



First Credit Finance Group Limited 第一信用金融集團有限公司

(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)
(於開曼群島註冊成立並於百慕達存續之有限公司)

Stock Code 股份代號: 8215



FIRST QUARTERLY REPORT

第一季度報告

2021

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

GEM has been positioned as a market designed to accommodate small and mid-sized companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration.

Given that the companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.

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*This report, for which the directors (“**Directors**”) of First Credit Finance Group Limited (“**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 (“**GEM Listing Rules**”) 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.*

香港聯合交易所有限公司（「聯交所」）GEM的特色

GEM的定位，乃為中小型公司提供一個上市的市場，此等公司相比起其他在聯交所上市的公司帶有較高投資風險。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。

由於GEM上市公司普遍為中小型公司，在GEM買賣的證券可能會較在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（「**GEM上市規則**」）而刊載，旨在提供有關第一信用金融集團有限公司（「**本公司**」）的資料；本公司的董事（「**董事**」）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整，沒有誤導或欺騙成分，且並無遺漏任何其他事項，足以令致本報告或其所載任何陳述產生誤導。

The board of Directors (“Board”) presents the unaudited condensed consolidated results of the Company and its subsidiaries (together with the Company, the “Group”) for the three months ended 31 March 2021, together with the comparative unaudited figures for the corresponding period in 2020, as follows:

董事會(「董事會」)謹此提呈本公司及其附屬公司(連同本公司,統稱「本集團」)截至二零二一年三月三十一日止三個月的未經審核簡明綜合業績,連同二零二零年同期的未經審核比較數字如下:

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income 簡明綜合損益及其他全面收入表

For the three months ended 31 March 2021 截至二零二一年三月三十一日止三個月

			Three months ended 31 March 截至三月三十一日止三個月	
			2021 二零二一年 HK\$ 港元 (unaudited) (未經審核)	2020 二零二零年 HK\$ 港元 (unaudited) (未經審核)
		Note 附註		
Revenue	收益	3	12,981,842	14,095,207
Other income	其他收入		5	37
Other losses	其他虧損	4	(3,788,260)	–
			9,193,587	14,095,244
Administrative expenses	行政開支		(4,399,177)	(6,344,189)
Impairment loss on loans receivables, net	應收貸款減值虧損淨額		(52,865,407)	(23,199,905)
Other operating expenses	其他經營開支		(6,126,391)	(1,840,240)
Finance costs	財務費用	5	(229,413)	(20,611)
Loss before tax	除稅前虧損	6	(54,426,801)	(17,309,701)
Income tax (expense)/credit	所得稅(開支)/抵免	7	(1,875,723)	3,084,151
Loss and total comprehensive loss for the period attributable to owners of the Company	本公司擁有人應佔期內虧損及全面虧損總額		(56,302,524)	(14,225,550)
			HK cents 港仙	HK cents 港仙
Loss per share	每股虧損			
Basic	基本	9	(1.55)	(0.39)
Diluted	攤薄	9	N/A不適用	N/A不適用

Notes to the Unaudited Condensed Consolidated Financial Statements 未經審核簡明綜合財務報表附註

For the three months ended 31 March 2021 截至二零二一年三月三十一日止三個月

1. BASIS OF PREPARATION AND PRINCIPAL ACCOUNTING POLICIES

The unaudited condensed consolidated results of the Group for the three months ended 31 March 2021 have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) and the GEM Listing Rules. They have been prepared under the historical cost convention unless mentioned otherwise (e.g. certain financial instruments are measured at fair value). These unaudited condensed consolidated results of the Group are presented in Hong Kong dollars (“HK\$”).

2. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS

In the current period, the Group has adopted all the new and revised HKFRSs issued by the HKICPA that are relevant to its operations and effective for its accounting year beginning on 1 January 2021. HKFRSs comprise Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards, and Interpretations. The adoption of these new and revised HKFRSs did not have any significant impact on the unaudited condensed consolidated financial statements of the Group.

3. REVENUE

		Three months ended 31 March 截至三月三十一日止三個月	
		2021 二零二一年 HK\$ 港元 (unaudited) (未經審核)	2020 二零二零年 HK\$ 港元 (unaudited) (未經審核)
Revenue from Contracts with Customers within the scope of HKFRS 15	香港財務報告準則第15號範圍內來自客戶合約的收益		
Interest income charged on loan facilities (Note)	就貸款融資收取的利息收入 (附註)	12,981,842	14,095,207

Note:

- 1) Interest income on the impaired loans receivables for the three months ended 31 March 2021 amounted to HK\$8,958,831 (2020: Nil).

