2020年3月31日	35,505	706,245	9,000	(31)	(40,825)	709,894

Note i: The Group's share premium represents the proceeds received from share issuance, net of any directly attributable transaction costs credited to share capital and/or share premium.

附註 i: 本集團股份溢價指股份發行之所得款項(扣除任何直接應佔交易成本), 均列入股本及/或股份溢價中。

Note ii: The Group's contributed surplus represents the excess of the nominal value of the shares of the subsidiaries acquired pursuant to the reorganisation prior to the listing, over the nominal value of the Company's shares issued in exchange thereafter.

附註 ii: 本集團的繳入盈餘指於上市前根據重組收購的附屬公司股份面值超過此後進行交換而已發行的本公司股份面值的數額。

Consolidated Statement of Cash Flows

綜合現金流量表

For the year ended 31 March 2020 截至2020年3月31日止年度

		Notes	2020年 HK\$'000 千港元	2019年 HK\$'000 千港元
		附註		
OPERATING ACTIVITIES	經營業務			
Profit (loss) before tax	除稅前溢利(虧損)		1,780	(283,896)
Adjustments for:	就以下各項作出調整：			
Interest income	利息收入	6	(14,153)	(9,009)
Interest on lease liabilities	租賃負債之利息	8	206	–
Loss on disposal of plant and equipment	出售廠房及設備的虧損		–	7,180
Depreciation of right-of-use assets	使用權資產折舊	15	3,942	–
Depreciation of plant and equipment	廠房及設備折舊	13	290	2,057
Dividend income	股息收入	6	(127)	(2)
Net fair value loss on financial assets at FVTPL	按公平值計入損益的金融資產公平值虧損淨額	6	3,218	3,575
Fair value (gain) loss on convertible loan receivable at FVTPL	按公平值計入損益的應收可換股貸款的公平值(收益)虧損	6	(57,366)	81,419
Loss on deregistration of subsidiaries	附屬公司註銷虧損	6	3,110	–
Operating cash flows before movements in working capital	營運資金變動前的經營現金流量		(59,100)	(198,676)
Decrease in deposits	按金減少		100	10,384
Increase in loan receivables	應收貸款的增加		(1,060)	(16,018)
(Increase) decrease in trade receivables	貿易應收款項(增加)減少		(3,461)	233,020
Decrease in other assets and receivables	其他資產及應收款項減少		36,151	2,833
Increase in cash held on behalf of clients	代客戶持有之現金增加		–	(1)
Increase in trade payables	貿易應付款項增加		–	1
Increase (decrease) in other payables and accruals	其他應付款項及應計費用增加(減少)		6,633	(9,205)
Cash (used in) generated from operations	經營業務(所用)所得現金		(20,737)	22,338
Profits tax paid	已付利得稅		(1,107)	(3,129)
NET CASH (USED IN) FROM OPERATING ACTIVITIES	經營業務(所用)所得現金淨額		(21,844)	19,209

Consolidated Statement of Cash Flows

綜合現金流量表

For the year ended 31 March 2020 截至2020年3月31日止年度

		Notes 附註	2020年 HK\$'000 千港元	2019年 HK\$'000 千港元
INVESTING ACTIVITIES	投資活動			
Purchase of plant and equipment	購置廠房及設備	13	(60)	(824)
Proceeds from disposal of equity instrument at fair value through other comprehensive income ("FVTOCI")	出售按公平值計入其他全面收益的權益工具所得款項		-	14,694
Proceeds from disposal of plant and equipment	出售廠房及設備所得款項		-	458
Interest received	已收利息	6	14,153	9,009
Dividend income received	已收股息收入	6	127	2
Placement of time deposit with original maturity of more than three months when acquired	存入於購入時原到期日多於三個月的定期存款		(199,950)	(814,990)
Withdrawal of time deposits with original maturity of more than three months when acquired	提取於購入時原到期日多於三個月的定期存款		199,950	814,990
Withdrawal (placement) of restricted bank deposits	提取/(存入)受限制銀行存款		182	(5,492)
Refund of deposit for a proposed acquisition of a subsidiary	退還擬收購附屬公司的按金		-	195,000
Repayment of convertible loan receivable at FVTPL	償還按公平值計入損益的應收可換股貸款		8,232	-
Purchase of financial assets at FVTPL	購買按公平值計入損益的金融資產		-	(4,500)
NET CASH FROM INVESTING ACTIVITIES	投資活動所得現金淨額		22,634	208,347
FINANCIAL ACTIVITIES	融資活動			
Interest paid	已付利息		(206)	-
Repayment of lease liabilities	償還租賃負債		(3,842)	-
CASH USED IN FINANCING ACTIVITIES	融資活動所用現金		(4,048)	-

Consolidated Statement of Cash Flows

綜合現金流量表

For the year ended 31 March 2020 截至2020年3月31日止年度

		Note	2020年 HK\$'000 千港元	2019年 HK\$'000 千港元
		附註		
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	現金及現金等價物(減少)增加淨額		(3,258)	227,556
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	年初現金及現金等價物		472,159	245,260
Effect of exchange rates changes on the bank balances and cash held in foreign currencies	匯率變動對以外幣持有的銀行結餘及現金之影響		(158)	(657)
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	年末現金及現金等價物		468,743	472,159
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS	現金及現金等價物結餘分析			
Bank balances and cash	銀行結餘及現金	22	258,793	270,384
Time deposits	定期存款	22	209,950	201,775
Bank balances and cash as stated in the consolidated statement of cash flows	綜合現金流量表所列的銀行結餘及現金	22	468,743	472,159
Restricted bank balances	受限制銀行結餘	22	5,310	5,492
Bank balances and cash as stated in the consolidated statement of financial position	綜合財務狀況表中所載的銀行結餘及現金	22	474,053	477,651

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

1. GENERAL

ZZ Capital International Limited (the “Company”) is a limited liability company incorporated in the Cayman Islands 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 registered address and principal place of business of the Company is P.O. Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands and 11/F., 8 Queen’s Road Central, Hong Kong respectively. The shares of the Company have been listed on GEM of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) (the “Listing”).

As at 31 March 2020, the directors of the Company (“Directors”) considered that the Company’s immediate holding company was Zhong Zhi Xin Zhuo Capital Company Limited and the Company’s ultimate holding company was 中海晟豐(北京)資本管理有限公司 (Zhonghai Shengfeng (Beijing) Capital Management Company Limited*). Subsequently, with effect from 21 April 2020, Zhong Zhi Ze Yun Capital Company Limited become the ultimate holding company. The Company’s ultimate controlling party is Mr. Xie Zhikun.

The principal activity of the Company is investments holding. Its subsidiaries (together with the Company collectively referred to as the “Group”) are principally engaged in investment holding, provision of corporate advisory services, investment advisory and assets management services, proprietary investments and money lending.

The functional and presentation currency of the Company is Hong Kong Dollars (“HK\$”).

* for identification purpose only

1. 一般資料

中植資本國際有限公司(「本公司」)為一間根據開曼群島法例第22章公司法(1961年法例第3冊，經合併及修訂)在開曼群島註冊成立的獲豁免有限公司。本公司註冊辦事處地址及主要營業地點分別為P.O. Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands及香港皇后大道中8號11樓。本公司股份在香港聯合交易所有限公司(「聯交所」)GEM上市(「上市」)。

於2020年3月31日，本公司董事(「董事」)認為本公司的直接控股公司為Zhong Zhi Xin Zhuo Capital Company Limited及本公司的最終控股公司為中海晟豐(北京)資本管理有限公司。其後，董事認為本公司的最終控股公司為Zhong Zhi Ze Yun Capital Company Limited，自2020年4月21日生效。本公司最終控股方為解直銀先生。

本公司的主要業務為投資控股。其附屬公司(連同本公司統稱「本集團」)主要從事投資控股、提供企業顧問服務、投資顧問以及資產管理服務、自有資金投資及借貸。

本公司的功能及呈列貨幣為港元。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

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

New and amendments to HKFRSs that are mandatorily effective for the current year

The Group has applied the following new and amendments to HKFRSs issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) for the first time in the current year:

HKFRS 16	Leases
HK(IFRIC) — Int 23	Uncertainty over Income Tax Treatments
Amendments to HKFRS 9	Prepayment Features with Negative Compensation
Amendments to HKAS 19	Plan Amendment, Curtailment or Settlement
Amendments to HKAS 28	Long-term Interests in Associates and Joint Ventures
Amendments to HKFRSs	Annual Improvements to HKFRSs 2015 — 2017 Cycle

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

2.1 HKFRS 16 Leases

The Group has applied HKFRS 16 for the first time in the current year. HKFRS 16 superseded HKAS 17 Leases (“HKAS 17”), and the related interpretations.

2. 應用新訂香港財務報告準則（「香港財務報告準則」）及香港財務報告準則修訂本

於本年度強制生效的新訂香港財務報告準則及香港財務報告準則修訂本

本集團已於本年度首次應用香港會計師公會頒佈的下列新訂香港財務報告準則及香港財務報告準則修訂本：

香港財務報告準則第16號	租賃
香港（國際財務報告詮釋委員會）— 詮釋第23號	所得稅處理的不確定性
香港財務報告準則第9號修訂本	附帶負補償的預付款項
香港會計準則第19號修訂本	計劃修訂、縮減或結清
香港會計準則第28號修訂本	於聯營公司及合營公司的長期權益
香港財務報告準則修訂本	香港財務報告準則二零一五年至二零一七年週期的年度改進

除下述外，於本年度應用新訂香港財務報告準則及香港財務報告準則修訂本對本集團本年度及過往年度的財務狀況及表現及／或該等綜合財務報表所載的披露並無重大影響。

2.1 香港財務報告準則第16號租賃

本集團已於本年度首次應用香港財務報告準則第16號。香港財務報告準則第16號取代香港會計準則第17號「租賃」及相關詮釋。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

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

New and amendments to HKFRSs that are mandatorily effective for the current year

(Continued)

2.1 HKFRS 16 Leases (Continued)

Definition of a lease

The Group has elected the practical expedient to apply HKFRS 16 to contracts that were previously identified as leases applying HKAS 17 and HK(IFRIC)-Int 4 *Determining whether an Arrangement contains a Lease* and not apply this standard to contracts that were not previously identified as containing a lease. Therefore, the Group has not reassessed contracts which already existed prior to the date of initial application.

For contracts entered into or modified on or after the date of initial application, the Group assess whether a contract or contains a leases based on the definition under HKFRS 16, at inception or modification date. Such contract will not be reassessed unless the terms and conditions of the contracts are subsequently changed.

As a lessee

The Group has applied HKFRS 16 retrospectively with the cumulative effect recognised at the date of initial application, 1 April 2019.

2. 應用新訂香港財務報告準則(「香港財務報告準則」)及香港財務報告準則修訂本(續)

於本年度強制生效的新訂香港財務報告準則及香港財務報告準則修訂本(續)

2.1 香港財務報告準則第16號租賃(續)

租賃之定義

本集團已選擇可行權宜方法，就先前應用香港會計準則第17號及香港(國際財務報告詮釋委員會)－詮釋第4號「釐定安排是否包括租賃」識別為租賃之合約應用香港財務報告準則第16號，而並無對先前並未識別為包括租賃之合約應用該準則。因此，本集團並無重新評估於首次應用日期前已存在之合約。

就首次應用當日或之後訂立或修訂之合約而言，本集團根據香港財務報告準則第16號項下的定義，於開始或修訂日期評估合約是否為租賃或包含租賃。有關合約不會被重新評估，除非合約中之條款與條件隨後被改動。

作為承租人

本集團已追溯應用香港財務報告準則第16號，累計影響於首次應用日期(2019年4月1日)確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

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

New and amendments to HKFRSs that are mandatorily effective for the current year (Continued)

2.1 HKFRS 16 Leases (Continued)

As a lessee (Continued)

As at 1 April 2019, the Group recognised additional lease liabilities and right-of use assets at amounts equal to the related lease liabilities adjusted by any prepaid or accrued lease payments by applying HKFRS 16.C8(b)(ii) transition. Any difference at the date of initial application is recognised in the opening accumulated losses and comparative information has not been restated.

When applying the modified retrospective approach under HKFRS 16 at transition, the Group applied the following practical expedients to leases previously classified as operating leases under HKAS 17, on lease-by-lease basis, to the extent relevant to the respective lease contracts:

- (i) relied on the assessment of whether leases are onerous by applying HKAS 37 *Provisions, Contingent Liabilities and Contingent Assets* as an alternative of impairment review; and
- (ii) excluded initial direct costs from measuring the right-of-use assets at the date of initial application.

2. 應用新訂香港財務報告準則（「香港財務報告準則」）及香港財務報告準則修訂本（續）

於本年度強制生效的新訂香港財務報告準則及香港財務報告準則修訂本（續）

2.1 香港財務報告準則第16號租賃（續）

作為承租人（續）

於二零一九年四月一日，本集團透過應用香港財務報告準則第16.C8(b)(ii)號過渡確認額外租賃負債及使用權資產，其金額相等於經任何預付或應計租賃付款調整的相關租賃負債。於初步應用日期的任何差異於期初累計虧損中確認及比較資料並無重列。

當於過渡期根據香港財務報告準則第16號應用修改追溯方法時，本集團對過往根據香港會計準則第17號分類為經營租約之租賃，以逐項租賃之基礎上，在各自的租賃合約相關範圍內應用以下權宜方案：

- (i) 通過應用香港會計準則第37號「撥備、或然負債及或然資產」作為減值審閱之替代方法，評估租賃是否屬有償；及
- (ii) 於初始應用日期計量使用權資產時撇除初始直接成本。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

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

New and amendments to HKFRSs that are mandatorily effective for the current year (Continued)

2.1 HKFRS 16 Leases (Continued)

As a lessee (Continued)

When recognising the lease liabilities for leases previously classified as operating leases, the Group has applied incremental borrowing rate of the relevant group entity at the date of initial application. The weighted average incremental borrowing rate applied is 2.28%.

2. 應用新訂香港財務報告準則(「香港財務報告準則」)及香港財務報告準則修訂本(續)

於本年度強制生效的新訂香港財務報告準則及香港財務報告準則修訂本(續)

2.1 香港財務報告準則第16號租賃(續)

作為承租人(續)

就先前分類為經營租賃之租賃確認租賃負債時，本集團已於首次應用日期應用相關集團實體之增量借貸利率。所應用之加權平均增量借貸利率為2.28%。

		At 1 April 2019 於2019年4月1日 HK\$'000 千港元
Operating lease commitments disclosed as at 31 March 2019	於2019年3月31日披露之經營租賃承擔	11,132
Lease liabilities discounted at relevant borrowing rate as at 1 April 2019	於2019年4月1日按相關借貸利率折現之租賃負債	10,780
Analysed as	分析為	
Current	流動	3,842
Non-current	非流動	6,938
		10,780

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs") (Continued)

New and amendments to HKFRSs that are mandatorily effective for the current year (Continued)

2.1 HKFRS 16 Leases (Continued)

As a lessee (Continued)

The carrying amount of right-of-use assets for own use as at 1 April 2019 comprises the following:

		Notes	Right-of-use assets 使用權資產 HK\$'000 千港元
		附註	
Right-of-use assets relating to operating leases recognised upon application of HKFRS 16	應用香港財務報告準則第16號時確認之經營租賃相關之使用權資產		10,780
Amounts included in plant and equipment under HKAS 17 as at 31 March 2019	於2019年3月31日根據香港會計準則第17號計入廠房及設備之金額		
— Restoration and reinstatement cost	— 復修及復原費用	(a)	399
Less: Accrued lease liabilities relating to office premise at 1 April 2019	減：於2019年4月1日與辦公室處所有關之應計租賃負債	(b)	(309)
			10,870
Represented by:	代表：		
— Office premise	— 辦公室處所		10,870

Notes:

- (a) In relation to the lease of office premise that the Group acts as lessee, the carrying amount of the estimated costs of reinstating the rented premise previously included in plant and equipment amounting to HK\$399,000 as at 1 April 2019 were included as right-of-use assets.
- (b) These relate to accrued lease liabilities for leases of properties in which the lessors provided rent-free period. The carrying amount of the lease incentive liabilities under other payables and accruals as at 1 April 2019 was adjusted to right-of-use assets at transition.

附註：

- (a) 就本集團作為承租人的辦公室處所租賃而言，復原先計入廠房及設備之租賃處所之估計成本於2019年4月1日之賬面值399,000港元計入為使用權資產。
- (b) 為出租人提供免租期之物業租賃之應計租賃負債。其他應付款項及應計費用之租賃優惠負債於2019年4月1日之賬面值於過渡時調整至使用權資產。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

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

New and amendments to HKFRSs that are mandatorily effective for the current year (Continued)

2.1 HKFRS 16 Leases (Continued)

As a lessee (Continued)

The following adjustments were made to the amounts recognised in the consolidated statement of financial position at 1 April 2019. Line items that were not affected by the changes have not been included.

2. 應用新訂香港財務報告準則(「香港財務報告準則」)及香港財務報告準則修訂本(續)

於本年度強制生效的新訂香港財務報告準則及香港財務報告準則修訂本(續)

2.1 香港財務報告準則第16號租賃(續)

作為承租人(續)

已就於2019年4月1日的綜合財務狀況表中確認的金額作出下列調整。未受變動影響的項目並未列入。

		Carrying amounts previously reported at 31 March 2019	Adjustments	Carrying amounts under HKFRS 16 at 1 April 2019
		先前於2019年3月31日報告之賬面值	調整	於2019年4月1日根據香港財務報告準則第16號計算之賬面值
Non-current Assets	非流動資產			
Right-of-use assets	使用權資產	–	10,870	10,870
Plant and equipment	廠房及設備	851	(399)	452
Current Liabilities	流動負債			
Lease liabilities	租賃負債	–	3,842	3,842
Other payables and accruals	其他應付款項及應計費用	5,200	(309)	4,891
Non-current liability	非流動負債			
Lease liabilities	租賃負債	–	6,938	6,938

Note: For the purpose of reporting cash flows from operating activities under indirect method for the year ended 31 March 2020, movements in working capital have been computed based on opening consolidated statement of financial position as at 1 April 2019 as disclosed above.

