EASY REPAY FINANCE & INVESTMENT LIMITED
易還財務投資有限公司

(formerly known as Unlimited Creativity Holdings Limited 無限創意控股有限公司)
(Continued in Bermuda with limited liability)
(Stock code: 8079)

FINAL RESULTS FOR THE YEAR ENDED 31ST MARCH, 2015

CHARACTERISTICS OF THE GROWTH ENTERPRISE MARKET ("GEM") OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE "STOCK EXCHANGE")

GEM has been positioned as a market designed to accommodate companies to which a higher investment risk may be attached than other companies listed on the 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. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of companies listed on GEM, 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.

This announcement, for which the directors of Easy Repay Finance & Investment Limited (the "Company") (the "Directors") collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the GEM of the Stock Exchange (the "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 announcement 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 announcement misleading.

The board of Directors (the "Board") of Easy Repay Finance & Investment Limited (Formerly Unlimited Creativity Holdings Limited) (the "Company") announces the audited consolidated results of the Company and its subsidiaries (collectively referred to as the "Group") for the year ended 31st March, 2015 together with the comparative figures as follows:

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31st March, 2015

	Notes	**2015** *HK$'000*	2014 *HK$'000*
Revenue	4	**66,859**	37,930
Cost of sales		**(4,620)**	(2,736)
Investment and other income		**1,508**	719
Other gains and (losses), net		**12,319**	2,987
Servicing, selling and distribution costs		**(3,705)**	(1,698)
Administrative expenses		**(26,816)**	(25,979)
Loss on disposal of available-for-sale financial assets		**–**	(12,954)
Impairment losses on loans and advances to customers, net		**(1,343)**	(9,659)
Bad debts recovery on loans and advances to customers		**158**	340
Operating profit (loss)		**44,360**	(11,050)
Finance costs	7	**(1,913)**	(1,100)
Share of loss of an associate		**(1,605)**	(285)
Profit (loss) before taxation	6	**40,842**	(12,435)
Taxation	8	**79**	90
Profit (loss) for the year		**40,921**	(12,345)
Other comprehensive (loss) income:			
Items that will not be reclassified subsequently to profit or loss:			
Changes in fair value of financial assets at fair value through other comprehensive income (2014: available-for-sale financial assets)	3(b)	**(10,571)**	(8,123)
Items that have been reclassified to profit or loss:			
Changes in fair value of available-for-sale financial assets		**–**	(703)
Reclassified to profit or loss upon disposal of available-for-sale financial assets		**–**	12,954
Other comprehensive (loss) income for the year, net of tax		**(10,571)**	4,128
Total comprehensive income (loss) for the year		**30,350**	(8,217)

	Note	2015 HK$'000	2014 HK$'000
Profit (loss) for the year attributable to:			
Owners of the Company		**40,724**	(12,259)
Non-controlling interests		**197**	(86)
		40,921	(12,345)
Total comprehensive income (loss) for the year attributable to:			
Owners of the Company		**30,153**	(8,131)
Non-controlling interests		**197**	(86)
		30,350	(8,217)
Earnings/(loss) per share	9		
Basic and diluted (2014: restated)		**HK$0.41**	(HK$0.68)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31st March, 2015

	Notes	**2015**	2014
		HK$'000	*HK$'000*
ASSETS			
Non-current assets			
Property, plant and equipment		**4,194**	3,951
Investment properties		**–**	21,800
Interests in associates		**–**	1,065
Available-for-sale financial assets		**–**	13,928
Financial assets at fair value through other comprehensive income		**3,357**	–
Loans and advances to customers	11	**110,746**	66,264
		118,297	107,008
Current assets			
Trade receivables	10	**544**	107
Prepayments, deposits and other receivables		**59,012**	8,125
Loans and advances to customers	11	**177,695**	141,703
Inventories		**223**	258
Financial assets at fair value through profit or loss		**69,321**	20,357
Amount due from a related company		**262**	262
Amounts due from associates		**2,044**	500
Pledged bank deposits		**28,895**	–
Cash and cash equivalents		**66,403**	11,609
		404,399	182,921
LIABILITIES			
Current liabilities			
Trade and other payables	13	**2,402**	2,246
Amounts due to non-controlling interests		**150**	150
Amounts due to related parties		**8,200**	11,500
Borrowings	14	**89,348**	7,020
Obligation under a finance lease		**203**	199
Provision for tax		**57**	57
		100,360	21,172
Net current assets		**304,039**	161,749
Total assets less current liabilities		**422,336**	268,757

	Note	2015 HK$'000	2014 HK$'000
Non-current liabilities			
Deferred tax liabilities		**–**	79
Obligation under a finance lease		**312**	515
		312	594
Net assets		**422,024**	268,163
EQUITY			
Equity attributable to owners of the Company			
Share capital	12	**2,202**	6,292
Reserves		**419,901**	262,147
		422,103	268,439
Non-controlling interests		**(79)**	(276)
Total equity		**422,024**	268,163