附註：

- 1) 截至二零二一年三月三十一日止三個月期間，已減值應收貸款的利息收入為8,958,831港元（二零二零年：無）。

1. 編製基準及主要會計政策

本集團截至二零二一年三月三十一日止三個月的未經審核簡明綜合業績乃根據香港會計師公會（「香港會計師公會」）頒佈的所有適用香港財務報告準則（「香港財務報告準則」）及GEM上市規則編製。該等業績已按歷史成本法編製，除非提及其他方式（如若干以公平值計量的金融工具）。本集團此等未經審核簡明綜合業績以港元（「港元」）呈列。

2. 採納新訂及經修訂香港財務報告準則

於本期間，本集團已採納由香港會計師公會頒佈的與其經營相關及於二零二一年一月一日開始的會計年度生效的所有新訂及經修訂香港財務報告準則。香港財務報告準則包括香港財務報告準則、香港會計準則及詮釋。採納該等新訂及經修訂香港財務報告準則對本集團之未經審核簡明綜合財務報表並無任何重大影響。

3. 收益

Notes to the Unaudited Condensed Consolidated Financial Statements 未經審核簡明綜合財務報表附註 (continued 續)

For the three months ended 31 March 2021 截至二零二一年三月三十一日止三個月

4. OTHER LOSSES**4. 其他虧損**

		Three months ended 31 March 截至三月三十一日止三個月	
		2021 二零二一年 HK\$ 港元 (unaudited) (未經審核)	2020 二零二零年 HK\$ 港元 (unaudited) (未經審核)
Fair value loss from financial assets at fair value through profit or loss	以公平值計入損益的金融資產的 公平值虧損	(3,788,260)	—

5. FINANCE COSTS**5. 財務費用**

		Three months ended 31 March 截至三月三十一日止三個月	
		2021 二零二一年 HK\$ 港元 (unaudited) (未經審核)	2020 二零二零年 HK\$ 港元 (unaudited) (未經審核)
Interest expenses on consideration payable	應付代價的利息開支	19,506	—
Interest expenses on bond payable	應付債券的利息開支	197,260	—
Interest expenses on lease liabilities	租賃負債的利息開支	12,647	20,611
		229,413	20,611

Notes to the Unaudited Condensed Consolidated Financial Statements 未經審核簡明綜合財務報表附註 (continued) (續)

For the three months ended 31 March 2021 截至二零二一年三月三十一日止三個月

6. LOSS BEFORE TAX**6. 除稅前虧損**

The Group's loss before tax is stated after charging the following:

本集團的除稅前虧損為扣除下列各項後所達致：

		Three months ended 31 March 截至三月三十一日止三個月	
		2021 二零二一年 HK\$ 港元 (unaudited) (未經審核)	2020 二零二零年 HK\$ 港元 (unaudited) (未經審核)
Depreciation of property, plant and equipment	物業、廠房及設備折舊	313,927	143,154
Depreciation of right-of-use assets	使用權資產折舊	903,039	1,257,829
Directors' emoluments:	董事酬金：		
Salaries, bonuses and allowances	薪金、花紅及津貼	579,355	563,555
Pension scheme contributions	退休金計劃供款	12,000	12,000
		591,355	575,555
Employee benefits expenses (excluding directors' emoluments):	僱員福利開支 (不包括董事酬金)：		
Salaries, bonuses and allowances	薪金、花紅及津貼	1,816,297	3,346,625
Pension scheme contributions	退休金計劃供款	63,017	231,107
		1,879,314	3,577,732
Impairment loss on loans receivables, net	應收貸款減值虧損淨額	52,865,407	23,199,905

Notes to the Unaudited Condensed Consolidated Financial Statements 未經審核簡明綜合財務報表附註 (continued 續)

For the three months ended 31 March 2021 截至二零二一年三月三十一日止三個月

7. INCOME TAX EXPENSE/(CREDIT)

7. 所得稅開支／（抵免）

		Three months ended 31 March 截至三月三十一日止三個月	
		2021 二零二一年 HK\$ 港元 (unaudited) (未經審核)	2020 二零二零年 HK\$ 港元 (unaudited) (未經審核)
Current tax – Hong Kong Profits Tax	即期稅項－香港利得稅		
Provision for the period	期內撥備	8,904	533,460
Over-provision in prior years	過往年度超額撥備	(48,001)	(40,703)
		(39,097)	492,757
Deferred tax	遞延稅項	1,914,820	(3,576,908)
		1,875,723	(3,084,151)

Under the two-tiered profits tax rates regime, the first HK\$2 million of assessable profits of a corporation will be taxed at 8.25%, and assessable profits above HK\$2 million will be taxed at 16.5%. For the three months ended 31 March 2021 and 2020, Hong Kong Profits Tax of the nominated Group company is calculated in accordance with the two-tiered profits tax rates regime. The assessable profits of other Group companies in Hong Kong will continue to be taxed at the tax rate of 16.5%.