附註：根據間接方法就呈報截至2020年3月31日止年度從經營活動所得現金流量，計算營運資金變動已按上表所載之綜合財務狀況表於2019年4月1日之期初數字來計算。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

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

New and amendments to HKFRSs that have been issued but not yet effective

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

HKFRS 17	Insurance Contracts ¹
Amendments to HKFRS 3	Definition of a Business ²
Amendments to HKFRS 16	COVID-19-Related Rent Concession ³
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ⁴
Amendments to HKAS 1 and HKAS 8	Definition of Material ⁵
Amendments to HKFRS 9, HKAS 39 and HKFRS 7	Interest Rate Benchmark Reform ⁵

¹ Effective for annual periods beginning on or after 1 January 2021

² Effective for business combinations and asset acquisitions for which the acquisition date is on or after the beginning of the first annual period beginning on or after 1 January 2020

³ Effective for annual periods beginning on or after 1 June 2020

⁴ Effective for annual periods beginning on or after a date to be determined

⁵ Effective for annual periods beginning on or after 1 January 2020

In addition to the above new and amendments to HKFRSs, a revised Conceptual Framework for Financial Reporting was issued in 2018. Its consequential amendments, *the Amendments to References to the Conceptual Framework in HKFRS Standards*, will be effective for annual periods beginning on or after 1 January 2020.

The Directors anticipate that the application of all new and amendments to HKFRSs will have no material impact on the consolidated financial statements in the foreseeable future.

2. 應用新訂香港財務報告準則(「香港財務報告準則」)及香港財務報告準則修訂本(續)

已頒佈但尚未生效之新訂香港財務報告準則及修訂本

本集團並無提早應用以下已頒佈但尚未生效之新訂香港財務報告準則及修訂本：

香港財務報告準則第17號	保險合約 ¹
香港財務報告準則第3號修訂本	業務的定義 ²
香港財務報告準則第16號修訂本	有關冠狀病毒病的租金優惠 ³
香港財務報告準則第10號及香港會計報告準則第28號修訂本	投資者與其聯營公司或合營企業之間的資產出售或注資 ⁴
香港會計準則第1號及香港會計準則第8號修訂本	重大的定義 ⁵
香港財務報告準則第9號、香港會計報告準則第39號及香港財務報告準則第7號修訂本	利率基準改革 ⁵

¹ 於2021年1月1日或之後開始之年度期間生效

² 對收購日期為2020年1月1日之後開始的首個年度期間初或之後的業務合併及資產收購生效

³ 於2020年6月1日或之後開始之年度期間生效

⁴ 待定日期或之後開始的年度間生效

⁵ 於2020年1月1日或之後開始之年度期間生效

除上文之新訂香港財務報告準則及修訂本外，2018年頒佈了經修訂香港財務報告之概念框架。其重大修訂、香港財務報告準則之概念框架指引之修訂，將於2020年1月1日或之後開始的年度期間生效。

董事預期應用所有新訂香港財務報告準則及修訂本於可見將來將不會對綜合財務報表造成重大影響。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements have been prepared in accordance with HKFRSs issued by the HKICPA. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited (“GEM Listing Rules”) and by the Hong Kong Companies Ordinance (“CO”).

The consolidated financial statements have been prepared on the historical cost basis except for financial instruments that are measured at fair value at the end of each reporting period, as explained in the accounting policies set out below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of HKFRS 2 *Share-based Payment*, leasing transactions that are account for in accordance with HKFRS 16 *Leases* (since 1 April 2019) or HKAS 17 (before initial application of HKFRS 16), and measurements that have some similarities to fair value but are not fair value, such as net realisable value in HKAS 2 *Inventories* or value in use in HKAS 36 *Impairment of Assets*.

3. 主要會計政策

綜合財務報表乃按照香港會計師公會頒佈之香港財務報告準則而編製。此外，綜合財務報表包括香港聯合交易所有限公司GEM證券上市規則（「GEM上市規則」）及香港公司條例（「公司條例」）所規定的應用披露。

綜合財務報表乃按歷史成本法編製，惟金融工具除外，其按各報告期末的公平值計量，詳情闡釋於下列會計政策。

歷史成本一般基於換取貨品及服務之代價之公平值釐定。

公平值是於計量日市場參與者間於有秩序交易中出售資產所收取或轉讓負債須支付之價格，而不論該價格為可直接觀察取得或可使用其他估值方法估計。於估計資產或負債之公平值時，本集團會考慮該等市場參與者於計量日對資產或負債定價時所考慮之資產或負債之特點。於該等綜合財務報表中作計量及／或披露用途之公平值乃按此基準釐定，不包括屬於香港財務報告準則第2號以股份為基礎支付範疇內之以股份為基礎支付之交易、根據香港財務報告準則第16號租賃（自2019年4月1日起）或香港會計準則第17號（首次應用香港財務報告準則第16號前）計入之租賃交易，及與公平值存在若干類似之處但並非公平值之計量，例如香港會計準則第2號存貨之可變現淨值或香港會計準則第36號資產減值之使用價值。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The principal accounting policies are set out below.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

3. 主要會計政策 (續)

此外，就財務呈報而言，公平值計量根據公平值計量之參數可觀察程度及公平值計量之參數對其整體之重要性分類為第一、第二或第三級，詳情如下：

- 第一級參數為實體有能力於計量日評估之完全相同之資產或負債於活躍市場之報價(未經調整)；
- 第二級參數為不包括第一級報價之資產或負債之可直接或間接觀察之參數；及
- 第三級參數為資產或負債之不可觀察參數。

主要會計政策載於下文。

綜合基準

綜合財務報表載有本公司及本公司控制實體以及其附屬公司的財務報表。若出現下列情況，本公司即擁有控制權：

- 對接受投資公司之權力；
- 從參與接受投資公司活動中所涉及可變回報之風險或權利；及
- 利用其權利影響其回報之能力。

倘有事實及情況顯示上文所述三項控制因素中有一項或多項出現變化，則本集團會重新評估其是否對接受投資公司擁有控制權。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of consolidation (Continued)

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Group gains control until the date when the Group ceases to control the subsidiary.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Changes in the Group's interest in existing subsidiaries

When the Group loses control of a subsidiary, assets and liabilities of that subsidiary and non-controlling interests (if any) are derecognised. A gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the carrying amount of the assets (including goodwill), and liabilities of the subsidiary attributable to the owners of the Company. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable HKFRSs). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under HKFRS 9 or, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

3. 主要會計政策(續)

綜合基準(續)

當本集團取得附屬公司控制權時，開始作綜合記賬，並於本集團失去對該附屬公司之控制權時終止綜合記賬。尤其是，附屬公司於年內所產生或出售之收入及開支由本集團取得控制權當日至不再對該附屬公司擁有控制權之日計入綜合損益及其他全面收益表。

如有需要，本集團會對附屬公司的財務報表作出調整，使其會計政策與本集團的會計政策保持一致。

本集團成員公司間有關交易的所有集團內公司間資產及負債、權益、收入、開支以及現金流量已於綜合入賬時全數對銷。

本集團於現有附屬公司之權益變動

倘本集團失去對附屬公司的控制權，則該附屬公司的資產及負債以及非控股權益(如有)會被取消確認。收益或虧損於損益確認，並按(i)所收代價的公平值及任何保留權益的公平值的總額與(ii)本公司擁有人應佔該附屬公司的資產(包括商譽)及負債的賬面值間的差額計算。過往就該附屬公司於其他全面收入確認的所有金額乃假設本公司直接出售附屬公司相關資產或負債入賬(即是，按適用香港財務報告準則所訂明/允許而重新分類至損益或轉撥至另一權益類別)。於失去控制權當日於前附屬公司保留的任何投資公平值，會被視為根據香港財務報告準則第9號或(如適用)於其後入賬首次確認時的公平值，首次確認聯營公司或合營企業的投資成本。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue from contracts with customers

The Group recognises revenue when (or as) a performance obligation is satisfied, i.e. when “control” of the goods or services underlying the particular performance obligation is transferred to the customer.

A performance obligation represents a good or service (or a bundle of goods or services) that is distinct or a series of distinct goods or services that are substantially the same.

Control is transferred over time and revenue is recognised over time by reference to the progress towards complete satisfaction of the relevant performance obligation if one of the following criteria is met:

- the customer simultaneously receives and consumes the benefits provided by the Group’s performance as the Group performs;
- the Group’s performance creates and enhances an asset that the customer controls as the Group performs; or
- the Group’s performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

Otherwise, revenue is recognised at a point in time when the customer obtains control of the distinct good or service.

Corporate advisory income

Corporate advisory income from providing specified financial advisory services in relation to type 4 (advising on securities) and/or type 6 (advising on corporate finance) regulated activities within the scope of financial services related activities, are recognised at a point in time when the reports are issued under the terms of each engagement and the revenue can be measured reliably, as only that time the Group has a present right to payment from the customers for the service performed. Invoices for the financial services are issued upon signing service contracts and when research report is delivered.

3. 主要會計政策 (續)

來自客戶合約之收入

本集團於或當履行履約責任時(即於特定履約責任相關的貨品或服務「控制權」轉讓予客戶時)確認收入。

履約責任指明確的單一貨品或服務(或一批貨品或服務)或一系列大致相同的明確貨品或服務。

倘符合以下其中一項條件，控制權隨時間轉移，收入則可參考完成相關履約責任的進度而按時間確認：

- 於本集團履約時，客戶同時取得並耗用本集團履約所提供的利益；
- 本集團的履約產生及提升於本集團履約時由客戶控制的一項資產；或
- 本集團的履約並未產生對本集團有其他用途的資產，且本集團對迄今已完成履約的付款具有可強制執行的權利。

否則，收益會在客戶獲得明確貨品或服務的控制權的時間點確認。

企業顧問收入

於金融服務相關活動範疇內提供與第4類(就證券提供意見)及/或第6類(就企業融資提供意見)受規管活動有關的指定財務顧問服務的企業顧問收入，乃於根據各項委任之條款出具報告及收入可予可靠計量時於某個時間點確認，僅由於該時間本集團有即時權利以就履約服務向客戶收取款項。金融服務的發票會在簽署服務合約後及於研究報告已交付之時開出。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Leases

Definition of a lease (upon application of HKFRS 16 in accordance with transitions in note 2)

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group as a lessee (upon application of HKFRS 16 in accordance with transitions in note 2)

Allocation of consideration to components of a contract

For a contract that contains a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

Right-of-use assets

The cost of right-of-use asset includes:

- the amount of the initial measurement of the lease liability;
- any lease payments made at or before the commencement date, less any lease incentives received;
- any initial direct costs incurred by the Group; and
- an estimate of costs to be incurred by the Group in dismantling and removing the underlying assets, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

Right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term.

The Group presents right-of-use assets as a separate line item on the consolidated statement of financial position.

3. 主要會計政策 (續)

租賃

租賃的定義 (根據附註2所述之過渡安排而應用香港財務報告準則第16號後)

倘合約為換取代價而給予在一段時間內控制可識別資產使用的權利，則該合約屬於或包含租賃。

本集團作為承租人 (根據附註2所述之過渡安排而應用香港財務報告準則第16號後)

將合約代價分配至各組成部分

就包含租賃組成部分以及一項或多項額外租賃或非租賃組成部分之合約而言，本集團根據租賃組成部分之相對獨立價格及非租賃組成部分之合計獨立價格基準將合約代價分配至各項租賃組成部分。

使用權資產

使用權資產之成本包括：

- 租賃負債之初步計量金額；
- 於開始日期或之前作出之任何租賃付款，減任何已收租賃優惠；
- 本集團產生之任何初步直接成本；及
- 本集團拆卸及移除相關資產、復原相關資產所在場地或復原相關資產至租賃條款及條件所規定之狀況之過程中所產生的估計成本。

使用權資產按直線基準於估計可使用年期與租期之間之較短者計提折舊。

本集團在綜合財務狀況表中將使用權資產列為單獨的項目。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Leases (Continued)

The Group as a lessee (upon application of HKFRS 16 in accordance with transitions in note 2) (Continued)

Refundable rental deposits

Refundable rental deposits paid are accounted under HKFRS 9 *Financial Instruments* and initially measured at fair value. Adjustments to fair value at initial recognition are considered as additional lease payments and included in the cost of right-of-use assets.

Lease liabilities

At the commencement date of a lease, the Group recognises and measures the lease liability at the present value of lease payments that are unpaid at that date. In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable.

The lease payments include:

- fixed payments (including in-substance fixed payments) less any lease incentives receivable;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable by the Group under residual value guarantees;
- the exercise price of a purchase option if the Group is reasonably certain to exercise the option; and
- payments of penalties for terminating a lease, if the lease term reflects the Group exercising an option to terminate the lease.

After the commencement date, lease liabilities are adjusted by interest accretion and lease payments.

3. 主要會計政策 (續)

租賃 (續)

本集團作為承租人 (根據附註2所述之過渡安排而應用香港財務報告準則第16號後) (續)

可退還的租賃押金

已支付的可退還租賃押金根據香港財務報告準則第9號金融工具入賬，並初步按公平值計量。初始確認時對公平值的調整被視為額外的租賃付款，並包括在使用權資產成本中。

租賃負債

於租賃開始日，本集團按當時尚未支付的租賃付款額的現值確認並計量租賃負債。在計算租賃付款的現值時，如果租賃中隱含的利率難以確定，則本集團在租賃開始日使用增量借款利率。

租賃付款包括：

- 固定付款 (包括實質上是固定之付款) 減任何應收租賃優惠；
- 基於指數或利率並於開始日期按指數或利率初步計量的可變租賃付款；
- 剩餘價值擔保下預期支付之金額；
- 本集團可合理確定將予行使的購買選擇權之行使價；及
- 倘租期反映本集團會行使終止選擇權，則為終止租賃而支付之罰款。

於開始日期後，租賃負債乃透過增計利息及租賃付款進行調整。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Leases (Continued)

The Group as a lessee (upon application of HKFRS 16 in accordance with transitions in note 2) (Continued)

Lease liabilities (Continued)

The Group remeasures lease liabilities (and makes a corresponding adjustment to the related right-of-use assets) whenever:

- the lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the related lease liability is remeasured by discounting the revised lease payments using a revised discount rate at the date of reassessment.
- the lease payments change due to changes in market rental rates following a market rent review in which cases the related lease liability is remeasured by discounting the revised lease payments using the initial discount rate.

The Group presents lease liabilities as a separate line item on the consolidated statement of financial position.

Lease modifications

The Group accounts for a lease modification as a separate lease if:

- the modification increases the scope of the lease by adding the right to use one or more underlying assets; and
- the consideration for the leases increases by an amount commensurate with the stand-alone price for the increase in scope and any appropriate adjustments to that stand-alone price to reflect the circumstances of the particular contract.

For a lease modification that is not accounted for as a separate lease, the Group remeasures the lease liability based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

3. 主要會計政策(續)

租賃(續)

本集團作為承租人(根據附註2所述之過渡安排而應用香港財務報告準則第16號後)(續)

租賃負債(續)

倘出現以下情況，本集團會重新計量租賃負債(並對相關使用權資產作出相應調整)：

- 租期有所變動或行使購買選擇權之評估發生變化，在此情況下，相關租賃負債透過使用重新評估日期之經修訂貼現率貼現經修訂租賃付款而重新計量。
- 租賃付款因進行市場租金調查後市場租金費率變動而出現變動，在此情況下，相關租賃負債透過使用初始貼現率貼現經修訂租賃付款而重新計量。

本集團在綜合財務狀況表中將使用權資產列為單獨的項目。

租賃修改

倘出現以下情況，本集團將租賃修改作為獨立租賃入賬：

- 修改透過加入使用一項或以上相關資產之權利擴大租賃範圍；及
- 租賃代價增加，增加之金額相當於範圍擴大對應之單獨價格及為反映特定合約之實際情況而對該單獨價格進行之任何適當調整。

就未作為單獨租賃入賬之租賃修改而言，本集團按透過使用修改生效日期之經修訂貼現率貼現經修訂租賃付款之經修改租賃之租期重新計量租賃負債。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Leases (Continued)

The Group as a lessee (upon application of HKFRS 16 in accordance with transitions in note 2) (Continued)

Lease modifications (Continued)

The Group accounts for the remeasurement of lease liabilities by making corresponding adjustments to the relevant right-of-use asset. When the modified contract contains a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the modified contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

The Group as a lessee (prior to 1 April 2019)

All leases are classified as operating leases. Operating lease payments, are recognised as an expense on a straight-line basis over the lease term.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recognised at the rates of exchanges prevailing on the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

3. 主要會計政策 (續)

租賃 (續)

本集團作為承租人 (根據附註2所述之過渡安排而應用香港財務報告準則第16號後) (續)

租賃修改 (續)

本集團通過對相關使用權資產進行相應調整，以對租約負債進行重新計量。當經修改合約包含租約成分以及一個或多個額外租約或非租約成分時，本集團根據租約成分的相對獨立價格及非租約成分的總獨立價格，將經修改合約中的代價分配至每個租約成分。

本集團作為承租人 (於2019年4月1日前)

所有其他租約乃分類為經營租約。經營租約付款乃以直線法於有關租約期內確認為開支。

倘訂立經營租約可以獲得租賃優惠，則該等優惠確認為負債。優惠整體利益以直線法沖減租金開支，惟另有方法能更有系統表示所租賃資產所得經濟效益消耗之時間模式，則作別論。

外幣

編製個別集團實體之財務報表時，以該實體功能貨幣以外之貨幣(外幣)所進行之交易乃按交易當日之現行匯率確認。於結算日，以外幣列值之貨幣項目乃按結算日之當時匯率重新換算。以外幣計值並按公平值入賬之非貨幣項目按釐定公平值之日之當時匯率重新換算。以外幣歷史成本計量之非貨幣項目則不予重新換算。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Foreign currencies (Continued)

For the purposes of presenting the consolidated financial statements, the assets and liabilities of the Group's operations are translated into the presentation currency of the Group (i.e. Hong Kong dollars) using exchange rates prevailing at the end of each reporting period. Income and expenses items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during the period, in which case, the exchange rates prevailing at the dates of transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity under the heading of translation reserve.

On the disposal of a foreign operation (that is, a disposal of the Group's entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that includes a foreign operation), all of the exchange differences accumulated in equity in respect of that operation attributable to the owners of the Company are reclassified to profit or loss.