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31st March, 2015

	Attributable to owners of the Company										
	Share capital HK$'000	Share premium* HK$'000	Capital redemption reserve* HK$'000	Accumulated losses* HK$'000	Capital reserve* HK$'000	Investment revaluation reserve* HK$'000	Share option reserve* HK$'000	Contributed surplus* HK$'000	Total HK$'000	Non-controlling interests HK$'000	Total equity HK$'000
Balance at 1st April, 2013	20,975	198,800	278	(193,397)	28,546	(14,396)	732	181,291	222,829	981	223,810
Loss for the year	–	–	–	(12,259)	–	–	–	–	(12,259)	(86)	(12,345)
Other comprehensive (loss) income:											
Changes in fair value of available-for-sale financial assets	–	–	–	–	–	(8,826)	–	–	(8,826)	–	(8,826)
Reclassified to profit or loss upon disposal of available-for-sale financial assets	–	–	–	–	–	12,954	–	–	12,954	–	12,954
Total comprehensive (loss) income for the year	–	–	–	(12,259)	–	4,128	–	–	(8,131)	(86)	(8,217)
Transactions with owners:											
Capital reduction *(note 12(iii) (b))*	(19,927)	–	–	–	–	–	–	19,927	–	–	–
Issue of shares upon placing *(note 12(iv))*	210	4,506	–	–	–	–	–	–	4,716	–	4,716
Transaction costs attributable to issue of shares upon placing	–	(274)	–	–	–	–	–	–	(274)	–	(274)
Issue of shares upon open offer *(note 12(v))*	5,034	45,302	–	–	–	–	–	–	50,336	–	50,336
Transaction costs attributable to issue of shares upon open offer	–	(2,208)	–	–	–	–	–	–	(2,208)	–	(2,208)
Release of share option reserve upon expiry of share options	–	–	–	732	–	–	(732)	–	–	–	–
Release upon disposal of subsidiaries	–	–	–	1,171	–	–	–	–	1,171	(1,171)	–
Total transactions with owners of the Company	(14,683)	47,326	–	1,903	–	–	(732)	19,927	53,741	(1,171)	52,570
Balance at 31st March, 2014	6,292	246,126*	278*	(203,753)*	28,546*	(10,268)*	–*	201,218*	268,439	(276)	268,163
Balance at 1st April, 2014	6,292	246,126*	278*	(203,753)*	28,546*	(10,268)*	–*	201,218*	268,439	(276)	268,163
Profit for the year	–	–	–	40,724	–	–	–	–	40,724	197	40,921
Other comprehensive (loss) income											
Changes in fair value of financial assets at fair value through other comprehensive income	–	–	–	–	–	(10,571)	–	–	(10,571)	–	(10,571)
Total comprehensive income (loss) for the year	–	–	–	40,724	–	(10,571)	–	–	30,153	197	30,350
Transactions with owners:											
Rights issue of shares *(note 12(i))*	15,730	110,110	–	–	–	–	–	–	125,840	–	125,840
Transaction cost attributable to rights issue of shares	–	(2,329)	–	–	–	–	–	–	(2,329)	–	(2,329)
Capital reduction *(note 12(ii) (b))*	(19,820)	–	–	–	–	–	–	19,820	–	–	–
Total transactions with owners of the Company	(4,090)	107,781	–	–	–	–	–	19,820	123,511	–	123,511
Balance at 31st March, 2015	2,202	353,907*	278*	(163,029)*	28,546*	(20,839)*	–*	221,038*	422,103	(79)	422,024

* These reserve accounts comprise the consolidated reserves of approximately HK$419,901,000 (2014: HK$262,147,000) in the consolidated statement of financial position.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st March, 2015

1. GENERAL INFORMATION

Easy Repay Finance & Investment Limited (formerly Unlimited Creativity Holdings Limited) (the "Company") was an exempted company continued into Bermuda with limited liability with effect from 30th April, 2008. The address of its registered office is situated at Canon's Court, 22 Victoria Street, Hamilton HM 12, Bermuda.

The principal places of business of the Company and its subsidiaries (collectively referred to as the "Group") are in Hong Kong. The Company's principal place of business in Hong Kong is 7th Floor, Zung Fu Industrial Building, 1067 King's Road, Hong Kong. The Company's shares are listed on the Growth Enterprise Market (the "GEM") of The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

The Group is principally engaged in the money lending business, financial instruments and quoted shares investment, groceries store business and property investment in Hong Kong.