根據利得稅兩級制，公司首2,000,000港元應評稅利潤之稅率為8.25%，而超過2,000,000港元應評稅利潤之稅率為16.5%。於截至二零二一年及二零二零年三月三十一日止三個月，獲提名的本集團公司的香港利得稅已按照利得稅兩級制計算。本集團其他香港公司的應評稅利潤繼續按16.5%的稅率繳稅。

8. DIVIDENDS

The Directors did not recommend the payment of any dividend to shareholders for the three months ended 31 March 2021 and 2020.

8. 股息

董事不建議就截至二零二一年及二零二零年三月三十一日止三個月向股東派付任何股息。

Notes to the Unaudited Condensed Consolidated Financial Statements 未經審核簡明綜合財務報表附註 (continued) 續
For the three months ended 31 March 2021 截至二零二一年三月三十一日止三個月

9. LOSS PER SHARE

BASIC LOSS PER SHARE

The calculation of the basic loss per share is based on the loss for the three months ended 31 March 2021 attributable to owners of the Company of HK\$56,302,524 (for the three months ended 31 March 2020: HK\$14,225,550), and the weighted average number of ordinary shares of 3,628,800,000 in issue during the three months ended 31 March 2021 (for the three months ended 31 March 2020: 3,628,800,000).

DILUTED LOSS PER SHARE

No diluted loss per share is presented as the Company did not have any dilutive potential ordinary shares during the three months ended 31 March 2021 and 2020.

10. MOVEMENT OF RESERVES

		(Unaudited) (未經審核)					
		Attributable to owners of the Company 本公司擁有人應佔					
		Share capital	Share premium	Capital reserve	Contributed surplus	Retained profits/ (accumulated losses)	Total
		股本 HK\$ 港元	股份溢價 HK\$ 港元	資本儲備 HK\$ 港元	繳入盈餘 HK\$ 港元	保留溢利/ (累計虧損) HK\$ 港元	總額 HK\$ 港元
At 1 January 2020	於二零二零年一月一日	72,576,000	356,661,862	141,829,615	213,460,470	75,026,932	859,554,879
Total comprehensive loss for the period	期內全面虧損總額	-	-	-	-	(14,225,550)	(14,225,550)
Changes in equity for the period	期內權益變動	-	-	-	-	(14,225,550)	(14,225,550)
At 31 March 2020	於二零二零年三月三十一日	72,576,000	356,661,862	141,829,615	213,460,470	60,801,382	845,329,329
At 1 January 2021	於二零二一年一月一日	72,576,000	356,661,862	141,829,615	213,460,470	(292,584,596)	491,943,351
Total comprehensive loss for the period	期內全面虧損總額	-	-	-	-	(56,302,524)	(56,302,524)
Changes in equity for the period	期內權益變動	-	-	-	-	(56,302,524)	(56,302,524)
At 31 March 2021	於二零二一年三月三十一日	72,576,000	356,661,862	141,829,615	213,460,470	(348,887,120)	435,640,827

9. 每股虧損

每股基本虧損

每股基本虧損乃基於截至二零二一年三月三十一日止三個月本公司擁有人應佔虧損56,302,524港元(截至二零二零年三月三十一日止三個月: 14,225,550港元)及截至二零二一年三月三十一日止三個月已發行普通股加權平均數3,628,800,000股(截至二零二零年三月三十一日止三個月: 3,628,800,000股)計算。

每股攤薄虧損

由於本公司於截至二零二一年及二零二零年三月三十一日止三個月並無任何潛在攤薄普通股,故並無呈列每股攤薄虧損。

10. 儲備變動

Management Discussion and Analysis 管理層討論及分析

BUSINESS REVIEW AND PROSPECTS

For the three months ended 31 March 2021 (“**Review Period**”), the Group continued to focus on conducting money lending business by providing both secured and unsecured loans to customers, including individuals, corporations and foreign domestic workers.

Since the outbreak of the coronavirus disease 2019 (“**COVID-19**”) in early 2020, the business environment of the Group has been affected by the worsening economy caused by the COVID-19 pandemic. The prevailing adverse financial and economic condition caused by the COVID-19 pandemic has posed negative impacts on the financial position and repayment ability of the Group’s customers and the resulting uncertainties may continue to bring adverse impact to the business performance of the Group in the short term. The Group expects that such challenging and unpredictable environment may affect the loan demand and lending risks of the Group. Therefore, the Group will continue to evaluate its risk management measures and ensure a proper balance between return and risk in the long run. To maintain its loan portfolio, the Group will continue to adopt prudent and cautious approaches, in particular, during the loan assessment and approval process. The Group will also keep on closely monitoring the repayment performance of its loan portfolio and evaluating the repayment ability of the customers.