Retirement benefit costs

Payments to defined contribution retirement benefit plans, state-managed retirement benefit schemes and the Mandatory Provident Fund Scheme ("MPF Scheme") are recognised as an expense when employees have rendered service entitling them to the contributions.

Short-term employee benefits

Short-term employee benefits are recognised at the undiscounted amount of the benefits expected to be paid as and when employees rendered the services. All short-term employee benefits are recognised as an expense unless another HKFRS requires or permits the inclusion of the benefit in the cost of an asset.

A liability is recognised for benefits accruing to employees (such as wages and salaries, annual leave and sick leave) after deducting any amount already paid.

3. 主要會計政策(續)

外幣(續)

就呈列綜合財務報表而言，本集團業務之資產及負債乃使用於各報告期間結束時之適用匯率換算為本集團之呈報貨幣(即港元)，收入及支出項目乃按該期間之平均匯率進行換算，除非匯率於該期間內出現大幅波動則作別論，於此情況下，則採用於交易當日之現行匯率。所產生之匯兌差額(如有)乃於其他全面收入確認，並在匯兌儲備項下於權益累計。

出售境外業務時(即出售本集團於境外業務之全部權益、或出售涉及失去包括境外業務之附屬公司之控制權)，本公司擁有人就該業務應佔之所有於股權累計之匯兌差額乃重新分類至損益。

退休福利成本

定額供款退休福利計劃、國營退休福利計劃及強制性公積金計劃(「強積金計劃」)款項，於僱員就提供服務而使其享有供款時列作支出。

短期僱員福利

短期僱員福利乃於僱員提供服務時，按預期將予支付的福利的未折現金額確認。除非另一項香港財務報告準則要求或准許將福利計入資產成本，否則所有短期僱員福利均確認為開支。

於扣除任何已付金額後就應付僱員福利(例如工資及薪金、年假及病假)確認負債。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Share-based payment arrangements

Equity-settled share-based payment transaction

Share options granted to employees and others providing similar services

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date.

The fair value of the equity-settled share-based payments determined at the grant date without taking into consideration all non-market vesting conditions is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity (share options reserve). At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest based on assessment of all relevant non-market vesting conditions. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment, to the share options reserve. For share options that vest immediately at date of grant, the fair value of share option granted is expensed immediately to profit or loss.

When share options are exercised, the amount previously recognised in share options reserve, if any, will be transferred to share premium. When the share options are forfeited after the vesting date or are still not exercised at the expiry date, the amount previously recognised in share options reserve will continue to be held in share options reserve.

3. 主要會計政策 (續)

以股份為基礎支付安排

以權益結算以股份為基礎支付之交易

授予僱員及提供類似服務的其他人士的購股權

向僱員及提供類似服務的其他人士作出以權益結算並以股份為基準付款乃按權益工具於授出日期之公平值計量。

不考慮所有非市場歸屬條件，於授出日期釐定的以權益結算並以股份為基準付款的公平值乃於歸屬期間，基於本集團對將會最終歸屬的權益工具的估計，按直線法支銷，權益（購股權儲備）則相應增加。於各報告期末，本集團根據對所有相關非市場歸屬條件的評估，修訂其預期將歸屬的權益工具數目之估計。修訂有關原先估計（如有）之影響乃於損益中確認以使累計開支反映經修訂估計，而購股權儲備亦隨之相應調整。就授出日期即時歸屬，所授出購股權的公平值會即時計入損益。

當購股權獲行使時，先前於購股權儲備（如有）確認的款額將轉撥至股份溢價賬。當購股權於歸屬日期後被收回或於到期日仍未行使，先前於購股權儲備確認的款額將於購股權持有。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the consolidated statement of profit or loss and other comprehensive income because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

3. 主要會計政策(續)

稅項

所得稅開支指應付當期稅項及遞延稅項的總和。

即期應付稅項乃按本年度應課稅溢利計算。由於其他年度的應課稅收入或可扣稅開支項目及從未課稅或扣稅的項目不同，應課稅溢利與綜合損益及其他全面收益表所報除稅前溢利不同。本集團的即期稅項負債乃使用於報告期末已實施或實質上已實施的稅率計算。

遞延稅項按綜合財務報表中資產及負債賬面值與計算應課稅溢利時採用的相應稅基之間的暫時差額確認。遞延稅項負債一般就所有應課稅暫時差額作出確認。倘可扣減暫時差額有可能用於抵銷應課稅溢利，則所有可扣減暫時差額一般確認為遞延稅項資產。倘由首次確認(業務合併除外)的資產及負債而該交易並不影響應課稅或會計溢利，則該等遞延稅項資產及負債並不會獲確認。

遞延稅項負債就與附屬公司的投資相關的應課稅暫時差額予以確認，惟倘本集團可控制暫時差額的撥回及暫時差額有可能不會於可見將來撥回則除外。因與有關投資及權益相關的可扣減暫時差額而產生的遞延稅項資產僅於可能產生足夠應課稅溢利以動用暫時差額溢利並預期可於可見將來收回時確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Taxation (Continued)

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the assets to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied to the same taxable entity by the same taxation authority.

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

3. 主要會計政策 (續)

稅項 (續)

遞延稅項資產的賬面值於各報告期末作檢討，並於可能無足夠應課稅溢利撥回全部或部分資產價值時作調減。

遞延稅項資產及負債乃根據於報告期末已實施或實質上已實施的稅率（及稅法），以預期適用於清償負債或變現資產期間的稅率計量。

遞延稅項負債及資產的計量反映在報告期末本集團預期將來能收回或支付有關資產及負債的賬面值的稅務影響。

當有法定可執行權利將當期稅項資產抵銷當期稅項負債時，以及當它們與同一稅務機關對同一應課稅實體徵收的所得稅有關時，遞延所得稅資產和負債均予以抵銷。

即期及遞延稅項會於損益內確認，惟若其與其他全面損益或直接於權益中確認的項目有關，則在此情況下，即期及遞延稅項亦會分別於其他全面損益或直接於權益中確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Plant and equipment

Plant and equipment are stated in the consolidated statement of financial position at cost, less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any.

Depreciation is recognised so as to write off the cost of the assets less their residual values over their estimated useful lives, using the straight line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Impairment on plant and equipment and right-of-use assets

At the end of the reporting period, the Group reviews the carrying amounts of its plant and equipment and right-of-use assets with finite useful lives to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the relevant asset is estimated in order to determine the extent of the impairment loss (if any).

The recoverable amount of plant and equipment and right-of-use assets are estimated individually. When it is not possible to estimate the recoverable amount individually, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

In addition, the Group assesses whether there is indication that corporate assets may be impaired. If such indication exists, corporate assets are also allocated to individual cash-generating units, when a reasonable and consistent basis of allocation can be identified, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

3. 主要會計政策(續)

廠房及設備

廠房及設備乃於綜合財務狀況表按成本減其後累計折舊及其後累計減值虧損(如有)列賬。

折舊乃以直線法確認，以撇銷於估計可使用年期內的資產成本減其剩餘價值。估計可使用年期、剩餘價值及折舊方法乃於各報告期末檢討，估計任何變動之影響則按預先計提基準列賬。

廠房及設備項目於出售時或當預期繼續使用該資產不會產生任何未來經濟利益時取消確認。出售或報廢廠房及設備項目產生之任何收益或虧損，按出售所得款項及該資產賬面值間之差額釐定，並於損益中確認。

廠房及設備及使用權資產減值

在報告期末，本集團覆核其廠房及設備及確定使用壽命的使用權資產的賬面值以確定是否存在任何跡象顯示這些資產已發生減值損失。如果存在任何此類跡象，則會對相關資產的可收回金額作出估計，以確定減值損失的程度(如有)。

廠房及設備及使用權資產個別估計可收回金額。倘無法估計個別可收回金額，則本集團估計資產所屬現金產生單位的可收回金額。

此外，本集團評估是否存在企業資產可能減值的跡象。倘存在該跡象，則企業資產亦可分配至個別現金產生單位或另行分配至可識別合理及連續分配基準的現金產生單位最小類別。

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For the year ended 31 March 2020 截至2020年3月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Impairment on plant and equipment and right-of-use assets other than goodwill

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset (or a cash-generating unit) for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or a cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or a cash-generating unit) is reduced to its recoverable amount. For corporate assets or portion of corporate assets which cannot be allocated on a reasonable and consistent basis to a cash-generating unit, the Group compares the carrying amount of a group of cash-generating units, including the carrying amounts of the corporate assets or portion of corporate assets allocated to that group of cash-generating units, with the recoverable amount of the group of cash-generating units. In allocating the impairment loss, the impairment loss is allocated first to reduce the carrying amount of any goodwill (if applicable) and then to the other assets on a pro-rata basis based on the carrying amount of each asset in the unit or the group of cash-generating units. The carrying amount of an asset is not reduced below the highest of its fair value less costs of disposal (if measurable), its value in use (if determinable) and zero. The amount of the impairment loss that would otherwise have been allocated to the asset is allocated pro rata to the other assets of the unit or the group of cash-generating units. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit or the group of cash-generating units) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or a cash-generating unit or a group of cash-generating units) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

3. 主要會計政策 (續)

廠房及設備及使用權資產減值(商譽除外)

可收回金額為公平值減銷售成本與使用價值兩者中較高者。在評估使用價值時，估計未來現金流量採用稅前貼現率貼現至其現值，該稅前貼現率反映當前市場對貨幣時間價值及資產(或現金產生單位)特定風險的評估，就此而言未來現金流量的估計未經調整。

倘資產或現金產生單位(或現金產生單位組別)的可收回金額估計將低於其賬面值，則將該資產或現金產生單位(或現金產生單位組別)的賬面值削減至其可收回金額。倘估計資產(或現金產生單位)的可收回金額低於其賬面值，則資產(或現金產生單位)的賬面值將調減至其可收回金額。就未能按合理一致的基準分配至現金產生單位的企業資產或部分企業資產，本集團會比較一個組別的現金產生單位賬面值(包括已分配至該組現金產生單位的企業資產或部分企業資產的賬面值)與該組現金產生單位的可收回金額。於分配減值虧損時，按該單位或一組現金產生單位各項資產的賬面值所佔比例分配至資產。資產賬面值不得減少至低於其公平值減出售成本(如可計量)、其使用價值(如可釐定)及零之中的最高值。已另行分配至資產的減值虧損金額按比例分配至該單位或一組現金產生單位的其他資產。減值虧損即時於損益確認。

倘減值虧損其後撥回，則資產(或現金產生單位或一組現金產生單位)的賬面值會上調至其經修訂的估計可收回金額，惟就此已上調的賬面值不得超出資產(或現金產生單位或一組現金產生單位)於過往年度並無確認減值虧損時釐定的賬面值。減值虧損撥回於損益中確認。

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綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments

Financial assets and financial liabilities are recognised when a group entity becomes a party to the contractual provisions of the instruments. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place.

Financial assets and financial liabilities are initially measured at fair value except for trade receivables arising from contracts with customers which are initially measured in accordance with HKFRS 15. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets or financial liabilities at FVTPL) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognised immediately in profit or loss.

The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating interest income and interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts and payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset or financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Interest/dividend income which are derived from the Group's ordinary course of business are presents as revenue.

3. 主要會計政策(續)

金融工具

金融資產及金融負債會於集團實體成為工具合約性條文的訂約方時確認。金融資產的所有一般買賣按交易日基準確認及終止確認。一般買賣指須於市場規定或慣例制定的期間內交付資產的金融資產買賣。

除客戶合約產生的應收賬款初步根據香港財務報告準則第15號計量外，金融資產及金融負債初步以公平值計量。收購或發行金融資產及金融負債直接應佔之交易成本(按公平值計入損益之金融資產或金融負債除外)乃於初步確認時加入金融資產或金融負債之公平值或自金融資產或金融負債之公平值內扣除(如合適)。收購按公平值計入損益之金融資產或金融負債直接應佔之交易成本即時於損益中確認。

實際利率法乃計算金融資產或金融負債之攤銷成本及按有關期間攤分利息收入及利息開支的方法。實際利率指於初步確認時將金融資產或金融負債在預期使用年期或較短期間(如適用)的估計未來現金收入及付款(包括構成實際利率組成部分的所有已付或已收費用及點數、交易成本及其他溢價或折讓)準確貼現至賬面淨值的利率。

於本集團日常業務過程中產生的利息／股息收入乃呈列為收入。

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綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets

Classification and subsequent measurement of financial assets

Financial assets that meet the following conditions are subsequently measured at amortised cost:

- the financial asset is held within a business model whose objective is to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are subsequently measured at FVTPL, except that at the date of initial application of HKFRS 9/initial recognition of a financial asset the Group may irrevocably elect to present subsequent changes in fair value of an equity investment in other comprehensive income if that equity investment is neither held for trading nor contingent consideration recognised by an acquirer in a business combination to which HKFRS 3 *Business Combinations* applies.

A financial asset is classified as held for trading if:

- it has been acquired principally for the purpose of selling in the near term; or
- on initial recognition it is a part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

In addition, the Group may irrevocably designate a financial asset that are required to be measured at the amortised cost or FVTOCI as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch.

3. 主要會計政策 (續)

金融工具 (續)

金融資產

金融資產的分類及其後計量

符合下列條件的金融資產其後按攤銷成本計量：

- 目的為收取合約現金流量的業務模式內持有的金融資產；及
- 合約條款為於指定日期產生現金流量僅為支付本金及尚未償還本金額利息的金融資產。

所有其他金融資產其後按公平值計入損益計量，惟在首次應用香港財務報告準則第9號/首次確認金融資產日期，倘某項股權投資並非持作買賣，亦非由於收購方在香港財務報告準則第3號業務合併所適用的業務合併中確認的或然代價，則本集團可不可撤回地選擇於其他全面收益呈列該項股權投資公平值的其後變動。

一項金融資產將分類為持作買賣，倘：

- 收購該資產時主要的目的是為了近期銷售；或
- 於初步確認時屬於本集團集中管理的可辨認金融工具組合的一部分，並且實際按照短期獲利方式進行管理；或
- 屬於不被指定的、有效對沖工具的衍生工具。

此外，本集團可不可撤回地指定一項須按攤銷成本或按公平值計入其他全面收益計量的金融資產以按公平值計入損益計量，前提為有關指定可消除或大幅減少會計錯配。

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綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Classification and subsequent measurement of financial assets (Continued)

(i) Amortised cost and interest income

Interest income is recognised using the effective interest method for financial assets measured subsequently at amortised cost and debt instruments subsequently measured at FVTOCI. Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired (see below). For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset from the next reporting period. If the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset from the beginning of the reporting period following the determination that the asset is no longer credit impaired.

(ii) Equity instrument designated as at FVTOCI

Investments in equity instrument at FVTOCI are subsequently measured at fair value with gains or losses arising from changes in fair value recognised in OCI and accumulated in the investment revaluation reserve; and are not subject to impairment assessment. The cumulative gain or loss will not be reclassified to profit or loss on disposal of the equity investment, and will be transferred to retained profits.

3. 主要會計政策(續)

金融工具(續)

金融資產(續)

金融資產的分類及其後計量(續)

(i) 攤銷成本及利息收入

其後按攤銷成本計量的金融資產及其後按公平值計入其他全面收益之債務工具的利息收入乃使用實際利率法予以確認。利息收入乃對一項金融資產賬面總值應用實際利率予以計算，惟其後出現信貸減值的金融資產(見下文)除外。就其後出現信貸減值的金融資產而言，自下一報告期起，利息收入乃對金融資產攤銷成本應用實際利率予以確認。倘信貸減值金融工具的信貸風險好轉，使金融資產不再出現信貸減值，於釐定資產不再出現信貸減值後，自報告期開始起利息收入乃對金融資產賬面總值應用實際利率予以確認。

(ii) 指定為按公平值計入其他全面收益的權益工具

按公平值計入其他全面收益計量的權益工具投資其後按公平值計量，而其公平值變動產生的盈虧於其他全面收益確認並於投資重估儲備累計，而毋須進行減值評估。出售該股權投資後，累計收益或虧損將不會重新分類至損益，並將轉撥至保留溢利。

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綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Classification and subsequent measurement of financial assets (Continued)

(iii) Financial assets at FVTPL

Financial assets that do not meet the criteria for being measured at amortised cost or FVTOCI or designated as FVTOCI are measured at FVTPL.

Financial asset at FVTPL is measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in profit or loss. The net gain or loss recognised in profit or loss excludes any dividend or interest earned on the financial asset and is included in the "net investment income (loss)" line item.

Impairment of financial assets

The Group performs impairment assessment under expected credit loss ("ECL") model on financial assets (including loan receivables, deposits, trade receivables, other assets and receivables, cash held on behalf of clients and bank balances) 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.

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 ("12m ECL") represents the portion of lifetime ECL that is expected to result from default events that are possible within 12 months after the reporting date. Assessment are done based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current conditions at the reporting date as well as the forecast of future conditions.

3. 主要會計政策 (續)

金融工具 (續)

金融資產 (續)

金融資產的分類及其後計量 (續)

(iii) 按公平值計入損益的金融資產

不符合按攤銷成本或按公平值計入其他全面收益或指定按公平值計入其他全面收益條件計量的金融資產，會使用按公平值計入損益的方法計量。

按公平值計入損益的金融資產按各報告期末的公平值計量，任何公平值收益或虧損於損益中確認。於損益確認的收益或虧損淨額不包括就金融資產賺取的任何股息或利息且計入「投資收入(虧損)淨額」項目內。

金融資產減值

本集團就須根據國際財務報告準則第9號計算減值的金融資產(包括貿易及其他應收款項、應收關聯公司款項、已抵押銀行存款、定期銀行存款及銀行結餘)及合約資產以預期信貸虧損模式進行減值評估。預期信貸虧損的金額於各報告日期更新，以反映自初步確認起的信貸風險變動。

全期預期信貸虧損指相關工具預計年期內所有潛在違約事件將會引起的預期信貸虧損。相反，12個月預期信貸虧損指報告日期後12個月內可能出現的違約事件預期將會引起的一部分全期預期信貸虧損。評估乃根據本集團過往信貸虧損經驗作出，並就債務人特定因素、一般經濟環境及於報告日期對現況作出的評估以及未來狀況預測而作出調整。

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綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (Continued)

The Group always recognises lifetime ECL for trade receivables. The ECL on trade receivables are assessed individually. For all other instruments, the Group measures the loss allowance equal to 12m ECL, unless when there has been a significant increase in credit risk since initial recognition, the Group recognises lifetime ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition.

(i) *Significant increase in credit risk*

In assessing whether the credit risk has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly:

- an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- significant deterioration in external market indicators of credit risk, e.g. a significant increase in the credit spread, the credit default swap prices for the debtor;

3. 主要會計政策(續)

金融工具(續)

金融資產(續)

金融資產減值(續)

本集團一直就貿易應收款項確認全期預期信貸虧損。貿易應收款項的預期信貸虧損會進行個別評估。至於所有其他工具，本集團計量相等於12個月預期信貸虧損的虧損撥備，除非自初步確認以來信貸風險大幅上升，則本集團會確認全期預期信貸虧損。是否應確認全期預期信貸虧損乃根據自初步確認以來出現違約事件的可能性或風險大幅上升進行評估。

(i) *信貸風險大幅上升*

於評估信貸風險是否自初步確認以來大幅上升時，本集團將報告日期金融工具出現違約事件的風險與初步確認日期金融工具出現違約事件的風險進行比較。於作出此項評估時，本集團會考慮合理且可證實的定量及定性資料，包括過往經驗及毋需付出過多成本或努力即可取得的前瞻性資料。

特別是，在評估信貸風險是否大幅上升時，本集團會考慮以下資料：

- 金融工具外界(如有)或內部信貸評級實際或預期大幅轉差；
- 信貸風險外部市場指標大幅轉差，例如債務人的信貸利差及信貸違約掉期價格大幅上升；

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綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (Continued)

(i) Significant increase in credit risk (Continued)

- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- an actual or expected significant deterioration in the operating results of the debtor; and
- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

Despite the foregoing, the Group assumes that the credit risk on a debt instrument has not increased significantly since initial recognition if the debt instrument is determined to have low credit risk at the reporting date. A debt instrument is determined to have low credit risk if i) it has a low risk of default, ii) the borrower has a strong capacity to meet its contractual cash flow obligations in the near term and iii) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations. The Group considers a debt instrument to have low credit risk when it has an internal or external credit rating of "investment grade" as per globally understood definitions.

3. 主要會計政策 (續)

金融工具 (續)

金融資產 (續)

金融資產減值 (續)

(i) 信貸風險大幅上升 (續)

- 業務、財務或經濟狀況現有或預測不利變動預期將導致債務人履行其債務責任的能力遭到大幅削弱；
- 債務人經營業績實際或預期大幅轉差；及
- 債務人的監管、經濟或技術環境實際或預期出現重大不利變動，導致債務人履行其債務責任的能力遭到大幅削弱。

不論上述評估結果如何，倘合約付款逾期超過30日，則本集團會假定信貸風險自初步確認以來已大幅上升，除非本集團另有合理且可支持的資料可資證明，則作別論。

儘管上文所述，本集團假設倘債務工具釐定為於報告日期具有低信貸風險，則債務工具的信貸風險自初步確認以來並無顯著增加。倘屬以下情況，債務工具釐定為具有低信貸風險：i) 務工具具有低違約風險，ii) 借款人於短期內具備雄厚實力履行其合約現金流責任及(iii)長期經濟及業務狀況的不利變動可能但不一定削弱借款人履行其合約現金流責任的能力。倘債務工具的內部或外部信貸評級為「投資級別」（根據國際通用釋義），則本集團認為該債務工具的信貸風險偏低。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (Continued)

(i) Significant increase in credit risk (Continued)

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

(ii) Definition of default

For internal credit risk management, the Group considers an event of default occurs when information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collaterals held by the Group).

Irrespective of the above, the Group considers that default has occurred when a financial asset is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

3. 主要會計政策 (續)

金融工具 (續)

金融資產 (續)

金融資產減值 (續)

(i) 信貸風險大幅上升 (續)

本集團定期監察用以識別信貸風險曾否顯著增加的標準的成效，並於適當時候作出修訂，從而確保有關標準能夠於款項逾期前識別信貸風險顯著增加。

(ii) 違約定義

就內部信貸風險管理而言，本集團認為，違約事件在內部制訂或得自外界來源的資料顯示債務人不大可能悉數向債權人(包括本集團)還款(未計及本集團所持任何抵押品)時發生。

不論上述如何，本集團認為，當金融資產逾期超過90日，則發生違約事件，除非本集團另有合理且可支持的資料證明更加滯後的違約標準更為恰當，則作別論。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (Continued)

(iii) Credit-impaired financial assets

A financial asset is credit-impaired when one or more events of default that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- (a) significant financial difficulty of the issuer or the borrower;
- (b) a breach of contract, such as a default or past due event;
- (c) the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
- (d) it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- (e) the disappearance of an active market for that financial asset because of financial difficulties.

3. 主要會計政策 (續)

金融工具 (續)

金融資產 (續)

金融資產減值 (續)

(iii) 已信貸減值金融資產

當一項或多項對金融資產估計未來現金流量造成負面影響的違約事件發生時，即代表金融資產已出現信貸減值。金融資產出現信貸減值的證據包括涉及以下事件的可觀察數據：

- (a) 發行人或借款人遇到重大財政困難；
- (b) 違反合約，如拖欠或逾期的情況；
- (c) 向借款人作出貸款之貸款人出於與借款人財政困難有關的經濟或合約考慮，給予借款人在其他情況下不會作出的讓步；
- (d) 借款人很可能破產或進行其他財務重組；或
- (e) 因財政困難而導致該金融資產失去活躍市場。

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For the year ended 31 March 2020 截至2020年3月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (Continued)

(iv) Write-off policy

The Group writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, for example, when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. A write-off constitutes a derecognition event. Any subsequent recoveries are recognised in profit or loss.

(v) Measurement and recognition of ECL

The measurement of ECL is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information. Estimation of ECL reflects an unbiased and probability-weighted amount that is determined with the respective risks of default occurring as the weights.

Generally, the ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and the cash flows that the Group expects to receive, discounted at the effective interest rate determined at initial recognition.

3. 主要會計政策(續)

金融工具(續)

金融資產(續)

金融資產減值(續)

(iv) 撇銷政策

當有資料顯示對手方陷入嚴重財政困難，且並無實際收回款項的可能時(例如對手方被清盤或進入破產程序)，本集團會撇銷金融資產。經計及在適當情況下的法律意見後，已撇銷的金融資產可能仍可於本集團收回程序下被強制執行。撇銷構成終止確認事件。之後所收回的任何款項於損益內確認。

(v) 計量及確認預期信貸虧損

預期信貸虧損的計量乃違約概率、違約虧損率(即違約造成虧損的幅度)及違約風險的函數。違約概率及違約虧損率乃根據經前瞻性資料調整的歷史數據進行評估。預期信貸虧損的估計反映無偏頗及概率加權數額，其乃根據加權的相應違約風險而釐定。

一般而言，預期信貸虧損為根據合約應付本集團的所有合約現金流量與本集團預期將收取的所有現金流量之間的差額，並按初步確認時釐定的實際利率貼現。

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For the year ended 31 March 2020 截至2020年3月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (Continued)

(v) Measurement and recognition of ECL (Continued)

Debtors with significant outstanding balances or credit impaired were assessed individually. Where ECL is measured on a collective basis or cater for cases where evidence at the individual instrument level may not yet be available, the financial instruments are grouped based on shared credit risk characteristics and days past due.

Interest income is calculated based on the gross carrying amount of the financial asset unless the financial asset is credit impaired, in which case interest income is calculated based on amortised cost of the financial asset.

The Group recognises an impairment gain or loss in profit or loss for all financial instruments by adjusting their carrying amount, with the exception of trade receivables where the corresponding adjustment is recognised through a loss allowance account.

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received is recognised in profit or loss.

3. 主要會計政策 (續)

金融工具 (續)

金融資產 (續)

金融資產減值 (續)

(v) 計量及確認預期信貸虧損 (續)

具有顯著未償還結餘或信貸減值之應收款項乃個別地評估。倘預期信貸虧損按集體基準計量或迎合個別工具水平證據未必存在的情況，則金融工具按共有之信貸風險特點及逾期日數歸類。

利息收入根據金融資產的賬面總值計算，惟金融資產已出現信貸減值的情況則除外，於此情況下，利息收入根據金融資產的攤銷成本計算。

本集團透過調整賬面值於損益確認所有金融工具的減值盈虧，惟貿易應收款項除外，其相關調整乃透過虧損撥備賬予以確認。

終止確認金融資產

僅於從金融資產收取現金流量之合約權利已到期，或本集團轉讓金融資產且於該資產擁有權之絕大部份風險及回報轉移至另一實體時，本集團方終止確認金融資產。

於終止確認按攤銷成本計量的金融資產時，資產賬面值與已收代價之總和之差額，於損益中確認。

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綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued by a group entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs.

Financial liabilities at amortised cost

Financial liabilities including trade payables and other payables and accruals are subsequently measured at amortised cost, using the effective interest method.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

3. 主要會計政策(續)

金融工具(續)

金融負債及權益工具

分類為債務或權益

集團實體發行之債務及權益工具乃根據合約安排之內容與金融負債及權益工具的定義分類為金融負債或權益。

權益工具

權益工具指能證明擁有實體在減除其所有負債後的資產中的餘剩權益的任何合約。本集團發行之權益工具按收取之所得款項扣除直接發行成本確認。

按攤銷成本計量的金融負債

金融負債包括貿易應付款項及其他應付款項及應計費用，其後採用實際利率法按攤銷成本計量。

終止確認金融負債

當及只有當本集團的責任被履行、消取或已屆滿時本集團會取消確認金融負債。取消確認的金融負債的賬面值與已付及應付代價之間的差額於損益確認。

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綜合財務報表附註

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4. KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in note 3, the Directors are required to make estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The following is the key assumption concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Provision of ECL for other receivable

Other receivable with significant balance and credit-impaired are assessed for ECL individually. The provision rate is based on the Group's historical default rates taking into consideration forward-looking information that is reasonable, supportable and available without undue costs or effort. At every reporting date, the historical observed default rate is reassessed and changes in the forward-looking information are considered.

The provision of ECL is sensitive to changes in estimates. The information about the ECL and the Group's other receivables are disclosed in note 31.

4. 重大估計的不確定性之主要來源

採用附註3所述本集團之會計政策時，董事須就難以自其他來源確定之資產及負債之賬面值作估計及假設。該等估計及有關假設乃根據過往經驗及其他視為相關之因素而作出。實際結果與該等估計或有差異。

各項估計及相關假設會持續檢討。倘會計估計之修訂僅影響修訂該估計之期間，有關修訂則會在該期間確認；倘修訂對當前及未來期間均有影響，則在作出修訂期間及未來期間確認。

有關日後之主要假設及於報告期末估計的不確定性之其他主要來源(具有可導致下一個財政年度之資產及負債賬面值出現大幅調整之重大風險)如下。

其他應收款項的預期信貸虧損撥備

其他應收款項單獨進行預期信貸虧損評估。撥備矩陣以本集團過往違約率為基礎，當中考慮在無需付出過多成本或努力下即可獲得之合理及有理據的前瞻性資料。於各報告日期，過往已觀察之違約率乃作重新評估，並會考慮前瞻性資料之變動。

預期信貸虧損撥備對估計值之變動較為敏感。有關預期信貸虧損及本集團貿易應收款項之資料於附註31內披露。

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綜合財務報表附註

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5. REVENUE AND SEGMENT INFORMATION

The executive directors have been identified as the chief operating decision-maker (“CODM”), responsible for making strategic decisions, allocating resources and assessing performance of the operating segments.

The CODM, who allocates resources and assess performance based on the consolidated financial information for the entire business, considers the Group operates only in the provision of corporate advisory services and money lending. Information reported to the CODM for the purposes of resource allocation and assessment focuses on revenue analysis by services provided. No other discrete financial information is provided other than the Group’s results and financial position as a whole. Accordingly, the Group does not present separate segment information other than entity-wide disclosures, major customers and geographic information.

Revenue represents the net amounts received and receivable for the provision of corporate advisory services and money lending.

An analysis of the Group’s revenue from major services are as follows:

		2020年	2019年
		HK\$’000	HK\$’000
		千港元	千港元
Corporate advisory income	企業顧問收入	15,388	1,630
Loan interest income	貸款利息收入	1,581	2,305
		16,969	3,935
A point in time	某一時間點	15,388	1,630
Over time	隨時間	1,581	2,305
		16,969	3,935

5. 收入及分部資料

執行董事已被視為主要營運決策者，負責作出策略決策、分配資源及評估經營分部的表現。

主要營運決策者（其根據綜合財務資料為整體業務分配資源及評估表現）認為，本集團於本年度的業務僅為提供企業顧問服務及借貸。為分配及評估資源而向主要營運決策者報告的資料側重於按所提供的服務作出的收入分析。除本集團的整體業績及財務狀況外，概無提供其他獨立財務資料。因此，除實體披露事項、主要客戶及地區資料外，本集團並無呈列獨立分部資料。

收入指就提供企業顧問服務及借貸已收及應收的款項淨額。

本集團主要服務收入的分析如下：

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綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

5. REVENUE AND SEGMENT INFORMATION

(Continued)

All services are for periods of one year or less. As permitted under HKFRS 15, the transaction price allocated to these unsatisfied contracts is not disclosed.

Geographical information

(a) Revenue from external customers

		2020年 HK\$'000 千港元	2019年 HK\$'000 千港元
Hong Kong	香港	2,869	2,902
The People's Republic of China (“the PRC”)	中華人民共和國(「中國」)	12,551	628
The United States of America (the “USA”)	美國	1,549	405
		16,969	3,935

The revenue information above is based on the location of the customers.

5. 收入及分部資料(續)

所有服務均為期一年或以下。誠如香港財務報告準則第15號項下所允許，並無披露分攤至該等未完成合約的交易價格。

地區資料

(a) 來自外部客戶的收入

上述收入資料乃基於客戶所在地區呈列。

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綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

5. REVENUE AND SEGMENT INFORMATION

(Continued)

Geographical information (Continued)

(b) Non-current assets

		2020年 HK\$'000 千港元	2019年 HK\$'000 千港元
Hong Kong	香港	7,150	847
Israel	以色列	-	4
		7,150	851

The non-current asset information is based on the location of assets and excludes financial instruments (e.g. loan receivables and deposits).

Information about major customers

Revenue from the major customers amounting to 10% or more of the Group's revenue are set out below:

		2020年 HK\$'000 千港元	2019年 HK\$'000 千港元
Customer A ¹	客戶 A ¹	5,835	-
Customer B ¹	客戶 B ¹	4,296	-
Customer C ¹	客戶 C ¹	2,349	-
Customer D ²	客戶 D ²	-	405
Customer E ¹	客戶 E ¹	-	410
Customer F ³	客戶 F ³	-	2,850

¹ Income from corporate advisory

² Income from loan interest

³ Income from corporate advisory and loan interest

5. 收入及分部資料(續)

地區資料(續)

(b) 非流動資產

非流動資產資料乃基於資產所在地區且並不包括金融工具(如應收貸款及按金)。

主要客戶資料

來自主要客戶(佔本集團收入的10%或以上)的收入載列如下:

¹ 來自企業顧問之收入

² 來自貸款利息之收入

³ 來自企業顧問及貸款利息之收入

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6. NET INVESTMENT INCOME/(LOSS) INTEREST INCOME/OTHER LOSSES

An analysis of the net investment income (loss), interest income and other losses is as follows:

6. 投資收入(虧損)淨額／利息收入／其他虧損

投資收入(虧損)淨額、利息收入以及其他虧損的分析如下：

		2020年 HK\$'000 千港元	2019年 HK\$'000 千港元
Net investment income (loss)	投資收入(虧損)淨額		
Net fair value loss on financial assets at FVTPL	按公平值計入損益的金融資產 公平值虧損淨額	(3,218)	(3,575)
Fair value gain (loss) on convertible loan receivable at FVTPL (Note 18)	按公平值計入損益的應收可換股 貸款的公平值收益(虧損) (附註18)	57,366	(81,419)
Dividend income	股息收入	127	2
		54,275	(84,992)
Interest income	利息收入		
Interest income from financial assets at amortised cost	按攤銷成本的金融資產的 利息收入		
— Bank deposits	— 銀行存款	5,325	9,009
Interest income from financial assets at FVTPL	按公平值計入損益的 金融資產的利息收入		
— Structured deposit	— 結構性存款	8,828	—
		14,153	9,009
Other losses	其他虧損		
Loss on disposal of plant and equipment	出售廠房及設備的虧損	—	(7,180)
Loss on exchange differences	匯兌差額的虧損	(16,122)	(8,903)
Loss on early termination of operating lease agreements	提早終止經營租賃協議的虧損	—	(8,862)
Loss on deregistration of subsidiaries	註銷附屬公司虧損	(3,110)	—
		(19,232)	(24,945)

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7. INCOME TAX EXPENSE

7. 所得稅開支

		2020年 HK\$'000 千港元	2019年 HK\$'000 千港元
Current tax:	即期稅項：		
PRC Enterprise Income Tax ("EIT")	中國企業所得稅	2,175	635
The USA Federal, State New York City Income Tax	美國聯邦、州及紐約市所得稅	-	15
United Kingdom ("UK") Corporation Tax	英國企業稅項	-	136
Israel Corporation Tax	以色列企業稅項	-	18
		2,175	804
(Over) under provision in prior years	過往年度撥備(超額)不足		
Hong Kong Profits Tax	香港利得稅	-	9
EIT	企業所得稅	831	-
UK Corporation Tax	英國企業稅項	(2,815)	-
		(1,984)	9
Income tax expense	所得稅開支	191	813

On 21 March 2018, the Hong Kong Legislative Council passed The Inland Revenue (Amendment) (No. 7) Bill 2017 (the "Bill") which introduces the two-tiered profits tax rates regime. The Bill was signed into law on 28 March 2018 and was gazetted on the following day. Under the two-tiered profits tax rates regime, the first HK\$2 million of profits of the qualifying group entity is taxed at 8.25%, and profits above HK\$2 million is taxed at 16.5%. The profits of group entities not qualifying for the two-tiered profits tax rates regime continues to be taxed at a flat rate of 16.5%.