Following the cessation of the securities brokerage and margin financing business of the Group (“**Securities Brokerage Business**”) in mid-August 2019, the Group has continued to engage in proprietary investment in listed securities. The Company will explore further potential investment opportunities, including but not limited to investments in bonds, debt instruments, listed equity securities or project-based investments, subject to the prevailing market condition and taking into account the interest of the Company and its shareholders as a whole. In pursuing the investment opportunities, the Group will take into account the potential returns and seek to minimise the possible market risks and liquidity risks.

Looking forward, with the ultimate aim to maximise value for shareholders and enhance its position in the competitive industry, the Group will continue to strive for maintaining revenue growth and credit quality on the basis of its experience in money lending business. Meanwhile, the Group will closely monitor its capital base from time to time to ensure sufficient funding is maintained through various means for capturing different potential opportunities.

業務回顧及展望

截至二零二一年三月三十一日止三個月（「**回顧期間**」），本集團繼續專注於經營放債業務，向客戶（包括個人、公司及外籍家庭傭工）提供有抵押及無抵押貸款。

2019冠狀病毒病（「**2019冠狀病毒病**」）於二零二零年初爆發，2019冠狀病毒病疫情導致經濟疲弱，本集團的營商環境因此受到影響。2019冠狀病毒病疫情引致的不利金融及經濟狀況，已經對本集團客戶的財務狀況及償還能力產生負面影響，由此產生的不確定因素可能於短期內繼續對本集團業務表現帶來不利影響。本集團預期此充滿挑戰及不可預測的環境可能影響本集團的貸款需求及借貸風險。因此，本集團將繼續評估其風險管理措施並確保長遠而言在回報與風險之間取得適當平衡。為維持其貸款組合，本集團將繼續採取小心謹慎的態度，特別是在貸款評估及審批過程中。本集團亦將密切監督其貸款組合的還款情況，並評估客戶的還款能力。

本集團的證券經紀及保證金融資業務（「**證券經紀業務**」）於二零一九年八月中旬終止後，本集團繼續從事自營上市證券投資。根據現行市況以及考慮到本公司及其股東的整體利益，本公司將探索更多潛在投資機遇，包括但不限於投資債券、債務工具、上市股本證券或以項目為基礎的投資。尋求投資商機時，本集團將考慮潛在回報，亦會盡力減少潛在市場風險及流動資金風險。

展望將來，為最終實現股東價值最大化及提升其在此競爭激烈行業的地位，本集團將憑藉其於放債業務的經驗，繼續致力維持收益增長及信貸質素。與此同時，本集團將不時緊密監察其資本基礎，通過各種方式確保維持充裕的資金，以把握不同潛在機遇。

Management Discussion and Analysis 管理層討論及分析 (continued 續)

FINANCIAL REVIEW

REVENUE

The Group's revenue for the Review Period was derived from interest received from the provision of various types of loan products to its customers.

For the Review Period, the revenue decreased to approximately HK\$12.98 million (for the three months ended 31 March 2020: approximately HK\$14.10 million) which represented loan interest income derived from its money lending business.

The decrease in revenue was mainly attributable to the decrease in accrued interest resulting from certain past due loans receivables which were matured or impaired during the Review Period. The Company will continue to monitor the credit risk of the loans receivables from time to time and modify its credit assessments and control measures when necessary.

NET INTEREST MARGIN

The Group recorded a net interest margin of approximately 7.46% for the Review Period in respect of its money lending business (for the three months ended 31 March 2020: approximately 8.87%).

The net interest margin represented the ratio of net interest income to the adjusted average balance of gross loans receivables as at the end of the Review Period after deducting certain amount of the past due loans receivables which were matured or impaired during the Review Period.

The net interest margin was maintained at a low level which reflects the Group's pricing strategy under the low interest rate environment in the competitive money lending industry.

OTHER LOSSES

The other losses for the Review Period of approximately HK\$3.79 million (for the three months ended 31 March 2020: Nil) represented the fair value loss from investment in listed securities.