The Directors considered the amount involved upon implementation of the two-tiered profits tax rates regime as insignificant to the consolidated financial statements. Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profit for both years.

於2018年3月21日，香港立法會通過《2017年稅務(修訂)(第7號)條例草案》(「條例草案」)，其引入利得稅兩級制。該條例草案於2018年3月28日獲簽署成為法律且於翌日在憲報刊登。根據利得稅兩級制，合資格集團實體的首筆2百萬港元溢利以8.25%的稅率徵稅，而超過2百萬港元之溢利以16.5%的稅率徵稅。不符合利得稅兩級制資格的集團實體的溢利繼續按16.5%的統一稅率徵稅。

董事認為，實行利得稅兩級制所涉及之金額，對綜合財務報表而言並不重大。該兩個年度的香港利得稅按估計應評稅溢利的16.5%計算。

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7. INCOME TAX EXPENSE (Continued)

Under the Law of the PRC on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% for both years.

The U.S. Tax Cuts and Jobs Act (the "Act") was enacted into law on 22 December 2017. The Act includes significant changes to the U.S. corporate income tax system that are effective on 1 January 2018, including a reduction of the U.S. corporate income tax rate from 35% to 21%. The Directors considered the Act has no significant impact to the consolidated financial statements.

The corporation tax rate in the UK is 19% for both years.

The corporation tax rate in the Israel is 23% for both years.

The tax charge for the year can be reconciled to the profit (loss) before tax per the consolidated statement of profit or loss and other comprehensive income as follows:

7. 所得稅開支(續)

根據中國企業所得稅法(「企業所得稅法」)及企業所得稅法實施條例，該兩個年度中國附屬公司的稅率為25%。

美國減稅與就業法案(「法案」)於2017年12月22日立法生效。該法案涵蓋有關美國企業所得稅制度由2018年1月1日起生效的重大變動，包括將美國企業所得稅率由35%減至21%。董事認為，該法案不會對綜合財務報表產生重大影響。

該兩個年度英國的企業稅率均為19%。

該兩個年度以色列的企業稅率均為23%。

本年度稅項開支可與綜合損益及其他全面收益表之除稅前溢利(虧損)對賬如下：

		2020年 HK\$'000 千港元	2019年 HK\$'000 千港元
Profit (loss) before tax	除稅前溢利(虧損)	1,780	(283,896)
Tax calculated at domestic income tax rates of 16.5%	按本地所得稅稅率16.5%計算的稅項	294	(46,843)
(Over) under provision in prior year	過往年度撥備(超額)不足	(1,984)	9
Tax effect of income not taxable for tax purpose	毋須課稅收入之稅務影響	(10,164)	(477)
Tax effect of expenses not deductible for tax purpose	不可扣稅開支之稅務影響	564	17,784
Utilisation of tax losses previously not recognised	動用先前未確認的稅項損失	(207)	(26)
Tax effect of unused tax losses not recognised	未確認尚未動用稅項損失之稅務影響	10,986	30,358
Effect of different tax rates of subsidiaries operating in other jurisdictions	其他司法權區營運附屬公司稅率不同之影響	751	(307)
Others	其他	(49)	315
Income tax expense for the year	本年度所得稅開支	191	813

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7. INCOME TAX EXPENSE (Continued)

As at 31 March 2020, the Group has tax losses of approximately HK\$537,226,000 (2019: HK\$496,656,000) incurred by the Company and its subsidiaries which are subject to the approval by the relevant tax authority. No deferred tax has been recognised in respect of tax losses due to unpredictability of future profit streams. The tax losses may be carried forward indefinitely.

7. 所得稅開支(續)

於2020年3月31日，本集團因本公司及其附屬公司而產生稅項虧損約537,226,000港元(2019年：496,656,000港元)，惟相關金額須經有關稅務機關批准。由於未來溢利流不可預測，故本集團並未就稅項虧損確認遞延稅項。稅項虧損可無限期結轉。

8. PROFIT (LOSS) FOR THE YEAR

The Group's profit (loss) for the year has been arrived at after charging:

8. 年內溢利(虧損)

本集團的年內溢利(虧損)經扣除下列各項：

		2020年 HK\$'000 千港元	2019年 HK\$'000 千港元
Auditor's remuneration	核數師酬金	1,823	1,080
Legal and professional fees	法律及專業費用	31,627	50,263
Employee benefit expense (including Directors' remuneration (note 9)):	僱員福利開支(包括董事薪酬(附註9)):		
— Salaries, wages and allowances	— 工資、薪金及津貼	20,292	72,450
— Discretionary bonus	— 酌情花紅	231	6,543
— Retirement benefits scheme contributions	— 退休福利計劃供款	278	261
Interest on lease liabilities	租賃負債之利息	206	—
Depreciation of plant and equipment (note 13)	廠房及設備折舊(附註13)	290	2,057
Depreciation of right-of-use assets (note 15)	使用權資產折舊(附註15)	3,942	—

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9. DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS

Directors' and chief executive's remuneration for the year, disclosed pursuant to the applicable GEM Listing Rules and the CO, is as follows:

Year ended 31 March 2020

9. 董事及最高行政人員酬金

根據適用GEM上市規則及公司條例披露的董事及最高行政人員年度薪酬如下：

截至2020年3月31日止年度

Name of director	Directors' fees	Salaries and other benefits	Discretionary bonuses	Retirement benefits scheme contributions	Other emoluments paid or payable in respect of Director's other services in connection with the management of the affairs of the Company or its subsidiary undertaking (就董事其他服務(與管理本公司或其附屬公司事宜相關)之其他已付或應付酬金)	Total remuneration
董事姓名	董事袍金 HK\$'000 千港元	薪金及其他福利 HK\$'000 千港元	酌情發放的花紅 HK\$'000 千港元 (Note 3) (附註3)	退休福利計劃供款 HK\$'000 千港元	之其他已付或應付酬金 HK\$'000 千港元	薪酬總額 HK\$'000 千港元
Executive Directors (Note 1)						
Mr. NIU Zhanbin (appointed on 29 August 2019)	-	1,585	-	8	-	1,593
Mr. WU Hui (appointed on 29 August 2019)	-	455	-	12	-	467
Mr. JIANG Yulin (chief executive officer) (appointed on 26 March 2020)	-	55	-	-	-	55
Ms. Duan Di (resignation effective on 29 August 2019)	840	-	-	-	-	840
Ms. Zhang Yun (resignation effective on 29 August 2019)	574	-	-	-	-	574
	1,414	2,095	-	20	-	3,529
Independent Non-executive Directors (Note 2)						
Mr. Stephen Markscheid	788	-	-	-	-	788
Mr. Zhang Weidong	788	-	-	-	-	788
Mr. Zhang Longgen	788	-	-	-	-	788
	2,364	-	-	-	-	2,364
Non-executive Director						
Mr. Fu Chi King Johnson	240	-	-	-	-	240
	4,018	2,095	-	20	-	6,133

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9. DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS (Continued)

Year ended 31 March 2019

9. 董事及最高行政人員酬金(續)

截至2019年3月31日止年度

Name of director	Directors' fees	Salaries and other benefits	Discretionary bonuses	Retirement scheme contributions	Other emoluments paid or payable in respect of Director's other services in connection with the management of the affairs of the Company or its subsidiary undertaking	Total remuneration
董事姓名	董事袍金	薪金及其他福利	酌情發放的花紅	退休福利計劃供款	之其他已付或應付酬金	薪酬總額
	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元 (Note 3) (附註3)	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Executive Directors (Note 1)	執行董事(附註1)					
Ms. Duan Di (chief executive officer)	段迪女士(行政總裁)	2,062	-	-	-	2,062
Ms. Zhang Yun	張韻女士	1,406	-	-	-	1,406
Mr. Chen Jianfeng Peter (Note 4) (resignation effective on 1 November 2018)	陳劍鋒先生(附註4) (於2018年11月1日離任)	-	5,183	2,000	15	2,500
		3,468	5,183	2,000	15	2,500
						13,166
Independent Non-executive Directors (Note 2)	獨立非執行董事(附註2)					
Mr. Stephen Markscheid	Stephen Markscheid先生	788	-	-	-	788
Mr. Zhang Weidong	張衛東先生	788	-	-	-	788
Mr. Zhang Longgen	張龍根先生	788	-	-	-	788
		2,364	-	-	-	-
						2,364
Non-executive Director	非執行董事					
Mr. Fu Chi King Johnson (appointed on 28 March 2019)	符致京先生(於2019年 3月28日獲委任)	2	-	-	-	-
		2	-	-	-	-
		5,834	5,183	2,000	15	2,500
						15,532

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For the year ended 31 March 2020 截至2020年3月31日止年度

9. DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS (Continued)

Note 1: The chief executive officer's emoluments and executive directors' emoluments shown above were for their services in connection with the management of the affairs of the Company and its subsidiaries.

Note 2: The independent non-executive directors' emoluments shown above were for their services as Directors.

Note 3: Bonuses are discretionary and are based on the Group's performance for the year.

Note 4: Salaries and other benefits paid to Mr. Chen Jianfeng Peter include his service in connection with the management of the affairs of the Company and the payments made in respect of his loss of office, amounting to approximately HK\$2,500,000, during the year ended 31 March 2019.

There was no arrangement under which any Directors waived or agreed to waive any remuneration during both years.

None of the Directors received or will receive inducement fees for accepting of office as directors.

Details of the material interests of the Directors in transactions, arrangements and contracts entered into by the Group are set out in note 33.

9. 董事及最高行政人員酬金 (續)

附註1: 上文所示行政總裁及執行董事之酬金乃就其管理本公司及其附屬公司事務所作之服務而提供。

附註2: 上述獨立非執行董事之酬金乃因其擔任董事而提供。

附註3: 花紅基於本集團年度表現酌情決定。

附註4: 截至2019年3月31日止年度，支付予陳劍鋒先生的薪金及其他福利包括就其管理本公司事務及其離職而作出的付款約2,500,000港元。

概無任何董事於該兩個年度放棄或同意放棄任何薪酬的安排。

概無董事收取或將收取款項作為董事入職獎勵。

董事於本集團訂立的交易、安排及合約中的重大權益詳情載於附註33。

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10. FIVE HIGHEST PAID EMPLOYEES

The five highest paid employees of the Group during the year included one (2019: one) Director, details of whose remuneration are set out in note 9 above. Details of the remuneration for the year of the remaining four (2019: four) highest paid employees who are neither a Director nor chief executive of the Company are as follows:

		2020年 HK\$'000 千港元	2019年 HK\$'000 千港元
Salaries, allowances and benefits in kind	薪金、津貼及實物利益	5,879	26,187
Discretionary bonus	酌情發放的花紅	153	9,674
Retirement benefits	退休福利	62	36
		6,094	35,897

The number of the highest paid employees who are not the Directors whose remuneration fell within the following bands is as follows:

10. 五位最高薪酬僱員

年內，本集團五位最高薪酬員工包括1位(2019年：1位)董事，其薪酬詳情載於上文附註9。年內，餘下4位(2019年：4位)非本公司董事或最高行政人員最高薪酬僱員的薪酬詳情如下：

非董事且酬金在下列範圍內的最高薪酬僱員人數如下：

		Number of employees 僱員數目	
		2020年	2019年
HK\$1,000,001 to HK\$1,500,000	1,000,001 港元至 1,500,000 港元	3	-
HK\$2,000,001 to HK\$2,500,000	2,000,001 港元至 2,500,000 港元	1	1
HK\$5,000,001 to HK\$5,500,000	5,000,001 港元至 5,500,000 港元	-	1
HK\$12,500,001 to HK\$13,000,000	12,500,001 港元至 13,000,000 港元	-	1
HK\$14,500,001 to HK\$15,000,000	14,500,001 港元至 15,000,000 港元	-	1

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11. DIVIDENDS

No dividend was paid or proposed for ordinary shareholders of the Company during the year ended 31 March 2020, nor has any dividend been proposed since the end of the reporting period (2019: nil).

11. 股息

截至2020年3月31日止年度並無向本公司普通股股東支付或提議派付股息，自報告期末以來亦無提議派發任何股息(2019年：無)。

12. EARNINGS (LOSSES) PER SHARE

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

12. 每股盈利(虧損)

本公司擁有人應佔每股基本及攤薄盈利(虧損)乃根據以下數據計算。

		2020年 HK\$'000 千港元	2019年 HK\$'000 千港元
Earnings (losses):	盈利(虧損)：		
Profit (losses) for the year attributable to owners of the Company	本公司擁有人應佔年內溢利(虧損)	1,589	(284,709)
		2020年	2019年
Number of shares:	股份數目：		
Weighted average number of ordinary shares for the purposes of calculating basic and diluted earnings (losses) per share	就計算每股基本及攤薄盈利(虧損)之普通股加權平均數	3,550,496,836	3,550,496,836

Diluted earnings (losses) per share amount was the same as basic earnings (losses) per share amount as there were no potential dilutive ordinary shares outstanding for the year ended 31 March 2020 (2019: nil).

由於截至2020年3月31日止年度並無潛在已發行攤薄普通股(2019年：無)，故每股攤薄盈利(虧損)與每股基本盈利(虧損)相同。

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13. PLANT AND EQUIPMENT

13. 廠房及設備

		Leasehold improvements 租賃物業裝修 HK\$'000 千港元	Furniture, fixtures and equipment 傢俬、裝置及設備 HK\$'000 千港元	Motor vehicles 汽車 HK\$'000 千港元	Total 總計 HK\$'000 千港元
COST	成本				
At 1 April 2018	於2018年4月1日	2,185	9,631	707	12,523
Additions	添置	711	113	-	824
Disposals/Written-off	出售/報廢	(2,194)	(8,439)	(707)	(11,340)
Exchange realignment	匯兌調整	9	(418)	-	(409)
At 31 March 2019	於2019年3月31日	711	887	-	1,598
Adjustment upon application of HKFRS 16	於應用香港財務報告準則第16號時作出的調整	(435)	-	-	(435)
At 1 April 2019 (restated)	於2019年4月1日(經重列)	276	887	-	1,163
Additions	添置	-	60	-	60
Disposals	出售	-	(9)	-	(9)
At 31 March 2020	於2020年3月31日	276	938	-	1,214
ACCUMULATED DEPRECIATION	累計折舊				
At 1 April 2018	於2018年4月1日	271	2,069	153	2,493
Provided for the year	年內撥備	351	1,635	71	2,057
Disposals/Written-off	出售/報廢	(564)	(2,914)	(224)	(3,702)
Exchange realignment	匯兌調整	2	(103)	-	(101)
At 31 March 2019	於2019年3月31日	60	687	-	747
Adjustment upon application of HKFRS16	於應用香港財務報告準則第16號時作出的調整	(36)	-	-	(36)
At 1 April 2019 (restated)	於2019年4月1日(經重列)	24	687	-	711
Provided for the year	年內撥備	92	198	-	290
Disposals	出售	-	(9)	-	(9)
At 31 March 2020	於2020年3月31日	116	876	-	992
CARRYING VALUES	賬面值				
At 31 March 2020	於2020年3月31日	160	62	-	222
At 31 March 2019	於2019年3月31日	651	200	-	851

The above items of plant and equipment are depreciated on a straight-line basis at the following rates per annum:

上述廠房及設備項目按直線法按以下年率折舊：

Leasehold improvements	Over the shorter of lease term or 20%	租賃物業裝修	按租期或20%(以較短者為準)
Furniture, fixtures and equipment	20% to 50%	傢俬、裝置及設備	20%至50%
Motor vehicles	20%	汽車	20%

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14. LOAN RECEIVABLES

14. 應收貸款

		2020年 HK\$'000 千港元	2019年 HK\$'000 千港元
Fixed-rate loan receivables	應收定息貸款	17,168	16,002

On 22 May 2018, the Group has signed an ancillary transaction agreements with Aretex Capital Partners, LP (“Aretex Capital”) include a loan commitment agreement in which the Company agreed to advance an amount of US\$2,000,000 (equivalent to approximately HK\$15,600,000) for a term of 7 years at an interest rate of 9.5% per annum payable on a quarterly basis to affiliates of Aretex Capital so that they can make capital contributions in order to satisfy the requirements of certain fund partnership agreements for their investments in, among others, the acquisition of GKD Index Partners, LLC’s equity interests (conducting its business under the name “Alerian”).

As at 31 March 2020, the carrying amount of loan receivables amount to HK\$17,168,000 (2019: HK\$16,002,000). The loan receivables are secured by the partnership interest in Aretex Capital. The borrowers are not permitted to sell or repledge the pledged interest in Aretex Capital and its affiliates, and Aretex Capital has certain equity interest of Alerian. There has not been any significant changes in the quality of the collateral held for the loan receivables. The Group has not recognised a loss allowance for the loan receivables as the amount is insignificant.

Details of impairment assessment are set out in note 31.

於2018年5月22日，本集團與Aretex Capital Partners, LP(「Aretex Capital」)簽訂的附屬交易協議包括貸款承諾協議，據此本公司同意按年利率9.5%向Aretex Capital的聯繫人墊付一筆為期7年的2,000,000美元(相當於約15,600,000港元)款項，利息應按季度支付，以便彼等可作出注資以滿足彼等投資項目的若干基金合夥協議的要求，其中包括收購GKD Index Partners, LLC的股權(以「Alerian」的名義進行業務)。

於2020年3月31日，應收貸款的賬面值為17,168,000港元(2019：16,002,000港元)。應收貸款以Aretex Capital的合夥權益作抵押。借款人不得出售或再抵押Aretex Capital及其聯屬公司的抵押權益，而Aretex Capital擁有Alerian的若干股權。就應收貸款所持抵押品之質量並無任何重大變動。本集團並未就應收貸款確認虧損撥備，因為金額並不重大。

減值評估詳情載於附註31。

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For the year ended 31 March 2020 截至2020年3月31日止年度

15. RIGHT-OF-USE ASSETS

15. 使用權資產

		Office premise 辦公室物業 HK\$'000 千港元
As at 1 April 2019	於2019年4月1日	
Carrying amount	賬面值	10,870
As at 31 March 2020	於2020年3月31日	
Carrying amount	賬面值	6,928
For the year ended 31 March 2020	截至2020年3月31日止年度	
Depreciation charge	折舊費用	3,942
Total cash outflow for leases	租賃現金流出總額	4,048

For both years, the Group leases office premise for its operations. Lease contract is entered into for a fixed term of 3 years. Lease terms are negotiated on an individual basis. In determining the lease term and assessing the length of the non-cancellable period, the Group applies the definition of a contract and determines the period for which the contract is enforceable.

兩年間，本集團租賃辦公室物業作其營運。已簽訂固定期限為3年的租賃合約。租期乃在個別基礎上協商。於釐定租期及評估不可撤回期間的長度時，本集團應用合同的定義並釐定合同可強制執行的期間。

16. DEPOSITS

16. 按金

		2020年 HK\$'000 千港元	2019年 HK\$'000 千港元
Rental and management fee deposits	租金及管理費按金	2,236	2,236
Others	其他	5	105
		2,241	2,341

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17. TRADE RECEIVABLES

17. 貿易應收款項

		2020年 HK\$'000 千港元	2019年 HK\$'000 千港元
Contract with customers	與客戶的合約	3,513	52

The Group's trade receivables arose generally from the provision of corporate advisory services.

The Group's normal trading term with its customers is that payment is 90 days or due upon the issuance of invoices. The Group seeks to maintain strict control over its outstanding receivables. Overdue balances are reviewed regularly by senior management and executives responsible for the related revenue. The trade receivables amount has been received in full subsequent to the year ended 31 March 2020.

All trade receivables are aged within 90 days based on invoice date at the end of the reporting period.

All of the Group's trade receivables as at 31 March 2020 and 2019 were within their credit terms with no default history. The Group does not hold any collateral or credit enhancements over these balances.

Details of impairment assessment are set out in note 31.

本集團的貿易應收款項一般來自提供企業顧問服務。

本集團與其客戶的一般貿易條款為付款須於90日內支付或須於發出發票時到期支付。本集團謀求維持嚴格監控未償還的應收款項。逾期末付結餘由負責相關收入的高級管理人員及執行人員定期檢討。貿易應收款項金額已於截至2020年3月31日止年度後悉數收回。

按發票日期計算，所有貿易應收款項於報告期間結算日之賬齡均為90日內。

本集團於2020年3月31日及2019年3月31日之所有貿易應收款項均在其信貸期內，並無違約記錄。本集團並未就此等結餘獲得任何擔保或信用增級。

貿易款項減值評估之進一步詳情載於附註31。

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18. CONVERTIBLE LOAN RECEIVABLE AT FVTPL

18. 按公平值計入損益的應收可換股貸款

		2020年 HK\$'000 千港元	2019年 HK\$'000 千港元
Convertible loan receivable at FVTPL	按公平值計入損益的應收 可換股貸款	-	167,986

On 7 September 2017, ZZCI Corporate Services Limited (the "Lender" or "ZZCICS"), an indirect wholly-owned subsidiary of the Company, entered into a loan agreement ("Loan Agreement") and a security agreement ("Security Agreement") over shares with Geoswift Holding Limited (the "Borrower"), an independent third party of the Group, pursuant to which the Lender agreed to grant a loan facility of up to US\$31,000,000 to the Borrower for a term of 18 months at interest rate of 7% per annum ("PayEase Loan") with 3,053 shares of Geopay Holding Limited ("Geopay") registered in the name of the Borrower that are mortgaged and charged in favour of the Lender as collateral ("Collateral"). The provision of the loan facility allows the Borrower to fund Geopay to finance the payment of part of the consideration for the acquisition of PayEase Beijing (HK) Limited and PayEase (Hong Kong) Limited which was completed by Geopay on 11 December 2017. In connection with the loan facility, on 7 September 2017, the Borrower granted a call option over 2,000 ordinary shares out of 10,000 shares of Geopay to the Lender, representing a 20% interest in Geopay, at an exercise price of US\$31,000,000. The total number of outstanding shares of Geopay can be increased to 13,000 at the discretion of Geopay as permitted in the agreement, resulting in a conversion of the Group's interest over Geopay to below 20% at the time of exercise of the call option by the Group.

於2017年9月7日，中植資本企業服務有限公司（「貸款人」或「中植資本企業服務」，本公司的一間間接全資附屬公司）與Geoswift Holding Limited（「借款人」，本集團的獨立第三方）訂立貸款協議（「貸款協議」）及股份抵押協議（「抵押協議」），據此，貸款人同意向借款人授出最多為31,000,000美元的貸款融資，為期18個月，年利率為7厘（「PayEase貸款」），有關貸款以借款人名義登記的3,053股Geopay Holding Limited（「Geopay」）股份作抵押，該等股份已以貸款人為受益人作抵押及押記（「抵押品」）。貸款融資讓借款人可為Geopay提供資金支付收購PayEase Beijing (HK) Limited和首信易支付（香港）有限公司的部分代價，由Geopay於2017年12月11日完成。就貸款融資而言，於2017年9月7日，借款人向貸款人授出10,000股Geopay股份中的2,000股普通股的認購期權，相當於所持Geopay 20%權益，其行使價為31,000,000美元。在協議允許的情況下，Geopay可酌情將其已發行股份總數增加至13,000股，導致本集團於Geopay的權益於本集團行使認購期權時轉為低於20%。

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18. CONVERTIBLE LOAN RECEIVABLE AT FVTPL (Continued)

As at 31 March 2019, management performed a fair value assessment of the convertible loan receivable at FVTPL based on binomial option pricing model. As the Borrower had defaulted the principal payment and interest of the PayEase Loan due in March 2019, management considered the debt of the convertible loan receivable at FVTPL would have a minimal value. Therefore, the significant input was the equity value of Geopay. Management had engaged an independent firm of professionally qualified valuers to perform a valuation of Geopay using the discounted cash flow model under the income approach.

The equity value of Geopay was determined based on a financial forecast of Collateral business covering a five-year period and a pre-tax discount rate of 21.80%. The remaining forecast cash flows beyond that five-year period were extrapolated for a steady revenue growth rate of 2% thereafter. Based on the fair value assessment, the Group recognised a fair value loss of HK\$81,419,000 on the convertible loan receivable at FVTPL for the year ended 31 March 2019.

The PayEase Loan is a level 3 financial instrument and change in fair value of the convertible loan receivable at FVTPL are affected by the significant unobservable inputs of the binominal model including the financial forecast of Collateral business and the pre-tax discount rate used in determining the equity value of Geopay. The higher the equity value of Geopay, the higher the fair value of the convertible loan receivable at FVTPL. If the equity value of Geopay used was 5% higher/lower while all the other variables were held constant, the carrying amount of the convertible loan receivable at FVTPL would increase by approximately HK\$8,399,000/decrease by approximately HK\$8,399,000.

18. 按公平值計入損益的應收可換股貸款(續)

於2019年3月31日，管理層根據二項式期權定價模型對按公平值計入損益的應收可換股貸款進行公平值評估。由於借款人已拖欠支付於2019年3月到期的PayEase貸款的本金及利息，故管理層認為按公平值計入損益的應收可換股貸款的債務價值極低。因此，主要輸入數據為Geopay的股權價值。管理層已委聘一間獨立合資格估值師公司，根據收入法採用貼現現金流量模型，對Geopay進行估值。

Geopay的股權價值乃根據涵蓋五年期間的抵押品業務的財務預測及稅前貼現率21.80%釐定。超過該五年期間的餘下預測現金流量被推斷其後的穩定收益增長率為2%。根據公平值評估，本集團於截至2019年3月31日止年度就按公平值計入損益的應收可換股貸款確認公平值虧損81,419,000港元。

PayEase貸款乃一種第3級金融工具，而按公平值計入損益的應收可換股貸款的公平值變動則受二項式模型的重大不可觀察輸入數據所影響，包括抵押品業務的財務預測及用於釐定Geopay股權價值的稅前貼現率。Geopay的股權價值越高，則按公平值計入損益的應收可換股貸款的公平值便越高。倘所使用的Geopay股權價值上升/下降5%而所有其他變量維持不變，則按公平值計入損益的應收可換股貸款的賬面值將會增加約8,399,000港元/減少約8,399,000港元。

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18. CONVERTIBLE LOAN RECEIVABLE AT FVTPL (Continued)

On at 31 March 2020, ZZCICS entered into an assignment and assumption deed with Dragon Ocean Development Ltd. ("Dragon Ocean"), an independent third party of the Group, pursuant to which ZZCICS has agreed to assign, and Dragon Ocean has agreed to accept the assignment of, the ZZCICS's right, title, benefits and interests in Loan Agreement and Security Agreement at cash consideration of US\$28,000,000 (equivalent to approximately HK\$217,120,000), which is included in other receivable as at 31 March 2020. A fair value gain of HK\$57,366,000 has been recognised. Subsequent to the year ended 31 March 2020, the consideration was fully settled by Dragon Ocean.

Details of the above transaction were disclosed in the announcement of the Company dated 7 September 2017 and 31 March 2020.

18. 按公平值計入損益的應收可換股貸款(續)

於2020年3月31日，中植資本企業服務與海龍發展有限公司(「海龍」)(本集團的獨立第三方)訂立轉讓及承擔契據，據此中植資本企業服務已同意轉讓，而海龍已同意以現金代價28,000,000美元(相當於約217,120,000港元)接納中植資本企業服務轉讓於貸款協議及股份抵押協議的權利、所有權、利益及權益，有關代價計入於2020年3月31日之其他應付款項。57,366,000港元的公平值收益已被確認。於截至2020年3月31日止年度後，有關代價已由海龍全數結付。

以上交易詳情於本公司日期為2017年9月7日及2020年3月31日之公告披露。

19. OTHER ASSETS AND RECEIVABLES

19. 其他資產及應收款項

		2020年 HK\$'000 千港元	2019年 HK\$'000 千港元
Prepayments	預付款項	883	819
Refundable rental and management fee deposits	可退還租金及管理費按金	-	36,037
Other receivable (note)	其他應收款項(附註)	217,120	-
Others	其他	3,539	3,717
		221,542	40,573

Note: As at 31 March 2020, the balance represents consideration receivable from Dragon Ocean, in connection with the assignment of the Group's convertible loan receivable. The amount has been received in full subsequent to the year ended 31 March 2020. Details are set out in note 18 to the consolidated financial statements.

附註：於2020年3月31日，有關結餘為來自海龍與本集團有關轉讓應收可換股貸款的應收代價。該款項已於截至2020年3月31日止年度後悉數收回。詳情載於綜合財務報表附註18。

Details of impairment assessment are set out in note 31.

其他資產及應收款項之進一步詳情載於附註31。

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綜合財務報表附註

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20. FINANCIAL ASSETS AT FVTPL

20. 按公平值計入損益的金融資產

		2020年 HK\$'000 千港元	2019年 HK\$'000 千港元
Hong Kong and the USA listed equity investments classified as held for trading, at quoted market price	分類為持作買賣之香港及美國上市股權投資，按所報市價	3,584	6,828

These investments include listed securities in Hong Kong of HK\$2,328,000 (2019: HK\$3,444,000) and listed securities in the USA of HK\$1,256,000 (2019: HK\$3,384,000), which are level 1 financial instruments and the fair value are based on the quoted bid prices in an active market. There are no significant unobservable inputs.

該等投資包括香港上市證券2,328,000港元(2019年：3,444,000港元)及美國上市證券1,256,000港元(2019年：3,384,000港元)，均為第1級金融工具，而其公平值乃基於活躍市場的報價得出。概無重大不可觀察輸入數據。

21. CASH HELD ON BEHALF OF CLIENTS

21. 代客戶持有之現金

The Group's licensed subsidiary maintains segregated trust accounts with a licensed bank to hold clients' monies arising from its normal course of business. The Group has classified the clients' monies as cash held on behalf of clients under the current assets section of the consolidated statement of financial position, and recognised the corresponding payables to the respective clients as trade payables on the grounds that it is liable for any loss or misappropriation of clients' monies. The Group is not allowed to use clients' monies to settle its own obligations.

本集團的持牌附屬公司於持牌銀行開設獨立信託賬戶，以存放其日常業務過程中產生的客戶款項。本集團已將客戶款項分類為綜合財務狀況表流動資產項目下代客戶持有之現金，且由於須對客戶款項遭受損失或被挪用而承擔責任，因此會按各相關客戶確認相應的應付賬項作為貿易應付款項。本集團不得使用客戶款項清償其自身債務。

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22. BANK BALANCES AND CASH

22. 銀行結餘及現金

		2020年 HK\$'000 千港元	2019年 HK\$'000 千港元
Restricted bank balances	受限制銀行結餘	5,310	5,492
Short-term bank deposits	短期銀行存款		
— with original maturity within three months	— 原到期日於三個月內	209,950	201,775
Bank balances and cash	銀行結餘及現金	258,793	270,384
		474,053	477,651

Bank balances carry interest at floating rates of 0.01% (2019: 0.01) per annum.

銀行結餘按年浮動利率0.01% (2019年：0.01%)計息。

As at 31 March 2020, the short-term bank deposits with an original maturity of three months or less amounted to HK\$209,950,000 (2019: HK\$201,775,000). Term deposits bear interest rates ranging from 1.46% to 2.80% (2019: from 1.03% to 2.70%) per annum.

於2020年3月31日，原到期日為三個月或以內的短期銀行存款為209,950,000港元 (2019年：201,775,000港元)。定期存款的年利率介乎1.46%至2.80% (2019年：由1.03%至2.70%)。

23. TRADE PAYABLES

23. 貿易應付款項

Included in trade payables are payables for clients monies of approximately HK\$3,000 (2019: HK\$3,000) which are segregated in the trust accounts.

列入貿易應付款項為客戶款項之應付款項約3,000港元 (2019年：3,000港元)，單獨計入信託賬戶。

24. OTHER PAYABLES AND ACCRUALS

24. 其他應付款項及應計費用

		2020年 HK\$'000 千港元	2019年 HK\$'000 千港元
Other payables and accruals	其他應付款項及應計費用	11,433	5,200

All other payables are non-interest-bearing and have a term of one month to twelve months in both years.

於該兩個年度所有其他應付款項為免息及償還期限為一個月至十二個月。

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For the year ended 31 March 2020 截至2020年3月31日止年度

25. LEASE LIABILITIES**25. 租賃負債**

		2020 HK\$'000 千港元
Lease liabilities payable:	應付租賃負債：	
Within one year, shown under current liabilities	一年內，列於流動負債下	3,931
Within a period of more than one year but not more than two years, shown under non-current liabilities	多於一年但不超過兩年的期間內，列於非流動負債下	3,007
		6,938

26. SHARE CAPITAL**26. 股本**

		Number of shares 股份數目	Amount 金額 HK\$'000 千港元
Ordinary shares of HK\$0.01 each	每股0.01港元的普通股		
Authorised:	法定：		
As at 1 April 2018, 31 March 2019, 1 April 2019 and 31 March 2020	於2018年4月1日、2019年 3月31日、2019年4月1日 及2020年3月31日	10,000,000,000	100,000
Issued and fully paid:	已發行及繳足：		
As at 1 April 2018, 31 March 2019, 1 April 2019, and 31 March 2020	於2018年4月1日、2019年 3月31日、2019年4月1日 及2020年3月31日	3,550,496,836	35,505

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27. SHARE OPTION SCHEME

On 7 June 2010, the Company adopted a share option scheme which became effective on 18 June 2010 (the "Share Option Scheme") and, unless otherwise cancelled or amended, will remain in force for 10 years from the date of Listing. The Share Option Scheme has expired on 18 June 2020. No share option has been granted since the adoption of the Share Option Scheme.

The maximum number of unexercised share options currently permitted to be granted under the Share Option Scheme and any other share option scheme of the Company is an amount equivalent, upon their exercise, to 120,000,000 Shares, being 10% of the shares of the Company in issue as at the date of approval of the Share Option Scheme. Before its expiry, the total number of shares available for issue under the Share Option Scheme is 120,000,000 Shares, representing 3.38% of the existing issued share capital of the Company. The maximum number of Shares issuable under share options to each eligible participant in the Share Option Scheme and any other share option scheme of the Company within any 12-month period, is limited to 1% of the shares of the Company in issue at any time. Any further grant of share options in excess of these limits are subject to shareholders' approval in a general meeting with such participant and his/her associates abstaining from voting.

27. 認股權計劃

於2010年6月7日，本公司採納一項認股權計劃，其於2010年6月18日生效（「認股權計劃」），而除非另有註銷或修訂，其將自上市日期起生效10年。認股權計劃已於2020年6月18日失效。自採納認股權計劃以來並無授出任何認股權。

現時獲許可根據認股權計劃及本公司任何其他認股權計劃授出的尚未行使認股權最高數目為相等於120,000,000股股份（即其獲行使後本公司於批准認股權計劃當日已發行股份的10%）。失效前，認股權計劃項下可予發行股份總數為120,000,000股股份，相當於本公司現有已發行股本的3.38%。根據認股權在任何12個月期間內可發行予認股權計劃及本公司任何其他認股權計劃各合資格參與者的股份最高數目限於本公司任何時間已發行股份的1%。任何進一步授出超過此限額的認股權須於股東大會上經股東批准（相關參與者及其聯繫人士須放棄投票）。

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27. SHARE OPTION SCHEME (Continued)

Share options granted to a Director, chief executive or substantial shareholder of the Company, or to any of their associates, are subject to approval in advance by the independent non-executive Directors (excluding any independent non-executive director who is a prospective grantee). In addition, any share options granted under the Share Option Scheme and any other share option scheme of the Company to a substantial shareholder or an independent non-executive director of the Company, or to any of their associates, in excess of 0.1% of the shares of the Company in issue or with an aggregate value (based on the closing price of the Shares at the date of grant) in excess of HK\$5 million, within any 12-month period, are subject to independent shareholders' approval in advance a general meeting.

The offer of a grant of share options may be accepted within 21 days from the date of offer, upon payment of a nominal consideration of HK\$1 in total by the grantee. The exercise period of the share options granted is determinable by the directors and ends on a date which is not later than 10 years from the date upon which the share options is granted or the lapse of the Share Option Scheme, whichever is earlier.