財務回顧

收益

本集團於回顧期間的收益，來自向其客戶提供各類貸款產品而收取的利息。

於回顧期間，收益減少至約12,980,000港元（截至二零二零年三月三十一日止三個月：約14,100,000港元），乃來自放債業務產生的貸款利息收入。

收益減少主要是由於回顧期間若干已到期或已減值的逾期應收貸款所產生的應計利息減少所致。本公司將會繼續不時監察應收貸款的信貸風險，如有需要會修改信貸評核及監控措施。

淨息差

本集團於回顧期間就放債業務錄得淨息差約7.46%（截至二零二零年三月三十一日止三個月：約8.87%）。

上述淨息差指於回顧期間末，淨利息收入對應收貸款總額之經調整平均結餘（經扣除於回顧期間已到期或已減值的若干逾期應收貸款金額）的比率。

淨息差維持於較低水平，反映本集團在競爭激烈的放債行業的低息環境下作出的定價策略。

其他虧損

於回顧期間的其他虧損約3,790,000港元（截至二零二零年三月三十一日止三個月：無）為上市證券投資的公平值虧損。

Management Discussion and Analysis 管理層討論及分析 (continued 續)

ADMINISTRATIVE EXPENSES

The Group's administrative expenses for the Review Period mainly comprised employment expenses, occupancy costs for its offices and depreciation charges. Employment expenses include directors' emoluments, employees' salaries, bonuses, mandatory and voluntary provident fund contributions, and insurance premium for employees, etc. Occupancy costs included management fees, government rent and rates as well as utilities expenses. Administrative expenses also included repair and maintenance and general insurance premiums, etc.

For the Review Period, the Group's administrative expenses decreased and are recorded at approximately HK\$4.40 million as compared to approximately HK\$6.34 million for the corresponding period in 2020. The decrease in administrative expenses was mainly attributable to the decrease in employment expenses and depreciation charges for the Review Period.

IMPAIRMENT LOSS ON LOANS RECEIVABLES

The Group's impairment losses mainly relate to expected credit loss ("ECL") allowance for loans receivables. Generally speaking, ECL assessment is 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 as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate. The ECL on loans receivables are assessed individually for debtors with significant balances and/or collectively using a provision matrix with appropriate groupings.

For the Review Period, the Group recorded an impairment loss on loans receivables of approximately HK\$52.87 million as compared to approximately HK\$23.20 million for the corresponding period in 2020. The significant increase in impairment loss on loans receivables is principally due to an increase in loans receivables which have past due during the Review Period.

行政開支

本集團於回顧期間的行政開支主要包括僱員開支、辦公室租用成本以及折舊費用。僱員開支包括董事酬金、僱員薪金、花紅、強制性及自願性公積金供款以及僱員的保險費用等。租用成本包括管理費、地租及差餉以及水電費用。行政開支亦包括維修與保養費用及一般保險費用等。

於回顧期間，本集團的行政開支減少並錄得約4,400,000港元，而於二零二零年同期則約為6,340,000港元。行政開支減少主要是由於回顧期間的僱員開支及折舊費用減少所致。

應收貸款減值虧損

本集團的減值虧損主要與應收貸款預期信貸虧損（「預期信貸虧損」）撥備有關。一般而言，預期信貸虧損評估乃根據本集團過往信貸虧損經驗進行，並根據債務人特定因素、整體經濟狀況以及於報告日期對當前狀況及未來狀況預測的評估（包括貨幣時間價值（如適用））作出調整。應收貸款的預期信貸虧損乃就具有重大結餘的債務人進行個別評估及／或使用具有適當分組的撥備矩陣進行集體評估。

於回顧期間，本集團錄得應收貸款減值虧損約52,870,000港元，而二零二零年同期則為約23,200,000港元。應收貸款減值虧損大幅增加，主要是由於在回顧期間已逾期的應收貸款增加所致。

Management Discussion and Analysis 管理層討論及分析 (continued 續)

The Group performs collective assessment on impairment allowance for the loans receivables at least on a quarterly basis by dividing its loans receivables into different groups according to the loan types, with each loan type sharing similar credit risk characteristics, and calculates the ECL for each loan type. The measurement of impairment allowance for collective assessment is mainly based on the amount of loans receivables of each loan type at a point of time and will take into account the probability of default (which may be affected by the duration of delinquency and is calculated by using the adjusted transition rate as the key input from the Markov Chain Model) and loss given default (i.e. the magnitude of the loss if there is a default which is estimated with reference to the loans receivables' historical bad debt recovery rate and cash flows from the realisation of its collateral, if any) pertaining to that particular loan type, which are derived from the assessment made by the external professional valuer as at the latest year-end date based on the historical repayment performance of different loan types and adjusted by forward-looking information such as the economic and financial environment and expected unemployment rate, etc.

The Group also performs monthly individual assessment on impairment allowance for the loans receivables. For individual assessment, the amount of impairment allowance on loans receivables will be considered on a case-by-case basis by way of discounted cash flow, taking into account, among other factors, the expected date of recovery and the fair value of the collateral (if any).