The exercise price of the share options is determinable by the Directors but may not be less than the highest of (i) the closing price of the Shares quoted on the Stock Exchange on the date of grant, which must be a business day, (ii) the average closing price of the Shares quoted on the Stock Exchange for the five business days immediately preceding the date of grant, and (iii) the nominal value of a Share.

Share options do not confer rights on the holders to dividends or to vote at shareholders' meetings.

No share option has been granted since the adoption of Share Option Scheme.

27. 認股權計劃(續)

授予本公司董事、最高行政人員或主要股東或任何彼等的聯繫人士的認股權須經獨立非執行董事(不包括任何身為準承授人的獨立非執行董事)事先批准。此外，倘根據認股權計劃或本公司任何其他認股權計劃授出任何認股權予本公司的主要股東或獨立非執行董事或任何彼等的聯繫人士超過本公司已發行股份的0.1%或於任何12個月期內的總值(按股份於授出日期的收市價得出)超過5,000,000港元須事先於股東大會上經獨立股東批准。

提呈授出認股權可於承授人支付名義代價合共1港元後，於提呈日期起計21日內獲接納。已授出認股權的行使期可由董事釐定，並於不遲於授出認股權日期起計10年或認股權計劃失效當日(以較早者為準)結束。

認股權的行使價可由董事釐定，但不得低於下列的最高者：(i)股份於授出日期(必須為營業日)的聯交所報收市價，(ii)股份於緊接授出日期前五個營業日在聯交所報的平均收市價，及(iii)股份面值。

認股權並無賦予持有人享有股息或於股東大會上投票之權利。

自採納認股權計劃起，概無授出認股權。

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28. DEFINED CONTRIBUTION PLANS

Hong Kong

The Group participates in the MPF Scheme established under the Mandatory Provident Fund Schemes Ordinance in December 2000. The assets of the schemes are held separately from those of the Group in funds under the control of trustees.

For members of the MPF Scheme, the Group contributes 5% of the relevant payroll costs to the MPF Scheme subject only to the maximum level of payroll costs of HK\$30,000 per employee, which contribution is matched by the employees.

USA

The Group provides the option for employees of its subsidiary in the USA to participate in a 401K retirement plan. The assets of the schemes are held separately from those of the Group in funds under the control of a plan manager.

For employees choosing to participate in the plan, the employer matches contributions of up to 4% of the employees' relevant payroll subject only to the maximum level of payroll costs of US\$10,800 per employee.

UK

The Group operates a defined contribution scheme for the benefit of the employees of its subsidiary in the UK. Under the scheme, members may elect to contribute up to 5% of relevant payroll costs and the contributions shall be matched by employer.

28. 界定供款計劃

香港

本集團參與根據強制性公積金計劃條例於2000年12月設立的強積金計劃。該計劃的資產獨立於本集團的資產，由受託人控制的基金持有。

就強積金計劃成員而言，本集團按相關工資成本的5%向強積金計劃供款，惟以每名僱員30,000港元的工資成本為限，且該供款與僱員的供款一致。

美國

本集團為其美國附屬公司的僱員提供參與401K退休計劃的選擇。該計劃的資產獨立於本集團的資產，由計劃管理人控制的基金持有。

對於選擇參與該計劃的僱員，僱主最高按僱員相關工資的4%作出供款，且以每位僱員10,800美元的工資成本為限。

英國

本集團為其英國附屬公司僱員的利益而設定界定供款計劃。根據該計劃，成員可選擇最高按相關工資成本的5%作出供款，且僱主的供款應與其供款一致。

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29. OPERATING LEASE**29. 經營租賃**

		2019年 HK\$'000 千港元
Minimum lease payments under operating leases during the year	年內經營租賃之最低租賃付款	37,603

At 31 March 2019, the Group had commitments for future minimum lease payments under non-cancellable operating leases which fall due as follows:

於2019年3月31日，本集團擁有根據於以下期限到期的不可撤銷經營租賃應付之未來最低租金承擔：

		2019年 HK\$'000 千港元
Within one year	一年內	4,048
In the second to fifth year, inclusive	第二年至第五年(包括首尾兩年)	7,084
		11,132

Operating lease payments represent rentals payables by the Group for its office premise. Lease is negotiated and rentals is fixed for terms of three years.

經營租賃付款指本集團就其辦公室物業應付的租金。租約經磋商確定，而租金在3年內固定。

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30. CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged over years.

The capital structure of the Group consists of bank balances and cash and equity attributable to owner of the Company, comprising share capital, retained profits and other reserves.

The Directors review the capital structure on a periodical basis. As part of this review, the Directors consider the cost of capital and the risks associated with each class of capital. Based on recommendations of the Directors, the Group will balance its overall capital structure through the payment of dividends, new share issues and share buy-backs as well as the issue of new debts or the redemption of existing debt.

A subsidiary of the Group (i.e. ZZCF) is regulated by the Securities and Futures Commission (the "SFC") and is required to comply with certain minimum capital requirements according to the rules of the SFC. The required liquid capital according to the rules of the SFC was HK\$3,000,000 as at 31 March 2020 and 31 March 2019. The management monitors ZZCF's liquid capital regularly to ensure it meets the minimum liquid capital requirement in accordance with the Securities and Futures (Financial Resources) Rules adopted by the SFC.

30. 資本風險管理

本集團管理其資本以確保本集團實體能夠繼續持續經營，同時透過優化債務及權益結餘為股東提供最高回報。多年來，本集團的總體戰略保持不變。

本集團的資本結構包括銀行結餘及現金及本公司擁有人應佔權益，包括股本、保留溢利及其他儲備。

董事定期檢討資本架構。作為本次審查的一部分，董事考慮了資本成本以及與各類資本相關的風險。根據董事的推薦意見，本集團將透過派付股息、發行新股及回購股份以及發行新債或贖回現有債務等方式平衡其整體資本架構。

本集團一間附屬公司(即中植資本企業融資)受證券及期貨事務監察委員會(「證監會」)規管，且須根據證監會規則遵守若干最低資本規定。於2020年3月31日及2019年3月31日，證監會規則所規定之流動資本為3,000,000港元。管理層定期監管中植資本企業融資之流動資本，以確保其遵照證監會採納之《證券及期貨(財政資源)規則》，滿足最低流動資本規定。

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31. FINANCIAL INSTRUMENTS

31. 金融工具

31a. Categories of financial instruments

31a. 金融工具類別

		2020年 HK\$'000 千港元	2019年 HK\$'000 千港元
Financial assets	金融資產		
Convertible loan receivable at FVTPL	按公平值計入損益的 應收可換股貸款	-	167,986
Financial assets at FVTPL Amortised cost	按公平值計入損益的金融資產 攤銷成本	3,584 717,637	6,828 535,258
		721,221	710,072
Financial liabilities	金融負債		
Amortised cost	攤銷成本	11,436	5,203

31b. Financial risk management objectives and policies

The Group's major financial instruments comprise of bank balances and cash, loan receivables, deposits, trade receivables, other assets and receivables, convertible loan receivable at FVTPL, financial assets at FVTPL, cash held on behalf of clients, trade payables, other payables and accruals and lease liabilities. Details of the financial instruments are disclosed in respective notes. The risks associated with these financial instruments include market risks (currency risk, interest rate risk and other price risk), credit risk and liquidity risk. The policies on how to mitigate these risks are set out below. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

31b. 財務風險管理目標及政策

本集團的主要金融工具包括銀行結餘及現金、應收貸款、按金、貿易應收款項、其他資產及應收款項、按公平值計入損益的應收可換股貸款、按公平值計入損益的金融資產、代客戶持有之現金、貿易應付款項、其他應付款項及應計費用及租賃負債。有關金融工具的詳情於各附註中披露。與該等金融工具相關的風險包括市場風險（貨幣風險、利率風險及其他價格風險）、信貸風險及流動性風險。以下列出如何減輕該等風險的政策。管理層對該等風險進行管理及監控，以確保及時有效地採取適當措施。

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31. FINANCIAL INSTRUMENTS (Continued)

31b. Financial risk management objectives and policies (Continued)

Market risk

(i) Currency risk

The Group's exposure to currency risk attributable to loan receivables, deposits, trade receivables the convertible loan receivable at FVTPL, other assets and receivables, bank balances and other payables and accruals which are denominated in the currencies other than the functional currency of the entity to which they related. The management manages and monitors this exposure to ensure approximate measures are implemented on a timely and effective manner.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

31. 金融工具(續)

31b. 財務風險管理目標及政策(續)

市場風險

(i) 貨幣風險

本集團面臨以相關實體功能貨幣以外的貨幣計值的應收貸款、按金、貿易應收款項、按公平值計入損益的應收可換股貸款、其他資產及應收款項、銀行結餘及其他應付款項及應計費用產生的貨幣風險。管理層管理並監控此風險，以確保及時有效地採取適當措施。

於報告期末，本集團以外幣計值的貨幣資產及貨幣負債的賬面值如下：

		Liabilities 負債		Assets 資產	
		2020年 HK\$'000 千港元	2019年 HK\$'000 千港元	2020年 HK\$'000 千港元	2019年 HK\$'000 千港元
US\$	美元	5,701	3	318,406	261,802
Pound sterling ("GBP")	英鎊	–	210	1,699	150
Renminbi ("RMB")	人民幣	–	–	3,630	130

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31. FINANCIAL INSTRUMENTS (Continued)

31b. Financial risk management objectives and policies (Continued)

Market risk (Continued)

(i) Currency risk (Continued)

Sensitivity analysis

The sensitivity analysis below has been determined based on a 10% increase/decrease in functional currency of respective entities against the relevant foreign currencies. 10% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the end of the reporting period for a 10% change in foreign currency rates. A positive number below indicates an increase in post-tax profit, where functional currency of respective foreign entities had weakened 10% against the relevant foreign currency. For a 10% strengthening of functional currency of respective entities against the relevant foreign currency, there would be an equal and opposite impact on the profit and the balances below would be negative.

		GBP 英鎊 HK\$'000 千港元	RMB 人民幣 HK\$'000 千港元
2020	2020年		
Decrease in profit for the year	年內溢利減少	(142)	(303)
2019	2019年		
Decrease (increase) in loss for the year	年內虧損減少(增加)	5	(11)

31. 金融工具(續)

31b. 財務風險管理目標及政策(續)

市場風險(續)

(i) 貨幣風險(續)

敏感度分析

以下敏感度分析乃根據相關實體之功能貨幣兌相關外幣之升值/貶值10%釐定。10%為向主要管理層人員在內部報告外幣風險及管理層評估外匯匯率合理潛在變動時所使用之敏感度比率。敏感度分析僅包括以外幣計值之尚未支付貨幣項目，並於報告期末按10%之外幣匯率變動調整彼等之換算。以下正數表示除稅後溢利增加，當中相關海外實體的功能貨幣兌相關外幣貶值10%。如相關實體功能貨幣兌相關外幣升值10%，則會對溢利產生同等及相反之影響，而以下結餘將為負。

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31. FINANCIAL INSTRUMENTS (Continued)

31b. Financial risk management objectives and policies (Continued)

Market risk (Continued)

(i) Currency risk (Continued)

For the exposure of HK\$ against US\$, there will be no significant impact as HK\$ is pegged with US\$. Accordingly, no foreign currency sensitivity analysis is presented.

(ii) Interest rate risk

The Group is also exposed to cash flow interest rate risk in relation to variable-rate bank balances (see note 22 for details). The Group's cash flow interest rate risk is mainly concentrated on the fluctuation of interest rates on bank balances and Hong Kong dollar denominated deposits.

The management considers the cash flow interest rate risk in relation to variable-rate bank balances is insignificant and therefore no sensitivity analysis on such risk has been prepared.

31. 金融工具(續)

31b. 財務風險管理目標及政策(續)

市場風險(續)

(i) 貨幣風險(續)

由於港元與美元掛鈎，故港元兌美元風險並無重大影響。因此，並無呈列外幣敏感度分析。

(ii) 利率風險

本集團亦面對與浮息銀行結餘有關的現金流量利率風險(詳見附註22)。本集團的現金流量利率風險主要集中於銀行結餘及港元計價的存款產生的利率波動。

管理層認為與浮息銀行結餘有關的現金流量利率風險並不重大，故並無就該等風險編製敏感度分析。

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31. FINANCIAL INSTRUMENTS (Continued)

31b. Financial risk management objectives and policies (Continued)

Market risk (Continued)

(iii) Other price risk

The Group is exposed to equity price risk arising from held for trading investments. The Group's equity price risk is mainly concentrated on equity instruments operating in securities and brokerage and internet industry sectors quoted in the Hong Kong Stock Exchange and National Association of Securities Dealers Automated Quotations. The Group is also exposed to equity price risk arising from the convertible loan receivable at FVTPL.

Sensitivity analysis

The sensitivity analysis below have been determined based on the exposure to equity price risk at the reporting date. If the equity prices of the held for trading investments had been 5% higher/lower (2019: 5%), post-tax profit for the year ended 31 March 2020 would increase/decrease by HK\$150,000 (2019: post-tax loss would decrease/increase by HK\$285,000) as a result of the changes in fair value.

31. 金融工具(續)

31b. 財務風險管理目標及政策(續)

市場風險(續)

(iii) 其他價格風險

本集團面臨持作買賣投資產生的股價風險。本集團的股價風險主要集中在香港聯交所及納斯達克掛牌的證券經紀以及互聯網行業類的股票。本集團亦面臨按公平值計入損益的應收可換股貸款產生的股價風險。

敏感度分析

以下敏感度分析乃根據報告日期的股價的風險敞口釐定。如持作買賣投資股價上漲／下跌5% (2019年：5%)，由於公平值出現變動，截至2020年3月31日止年度的除稅後溢利將增加／減少150,000港元(2019年：除稅後虧損將減少／增加285,000港元)。

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31. FINANCIAL INSTRUMENTS (Continued)

31b. Financial risk management objectives and policies (Continued)

Credit risk and impairment assessment

As at 31 March 2020, the financial asset's carrying amounts best represent the maximum exposure to credit risk.

Trade receivables from contract with customers

In order to minimise the credit risk for trade receivables, the management of the Group has delegated a team responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverable amount of each individual debt at the end of each reporting period to ensure that adequate impairment losses are made and other monitoring procedures are in place to ensure that follow-up action is taken to recover overdue debts. In addition, the Group performs impairment under ECL model upon application of HKFRS 9 on trade balances individually and performs impairment assessment under incurred loss model for the year ended 31 March 2020. Based on assessment by the Directors, the loss given default is low by reference to forward-looking information and repayment histories for recurring customers. Therefore, the ECL on trade receivables is considered to be insignificant.

The Group has concentration of credit risk as 51% and 100% of the total trade receivables was due from the Group's largest customer and the two largest customers respectively within corporate advisory business. In order to minimise the credit risk, the management of the Group has delegated a team responsible for determination of credit limits and credit approvals.

31. 金融工具(續)

31b. 財務風險管理目標及政策(續)

信貸風險及減值評估

於2020年3月31日，金融資產的賬面值最能代表其所面臨的最高信貸風險。

客戶合約產生的貿易應收款項

為盡量減低貿易應收款項之信貸風險，本集團管理層已指派一支團隊負責釐定信貸額度、信貸批核及其他監控程序，以確保採取跟進行動收回逾期債務。此外，本集團會於各報告期末檢討各筆獨立債務之可收回金額以確保計提充足減值虧損撥備，以及部署其他監控程序以確保採取跟進行動收回逾期債務。此外，截至2020年3月31日止年度，本集團於應用香港財務報告準則第9號後根據預期信貸虧損模式對貿易差額進行個別減值評估，並根據已產生虧損模式進行減值評估。根據董事的評估，並參考經常性客戶的前瞻性資料及還款歷史記錄，違約虧損率較低。因此，貿易應收賬款的預期信貸虧損屬不重大。

本集團的最大客戶及最大頭兩位客戶(均來自企業顧問業務的客戶)分別佔本集團貿易應收款項的51%及100%，因此存在集中的信貸風險。為了將信貸風險最小化，本集團管理層已委派一個團隊來確定信貸限額及信貸審批。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

31. FINANCIAL INSTRUMENTS (Continued)

31b. Financial risk management objectives and policies (Continued)

Credit risk and impairment assessment (Continued)

Other receivables

For other receivables, management makes periodic collective assessments as well as individual assessment on the recoverability of other receivables based on historical settlement records, past experience and adjusts for forward-looking information. The Directors believe that there is no material credit risk inherent in the Group's outstanding balance of other receivables. The Directors believe that there are no significant increase in credit risk of these amounts since initial recognition and the Group measured impairment based on 12m ECL. Based on the assessment by the Directors, the probability of default and loss given default is low and therefore the ECL on other receivables is considered to be insignificant.

Loan receivables

Before granting the loan advances, the management of the Group has obtained an understanding to the credit background of the debtors and undertaken an internal credit approval process. The management closely monitored the subsequent settlement of the individual loan. The loss allowance is individually measured at an amount equals to 12m ECL since as there had been no significant increase in credit risk since initial recognition. In determining the ECL for these assets, the Directors have taken into account the financial position of the counterparties, the industries they operate, as well as their latest available operating results, in estimating the probability of default of each of these financial assets occurring within their respective loss assessment time horizon, as well as the loss upon default in each case. Based on assessment by the Directors, the loss given default is low by reference to value of collateral and repayment histories of the debtors. The Directors consider the 12m ECL for loan receivables is insignificant.

31. 金融工具(續)

31b. 財務風險管理目標及政策(續)

信貸風險及減值評估(續)

其他應收款項

管理層根據過往償還記錄、過往經驗及前瞻資料的調整對其他應收款項的可收回性定期作出整體評估及個別評估。董事認為本集團其他應收款項的未償還結餘無重大信貸風險。董事認為該等款項自初步確認以來並無大幅增加信貸風險，而本集團則根據12個月預期信貸虧損衡量減值撥備。根據董事的評估，違約可能性及違約虧損率較低，因此其他應收款項的預期信貸虧損屬不重大。

應收貸款

在授予貸款之前，本集團管理層已了解債務人的信貸背景並進行內部信貸審批程序。管理層密切監察個別貸款的後續結算。虧損撥備乃按相當於12個月預期信貸虧損的金額個別計量，原因是自初步確認以來信貸風險並無顯著上升。於釐定該等資產的預期信貸虧損時，董事已考慮對手方的財務狀況、彼等經營所在行業及其最新經營業績，以估計各金融資產在有關虧損評估時間範圍內的違約概率，以及各種情況下的違約虧損。根據董事的評估，並參考抵押品的價值及債務人還款歷史記錄，違約虧損率較低。董事認為應收貸款的12個月預期信貸虧損屬不重大。

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綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

31. FINANCIAL INSTRUMENTS (Continued)

31b. Financial risk management objectives and policies (Continued)

Credit risk and impairment assessment (Continued)

Bank balances

Credit risk on bank balances is limited because the counterparties are reputable banks with high credit ratings assigned by international credit agencies. The Group assessed 12m ECL for bank balances by reference to information relating to probability of default and loss given default of the respective credit rating grades published by external credit rating agencies. Based on the average loss rates, the 12m ECL for bank balances is considered to be insignificant.

Liquidity risk

In the management of the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows.

The following table details the Group's remaining contractual maturity for its non-derivative financial liabilities. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The table includes both interest and principal cash flows.

31. 金融工具(續)

31b. 財務風險管理目標及政策(續)

信貸風險及減值評估(續)

銀行結餘

由於該等對手為獲國際信貸機構授予高信貸評級且信譽良好的銀行，因此銀行結餘之信貸風險有限。貴集團經參考外部信用評級機構發佈相關信貸評級等級有關違約機率及違約虧損的資料評估銀行結餘的12個月預期信貸虧損。根據平均虧損率，銀行結餘的12個月預期信貸虧損被視為不重大。

流動資金風險

為管理流動資金風險，本集團監察及維持管理層認為充足的現金及現金等價物水平，以為本集團營運提供資金及降低現金流量波動影響。

下表詳列本集團非衍生金融負債之餘下合約到期日。該表乃根據金融負債之未貼現現金流量及本集團可被要求付款之最早日期編製。該表包括利息及本金現金流量。

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綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

31. FINANCIAL INSTRUMENTS (Continued)**31b. Financial risk management objectives and policies (Continued)****Liquidity risk (Continued)****Liquidity and interest risk table****31. 金融工具(續)****31b. 財務風險管理目標及政策(續)****流動資金風險(續)****流動資金及利息風險表**

		Weighted average interest rate 加權平均 利率 %	Repayable on demand or within one year 按要求或 一年內償還 HK\$'000 千港元	1-2 years 1至2年 HK\$'000 千港元	Total undiscounted cash flows 未折現現金 流量總額 HK\$'000 千港元	Carrying amount 賬面值 HK\$'000 千港元
At 31 March 2020	於2020年3月31日					
Trade payables	貿易應付款項	-	3	-	3	3
Other payables and accruals	其他應付款項及應計費用	-	11,433	-	11,433	11,433
Lease liabilities	租賃負債	2.82	4,048	3,036	7,084	6,938
			15,484	3,036	18,520	18,374
At 31 March 2019	於2019年3月31日					
Trade payables	貿易應付款項	-	3	-	3	3
Other payables and accruals	其他應付款項及應計費用	-	5,200	-	5,200	5,200
			5,203	-	5,203	5,203

32. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS**(i) Fair value of the Group's financial assets and financial liabilities that are measured at fair value on a recurring basis**

Some of the Group's financial assets are measured at fair value at the end of each reporting period. The information about how the fair values of these financial assets are determined (in particular, the valuation techniques and inputs used) are disclosed in respective notes.

The Directors consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the consolidated statement of financial position approximate their fair value.

32. 金融工具之公平值計量**(i) 本集團按經常性基準以公平值計量之金融資產及金融負債之公平值**

本集團之若干金融資產乃按各報告期末之公平值計量。與該等金融資產公平值的釐定方法(尤其是所用估值方法及參數)有關的資料披露於各附註。

董事認為綜合財務狀況表中按攤銷成本記錄的金融資產及金融負債之賬面值與其公平值相若。

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綜合財務報表附註

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32. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS (Continued)

(i) Fair value of the Group's financial assets and financial liabilities that are measured at fair value on a recurring basis (Continued)

During the years ended 31 March 2020 and 2019, there were no transfers between Level 1, Level 2 and Level 3.

Fair value hierarchy as at 31 March 2020

	Level 1 第一級 HK\$'000 千港元	Level 2 第二級 HK\$'000 千港元	Level 3 第三級 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Financial assets				
Financial assets at FVTPL				
金融資產 按公平值計入損益之 金融資產	3,584	-	-	3,584

Fair value hierarchy as at 31 March 2019

	Level 1 第一級 HK\$'000 千港元	Level 2 第二級 HK\$'000 千港元	Level 3 第三級 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Financial assets				
Financial assets at FVTPL				
金融資產 按公平值計入損益之 金融資產	6,828	-	-	6,828
Convertible loan receivable at FVTPL				
按公平值計入損益的 應收可換股貸款	-	-	167,986	167,986
	6,828	-	167,986	174,814

32. 金融工具之公平值計量(續)

(i) 本集團按經常性基準以公平值計量之金融資產及金融負債之公平值(續)

截至2020年及2019年3月31日止年度，第一級、第二級及第三級之間並無轉撥。

於2020年3月31日之公平值層級

於2019年3月31日之公平值層級

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

32. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS (Continued)

(ii) Reconciliation of Level 3 fair value measurements

		2020年 HK\$'000 千港元	2019年 HK\$'000 千港元
Convertible loan receivable	應收可換股貸款		
Opening balance	期初結餘	167,986	249,405
Repayment	償還	(8,232)	-
Change in fair value	公平值變動	57,366	(81,419)
Disposal	出售	(217,120)	-
Closing balance	期終結餘	-	167,986
Change in fair value for the year included in profit or loss	計入損益的年度公平值變動	57,366	(81,419)

In estimating the fair value of the convertible loan receivable as at 31 March 2019, the Group engaged an independent professional valuer to perform such valuation. The management of the Group works closely with the independent professional valuer to establish the appropriate valuation techniques and inputs to the model.

Information about the valuation techniques and inputs used in determining the fair value of the asset is disclosed in note 18.

32. 金融工具之公平值計量(續)

(ii) 第三級公平值計量的對賬

於估計應收可換股貸款於2019年3月31日之公平值時，本集團委聘獨立專業估值師進行相關估值。本集團管理層與獨立專業估值師密切合作以確定適當估值方法及模型的參數。

有關估值方法及釐定資產公平值所用參數的資料披露於附註18。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

33. RELATED PARTY TRANSACTIONS

In addition to the transactions detailed in notes 9 and 14 to the consolidated financial statements, the Group had the following transactions and balances with related parties during the years ended 31 March 2020 and 2019.

- (a) On 22 May 2018, as described in note 14, the Company entered into several ancillary transaction agreements with Aretex Capital, and ACP Index Partners Holdings LLC, an investment vehicle managed and controlled by Aretex Capital. Aretex Capital and its affiliates were indirectly controlled by the then directors and key management personnel of the subsidiaries of the Company as at 22 May 2018 but ceased to be directors of the subsidiaries of the Company or the Group as at 31 March 2019.
- (b) Compensation of key management personnel, including executive directors and key management of the Group:

		2020年 HK\$'000 千港元	2019年 HK\$'000 千港元
Short-term employee benefits	短期僱員福利	7,627	15,742
Retirement benefit scheme contributions	退休福利計劃供款	37	15
Total compensation paid to key management personnel	已付主要管理人員薪酬總額	7,664	15,757

Further details of Directors' emoluments are included in note 9 to the consolidated financial statements.

33. 關連方交易

除綜合財務報表附註9及14所詳述的交易外，本集團於截至2020年及2019年3月31日止年度與關連方進行下列交易及結餘。

- (a) 於2018年5月22日，如附註14所描述，本公司與Aretex Capital及ACP Index Partners Holdings LLC (Aretex Capital管理及控制的一間投資公司)訂立多項附屬交易協議。Aretex Capital及其附屬公司由於2018年5月22日為本公司附屬公司的當時董事及主要管理層人員(惟於2019年3月31日已不再擔任本公司附屬公司的董事)間接控制。
- (b) 主要管理人員(包括本集團執行董事及主要管理層)的薪酬：

有關董事酬金的進一步詳情載於綜合財務報表附註9。

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綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

34. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY

Details of the Group's principal subsidiaries at the end of the reporting period are set out below:

34. 本公司的主要附屬公司詳情

報告期末本集團主要附屬公司的詳情載列如下：

Name 名稱	Place of incorporation and operations 註冊成立 及營運地點	Paid up issued/ registered capital 繳足已發行/ 註冊股本	Percentage of equity attributable to the Company 本公司應佔權益比例				Principal activities 主營業務
			Direct 直接		Indirect 間接		
			2020年 %	2019年 %	2020年 %	2019年 %	
ZZCF	Hong Kong	HK\$10,141,140	-	-	100	100	Provision of corporate advisory and investment advisory services
中植資本企業融資	香港	10,141,140 港元					提供企業顧問及投資顧問服務
ZZCI Credit Limited	Hong Kong	HK\$10	-	-	100	100	Provision of corporate advisory services and money lending
中植資本信貸有限公司	香港	10 港元					提供企業顧問服務及及借貸
ZZCI Corporate Services Limited	Hong Kong	HK\$1	-	-	100	100	Provision of corporate services and money lending
中植資本企業服務有限公司	香港	1 港元					提供企業服務及借貸
ZZ Capital International (Israel) Limited ^(Note)	Israel	NIS1	-	-	-	100	Provision of investment advisory services
ZZ Capital International (Israel) Limited	以色列	1 新謝克爾					提供投資顧問服務
ZZ Capital International (UK) Limited ^(Note)	UK	GBP1	-	-	-	100	Provision of investment advisory services
ZZ Capital International (UK) Limited	英國	1 英鎊					提供投資顧問服務

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34. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY (Continued)

34. 本公司的主要附屬公司詳情(續)

Name 名稱	Place of incorporation and operations 註冊成立及營運地點	Paid up issued/ registered capital 繳足已發行/註冊股本	Percentage of equity attributable to the Company 本公司應佔權益比例				Principal activities 主營業務
			Direct 直接		Indirect 間接		
			2020年 %	2019年 %	2020年 %	2019年 %	
ZZ Capital International (US) LLC	USA	-	-	-	100	100	Provision of investment advisory services
ZZ Capital International (US) LLC	美國						提供投資顧問服務
深圳前海卓亞股權投資基金管理有限公司 (Asian Capital (Qianhai) Investment Management Limited*)	The PRC	US\$400,000	-	-	100	100	Investment holding
深圳前海卓亞股權投資基金管理有限公司	中國	400,000美元					投資控股

* For identification purpose only

Note: ZZ Capital International (Israel) Limited and ZZ Capital International (UK) Limited are deregistered during the year ended 31 March 2020.

附註：ZZ Capital International (Israel) Limited及ZZ Capital International (UK) Limited於截至2020年3月31日止年度註銷。

None of the subsidiaries had issued any debt securities at the end of the year.

附屬公司概無於年末發行任何債務證券。

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35. STATEMENT OF FINANCIAL POSITION AND RESERVES OF THE COMPANY

35. 本公司之財務狀況表及儲備

		2020年 HK\$'000 千港元	2019年 HK\$'000 千港元
Non-current asset	非流動資產		
Investments in subsidiaries	於附屬公司的投資	22,808	22,810
Plant and equipment	廠房及設備	50	-
Total non-current assets	非流動資產總額	22,858	22,810
Current assets	流動資產		
Amounts due from subsidiaries (Note)	應收附屬公司款項(附註)	624,925	677,981
Other assets and receivables (Note)	其他資產及應收款項(附註)	502	414
Bank balances and cash (Note)	銀行結餘及現金(附註)	3,800	4,342
Total current assets	流動資產總額	629,227	682,737
Current liabilities	流動負債		
Other payables and accruals	其他應付款項及應計費用	9,508	365
Amounts due to subsidiaries	應付附屬公司款項	10,672	-
Total current liabilities	流動負債總額	20,180	-
Net current assets	流動資產淨值	609,047	682,372
Net assets	資產淨值	631,905	705,182
Equity	權益		
Equity attributable to owners of the Company	本公司擁有人應佔權益		
Share capital	股本	35,505	35,505
Reserves	儲備	596,400	669,677
Total equity	權益總額	631,905	705,182

Note: ECL for amounts due from subsidiaries, other assets and receivables and bank balances and cash are assessed on a 12m ECL basis as there had been no significant increase in credit risk since initial recognition and impairment allowance is considered to be insignificant.

附註：應收附屬公司、其他資產及應收款項以及銀行結餘及現金的預期信貸虧損按12個月預期信貸虧損基準進行評估，原因是自初步確認以來信貸風險並無顯著增加及減值撥備被視為並不重大。

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綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

35. STATEMENT OF FINANCIAL POSITION AND RESERVES OF THE COMPANY

(Continued)

35. 本公司之財務狀況表及儲備(續)

Movement in the Company's reserves

本公司之儲備變動

		Share premium	Contributed surplus	Retained profits (accumulated loss)	Total
		股份溢價	繳入盈餘	保留溢利 (累計虧損)	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
		(Note)	(Note)		
		(附註)	(附註)		
At 1 April 2018	於2018年4月1日	705,977	19,000	133,486	858,463
Loss and total comprehensive loss for the year	年內虧損及全面虧損總額	-	-	(188,786)	(188,786)
At 31 March 2019	於2019年3月31日	705,977	19,000	(55,300)	669,677
Loss and total comprehensive loss for the year	年內虧損及全面虧損總額	-	-	(73,277)	(73,277)
At 31 March 2020	於2020年3月31日	705,977	19,000	(128,577)	(596,400)

Note: The Company's contributed surplus represents the excess of the fair value of the shares of the subsidiaries acquired pursuant to the reorganisation prior to the Listing, over the nominal value of the Company's shares issued in exchange thereafter.

附註：本公司的繳入盈餘指於上市前根據重組收購的附屬公司股份公平值超過就此進行交換而已發行的本公司股份面值的數額。

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綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

36. RECONCILIATION OF LIABILITY ARISING FROM FINANCING ACTIVITIES

The table below details changes in the Group's liability arising from financing activities, including both cash and non-cash changes. Liability arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's consolidated statement of cash flows as cash flows from financing activities.

		Lease liabilities
		租賃負債
		<i>HK\$'000</i>
		千港元
		(Note 25)
		(附註25)
At 1 April 2019 (restated)	於2019年4月1日(經重列)	10,780
Financing cash flows	融資現金流量	(4,048)
Interest expense	利息開支	206
At 31 March 2020	於2020年3月31日	6,938

36. 財務活動產生負債的對賬

下表詳列本集團因財務活動產生負債的變動，包括現金及非現金變動。財務活動產生的負債為該等現金流量已或未來現金將會於本集團的綜合現金流量表分類為財務活動產生現金流量。

37. EVENT AFTER REPORTING PERIOD

Since the beginning of 2020, the outbreak of Novel Coronavirus ("COVID-19") has impacts on the global business environment. The Group's business is mainly conducted in the Mainland China and Hong Kong. Some of the Group's potential customers have delayed or suspended their financing plans due to the epidemic, resulting in the Group's loss of some business opportunities.

In spite of effect of COVID-19, the Group continued to look for more institutional customers and provide diversified financial services to them, including investment consulting, asset management, corporate consulting, corporate financing and proprietary investment; and will continue its strategies to diversify its business development.

The Group will keep continuous attention on the effects of COVID-19 and react actively to its impact on the financial position and operations of the Group.

37. 報告期後事項

自2020年初起，新型冠狀病毒(「冠狀病毒病」)的爆發對全球商業環境產生影響。本集團業務範圍主要在中國大陸和香港，部分集團潛在客戶因疫情原因推遲了或暫停了其融資計劃，導致本集團失去了一些商業機會。

儘管受到冠狀病毒病的影響，本集團仍繼續尋找更多的機構客戶，持續為客戶提供多元化金融服務，包括投資諮詢、資產管理、企業諮詢、企業融資及自營投資等業務；及會繼續其多元化發展策略。

本集團將繼續關注冠狀病毒病的影響，並積極應對其對本集團財務狀況及營運的影響。

Five Years' Financial Summary (unaudited)

五年財務概要(未經審核)

		15 months ended 31 March 2016 截至2016年3月31日止15個月				
		2019/20年	2018/19年	2017/18年	2016/17年	2016年
		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
RESULTS	業績					
Revenue	收入	16,969	3,935	246,447	213,695	164,252
Net investment income (loss)	投資收入(虧損)淨額	54,275	(84,992)	6,275	(21)	132
Interest income	利息收入	14,153	9,009	1,022	2,789	4,077
Other (losses) gains	其他(虧損)收益	(19,232)	(24,945)	2,318	(96)	150
Revenue and other income (loss)	收入及其他收入(虧損)	66,165	(96,993)	256,062	216,367	168,611
Operating expenses	經營開支	(64,385)	(186,903)	(229,240)	(148,495)	(42,728)
Profit (loss) before tax	除稅前溢利(虧損)	1,780	(283,896)	26,822	67,872	125,883
Income tax (expense) credit	所得稅(開支)抵免	(191)	(813)	(6,020)	11,310	(13,210)
Profit (loss) for the year	年內溢利(虧損)	1,589	(284,709)	20,802	79,182	112,673
Earnings (loss) per share attributable to owners of the Company	本公司擁有人應佔每股盈利(虧損)					
— Basic (HK cents)	— 基本(港仙)	0.04	(8.02)	0.59	2.23	4.50
— Diluted (HK cents)	— 攤薄(港仙)	0.04	(8.02)	0.59	2.23	4.44
ASSETS AND LIABILITIES	資產及負債					
		As at 31 March				
		於3月31日				
		2020年	2019年	2018年	2017年	2016年
		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
Total assets	總資產	731,851	714,884	1,010,575	1,020,138	922,616
Total liabilities	總負債	(21,957)	(9,702)	(20,161)	(47,895)	(29,555)
		709,894	705,182	990,414	972,243	893,061
Equity attributable to owners of the Company	本公司擁有人應佔權益	709,894	705,182	990,414	972,243	893,061



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