Among other factors, the expected longer period of recovery and the lower possibility of full repayment of the loans receivables resulting from the outbreak of the COVID-19 pandemic had led to a significant increase in credit risk, thereby significantly increasing the impairment loss on loans receivables for the Review Period which accounts for ECLs. The uncertainty in the repayment performance of certain customers of the Group has also led to a significant increase in the impairment loss on loans receivables on individual assessment during the Review Period.

本集團至少每季對應收貸款的減值撥備進行集體評估，方式為按貸款類別將應收貸款分為不同組別（同類貸款須具備相似的信貸風險特質），再按不同貸款類別計算預期信貸虧損。於集體評估時，本集團主要根據某一時間點各類貸款的應收貸款金額計量減值撥備，並將計及有關貸款類別的違約概率（可能受逾期日數影響並以經調整的過渡日期作為馬爾可夫鏈模型的主要輸入數據進行計算）及違約損失率（即出現違約時虧損的程度，乃參考應收貸款之過往壞賬收回率及變現其抵押品所產生的現金流（如有）進行估計），以上兩項均源自外聘專業估值師於最新年結日作出的評估，而其評估則以各類貸款的過往還款表現為基礎，並按前瞻性資料（例如經濟與金融環境以及預期失業率等）作出調整。

本集團亦對應收貸款的減值撥備進行每月獨立評估。於獨立評估時，以折現現金流方式個別考慮應收貸款的減值撥備金額，並將計及（其中包括）預期收回日期及抵押品的公平值（如有）。

除其他因素以外，由於2019冠狀病毒病疫情爆發，應收貸款的預期回收期延長以及悉數還款的可能性降低，均導致信貸風險大幅增加，因此於回顧期間的應收貸款減值虧損大幅增加，導致預期信貸虧損。於回顧期間，本集團部分客戶的還款表現存有不確定性，此情況亦令獨立評估的應收貸款減值虧損大幅增加。

Management Discussion and Analysis 管理層討論及分析 (continued 續)

OTHER OPERATING EXPENSES

The Group's other operating expenses for the Review Period mainly comprised debt recovery agency service fees, legal and professional fees, audit fees, other general expenses and advertising and promotion expenses.

As compared to approximately HK\$1.84 million for the three months ended 31 March 2020, other operating expenses increased to approximately HK\$6.13 million, which was mainly owing to the increase in debt recovery agency service fees as well as legal and professional fees.

FINANCE COSTS

Finance costs are recorded at approximately HK\$0.23 million for the Review Period, as compared to approximately HK\$0.02 million for the three months ended 31 March 2020. The increase in finance costs for the Review Period was mainly resulted from the interest expenses on consideration payable and interest expenses on the one-year bond issued by a subsidiary of the Company in late 2020.

LOSS FOR THE PERIOD

For the Review Period, the Company recorded a consolidated loss attributable to owners of the Company of approximately HK\$56.30 million as compared to the consolidated loss attributable to owners of the Company of approximately HK\$14.23 million for the three months ended 31 March 2020. The significant increase in consolidated loss attributable to owners of the Company for the Review Period is principally due to a significant increase in impairment loss on loans receivables and an increase in other operating expenses mainly as a result of an increase in debt recovery agency service fees and legal and professional fees for the Review Period, as disclosed under the paragraphs headed "Impairment Loss on Loans Receivables" and "Other Operating Expenses" above.

其他經營開支

本集團於回顧期間的其他經營開支主要包括債務追收代理服務費、法律及專業費用、審計費用、其他一般開支以及廣告及推廣開支。

與截至二零二零年三月三十一日止三個月約1,840,000港元相比，其他經營開支增加至約6,130,000港元，主要由於債務追收代理服務費與法律及專業費用增加所致。

財務費用

於回顧期間，財務費用約為230,000港元，而截至二零二零年三月三十一日止三個月則約為20,000港元。回顧期間的財務費用增加主要是應付代價的利息開支及本公司一間附屬公司於二零二零年末發行之一年期債券的利息開支所致。

期內虧損

於回顧期間，本公司錄得本公司擁有人應佔綜合虧損約56,300,000港元，而截至二零二零年三月三十一日止三個月則錄得本公司擁有人應佔綜合虧損約14,230,000港元。回顧期間本公司擁有人應佔綜合虧損大幅增加，主要由於回顧期間的應收貸款減值虧損大幅增加，以及其他經營開支因債務追收代理服務費與法律及專業費用增加（如上文「應收貸款減值虧損」及「其他經營開支」各段中所披露）所致。

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 31 March 2021, none of the Directors and the chief executive of the Company had any interests or short positions in the shares, underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) ("SFO") as recorded in the register required to be kept under section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the required standard of dealings by Directors as referred to in Rule 5.46 of the GEM Listing Rules.

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 31 March 2021, the interests or short positions of the persons (other than the Directors or chief executive of the Company) in the shares or underlying shares of the Company as recorded in the register required to be kept under section 336 of the SFO were as follows:

LONG POSITION

Name	Nature of interest	Number of ordinary shares held	Approximate percentage of the Company's issued share capital 佔本公司已發行股本的概約百分比
姓名	權益性質	所持普通股數目	
Xiao Guoliang 肖國良	Beneficial owner 實益擁有人	1,070,400,000	29.50%
Ng Kam Lung Volais 吳金龍	Beneficial owner 實益擁有人	1,013,040,000	27.92%

Save as disclosed above, the Directors are not aware of any other person (other than the Directors or chief executive of the Company) who/which had any interests or short positions in the shares or underlying shares of the Company as recorded in the register required to be kept under section 336 of the SFO as at 31 March 2021.

董事及最高行政人員於股份、相關股份及債權證中的權益及淡倉

於二零二一年三月三十一日，本公司董事及最高行政人員概無於本公司或其相聯法團（定義見香港法例第571章《證券及期貨條例》（「證券及期貨條例」）第XV部）的股份、相關股份及債權證中擁有記錄於根據證券及期貨條例第352條規定須予存置的登記冊中的任何權益或淡倉，或根據GEM上市規則第5.46條董事進行交易的必守準則須知會本公司及聯交所的任何權益或淡倉。

主要股東及其他人士於股份及相關股份中的權益及淡倉

於二零二一年三月三十一日，於本公司股份或相關股份中擁有記錄於根據證券及期貨條例第336條須予存置的登記冊中有關人士（董事或本公司最高行政人員除外）的權益或淡倉如下：

好倉

除上文所披露者外，於二零二一年三月三十一日，董事並不知悉任何其他人士（董事或本公司最高行政人員除外）於本公司股份或相關股份中擁有記錄於根據證券及期貨條例第336條規定須予存置的登記冊中的任何權益或淡倉。

SHARE OPTION SCHEME

The Company adopted a share option scheme (“Share Option Scheme”) on 24 November 2011 for the purpose of rewarding the eligible participants for their contribution to the Group. The Share Option Scheme also enables the Group to recruit and retain high-calibre employees and attract human resources that are valuable to the Group. Eligible participants of the Share Option Scheme include (a) any full-time or part-time employees of the Company and/or any of its subsidiaries; (b) any director (including executive, non-executive and independent non-executive director) of the Company and/or any of its subsidiaries; and (c) any consultant or adviser (whether professional or otherwise and whether on an employment or contractual or honorary basis or otherwise and whether paid or unpaid), distributor, contractor, supplier, service provider, agent, customer and business partner of the Company and/or any of its subsidiaries who, at the sole determination of the Board, have contributed or will contribute to the Company and/or any of its subsidiaries.

The maximum number of ordinary shares of the Company which may be issued upon the exercise of all options to be granted under the Share Option Scheme and any other share option schemes of the Group is 362,880,000 ordinary shares, representing 10% of the issued ordinary shares of the Company as at the date of this report.

No share option has been granted under the Share Option Scheme since its adoption on 24 November 2011.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company’s listed securities during the Review Period.

購股權計劃

本公司於二零一一年十一月二十四日採納一項購股權計劃（「購股權計劃」），旨在獎勵合資格參與者對本集團所作的貢獻。購股權計劃亦令本集團能招攬及挽留能幹的僱員及吸納對本集團有寶貴價值的人才。購股權計劃的合資格參與者包括董事會全權認為曾對或將對本公司及／或其任何附屬公司作出貢獻的(a)本公司及／或其任何附屬公司的任何全職或兼職僱員；(b)本公司及／或其任何附屬公司的任何董事（包括執行、非執行及獨立非執行董事）；及(c)本公司及／或其任何附屬公司的任何諮詢人或顧問（不論其是否專業人士、為受僱、合約或義務性質，亦不論有否收取酬勞）、分銷商、承包商、供應商、服務供應商、代理、客戶及業務夥伴。

按照購股權計劃及本集團任何其他購股權計劃將予授出之所有購股權獲行使後可能發行之本公司普通股數目上限為362,880,000股普通股，相當於本報告日期本公司已發行普通股股份之10%。

自二零一一年十一月二十四日採納購股權計劃以來，概無根據購股權計劃授出購股權。

購買、出售或贖回上市證券

於回顧期間，本公司或其任何附屬公司概無購買、出售或贖回本公司的任何上市證券。

COMPETING INTERESTS

The Directors confirm that none of the Directors and their respective close associates had any business or interest in business which competes or may compete, either directly or indirectly, with the business of the Group or had any other conflicts of interest with the Group during the Review Period.

The Company did not have any controlling shareholder during the Review Period and therefore had no issue of any competing interest of any controlling shareholder.

SUSPENSION OF TRADING

Trading in the shares of the Company has been suspended since 24 November 2017 pursuant to the direction of the Securities and Futures Commission of Hong Kong (“SFC”) made under Section 8(1) of the Securities and Futures (Stock Market Listing) Rules (Chapter 571V of the Laws of Hong Kong) and will remain suspended until further notice.

Announcements were made by the Company on 1 August 2018, 1 November 2018, 1 February 2019, 2 May 2019, 1 August 2019, 1 November 2019, 31 January 2020, 29 April 2020, 31 July 2020, 30 October 2020, 1 February 2021 and 30 April 2021 pursuant to Rule 17.26A of the GEM Listing Rules.

As disclosed in the announcement of the Company dated 24 June 2019, the Stock Exchange has withheld exercising its right to delist the Company although trading in its shares remained suspended on 31 July 2019. As such, trading in the shares of the Company will continue to be suspended until further notice.

As disclosed in the announcement of the Company dated 30 April 2021, the Company has made further submission to the Enforcement Division of the SFC on 13 April 2021 and has continued its effort in communicating with and addressing the concern of the SFC with a view to achieving a resumption of trading of the Shares as soon as possible. The Company’s trade resumption application is still pending and the Company is not in a position to provide any concrete resumption timeframe at this stage. The Company and its legal representatives will closely follow up with this matter.

競爭權益

董事確認，於回顧期間，董事及彼等各自之緊密聯繫人概無擁有任何與本集團業務直接或間接構成競爭或可能構成競爭之業務或於當中擁有權益，或與本集團構成任何其他利益衝突。

本公司於回顧期間並無任何控股股東，因此概無任何控股股東的任何競爭權益問題。

暫停買賣

根據香港證券及期貨事務監察委員會（「證監會」）按香港法例第571V章《證券及期貨（在證券市場上市）規則》第8(1)條作出的指示，本公司股份已自二零一七年十一月二十四日起暫停買賣，且將維持暫停買賣直至另行通知為止。

本公司已根據GEM上市規則第17.26A條，於二零一八年八月一日、二零一八年十一月一日、二零一九年二月一日、二零一九年五月二日、二零一九年八月一日、二零一九年十一月一日、二零二零年一月三十一日、二零二零年四月二十九日、二零二零年七月三十一日、二零二零年十月三十日、二零二一年二月一日及二零二一年四月三十日刊發公告。

誠如本公司日期為二零一九年六月二十四日之公告所披露，儘管本公司股份於二零一九年七月三十一日仍然暫停買賣，但聯交所保留行使其將本公司除牌的權利。因此，本公司股份將繼續暫停買賣，直至另行通知為止。

誠如本公司日期為二零二一年四月三十日的公告所披露，本公司於二零二一年四月十三日向證監會法規執行部提交進一步陳述，並繼續努力與證監會溝通及回應其質詢，以求盡快恢復股份買賣。本公司的復牌申請現時仍待批核，本公司現階段無法提供任何具體復牌時間表。本公司及其法律代表將密切跟進此事。

Management Discussion and Analysis 管理層討論及分析 (continued 續)

AUDIT COMMITTEE

As at the date of this report, the audit committee of the Company (“**Audit Committee**”) comprises four existing independent non-executive Directors, namely, Mr. Choy Sze Chung Jojo (as the chairman of the Audit Committee), Dr. Fung Kam Man, Mr. Wang Zhiwei and Mr. Wong Kin Ning. This report and the Group’s unaudited condensed consolidated results for the Review Period have been reviewed by the Audit Committee. The Board is of the opinion that the preparation of such financial information is in compliance with the applicable accounting standards, the requirements under the GEM Listing Rules and any other applicable legal requirements, and that adequate disclosures have been made.

For and on behalf of the Board

First Credit Finance Group Limited

Ho Yuen May May

Executive Director and Chief Executive Officer

Hong Kong, 7 May 2021

審核委員會

於本報告日期，本公司審核委員會（「**審核委員會**」）由四名現任獨立非執行董事組成，即蔡思聰先生（審核委員會主席）、馮錦文博士、王志維先生及黃健寧先生。審核委員會已審閱本報告及本集團於回顧期間的未經審核簡明綜合業績。董事會認為，該等財務資料的編製已符合適用的會計準則、GEM上市規則下的規定及任何其他適用的法律規定，且已作出充足披露。

代表董事會

第一信用金融集團有限公司

執行董事兼行政總裁

何婉薇

香港，二零二一年五月七日

FIRST CREDIT FINANCE GROUP LIMITED

第一信用金融集團有限公司

www.fcfg.com.hk