Pursuant to a special resolution passed at the special general meeting held on 23rd March, 2015 and approved by the Registrar of Companies in Bermuda and Hong Kong on 1st April, 2015 and 27th April, 2015 respectively, the Company has changed its name from "Unlimited Creativity Holdings Limited" to "Easy Repay Finance & Investment Limited" and its new Chinese name "易還財務投資有限公司" has also been adopted as the new secondary name of the Company to replace "無限創意控股有限公司".

These consolidated financial statements were approved and authorised for issue by the Board of Directors on 23rd June, 2015.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

(a) Basis of preparation

The consolidated financial statements of the Company have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs"), which collective term includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs") and Interpretations ("Int") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"), and accounting principles generally accepted in Hong Kong. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the GEM of the Stock Exchange and by the Hong Kong Companies Ordinance.

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

The HKICPA has issued certain new and revised HKFRSs that are first effective or available for early adoption for the current accounting period of the Group and the Company. Note 3 provides information on any changes in accounting policies resulting from initial application of these developments to the extent that they are relevant to the Group for the current and prior accounting periods reflected in these consolidated financial statements.

The consolidated financial statements for the year ended 31st March, 2015 comprise the Company, its subsidiaries and the Group's interests in associates.

The consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of investment properties and certain financial instruments, which are measured at fair values at the end of each reporting period. The measurement bases are fully described in the accounting policies below.

The consolidated financial statements are presented in Hong Kong dollars ("HKD" or "HK$") and all values are rounded to the nearest thousand except where otherwise indicated.

(b) Basis of consolidation

(i) Subsidiaries and non-controlling interests

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. When assessing whether the Group has power over the entity, only substantive rights (held by the Group and other parties) are considered.

An investment in a subsidiary is consolidated into the consolidated financial statements from the date that control commences until the date that control ceases. Intra-group balances, transactions and cash flows and any unrealised profits arising from intra-group transactions are eliminated in full in preparing the consolidated financial statements. Unrealised losses resulting from intra-group transactions are eliminated in the same way as unrealised gains but only to the extent that there is no evidence of impairment.

Non-controlling interests represent the equity in a subsidiary not attributable directly or indirectly to the Company, and in respect of which the Group has not agreed any additional terms with the holders of those interests which would result in the Group as a whole having a contractual obligation in respect of those interests that meets the definition of a financial liability. For each business combination, the Group can elect to measure any non-controlling interests either at fair value or at the non-controlling interests' proportionate share of the subsidiary's net identifiable assets.

Non-controlling interests are presented in the consolidated statement of financial position within equity, separately from equity attributable to the equity shareholders of the Company. Non-controlling interests in the results of the Group are presented on the face of the consolidated statement of comprehensive income as an allocation of the total profit or loss and total comprehensive income for the year between non-controlling interests and the equity shareholders of the Company. Loans from holders of non-controlling interests and other contractual obligations towards these holders are presented as financial liabilities in the consolidated statement of financial position in accordance with note 2(k) depending on the nature of the liability.

Changes in the Group's interests in a subsidiary that do not result in a loss of control are accounted for as equity transactions, whereby adjustments are made to the amounts of controlling and non-controlling interests within consolidated equity to reflect the change in relative interests, but no adjustments are made to goodwill and no gain or loss is recognised.

When the Group loses control of a subsidiary, it is accounted for as a disposal of the entire interest in that subsidiary, with a resulting gain or loss being recognised in profit or loss. Any interest retained in that former subsidiary at the date when control is lost is recognised at fair value and this amount is regarded as the fair value on initial recognition of a financial asset (see note 2(g)) or when appropriate, the cost on initial recognition of an investment in an associate or joint venture.

In the Company's statement of financial position, investments in subsidiaries are stated at cost less impairment losses, unless the investments are classified as held for sale (or included in a disposal group that is classified as held for sale). The results of the subsidiaries are accounted for by the Company on the basis of dividend received and receivable.

(ii) *Business combinations*

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are generally recognised in profit or loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value, except that:

– deferred tax assets or liabilities, and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with HKAS 12 "Income Taxes" and HKAS 19 "Employee Benefits" respectively;

– liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with HKFRS 2 "Share-based Payment' at the acquisition date; and

– assets (or disposal groups) that are classified as held for sale in accordance with HKFRS 5 "Non-current Assets Held for Sale and Discontinued Operations" are measured in accordance with that standard.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after reassessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a gain on a bargain purchase.

Internal and external sources of information are reviewed at the end of each reporting period to identify indications that goodwill may be impaired. If any such indication exists, its recoverable amount is estimated annually whether or not there is any indication of impairment. An impairment loss is recognised in profit or loss whenever the carrying amount of goodwill, or the cash-generating unit to which it belongs exceeds its recoverable amount. An impairment loss on goodwill is not reversed

On disposal of cash generating unit during the year, any attributable amount of the purchased goodwill is included in the calculation of profit or loss on disposal.

(iii) *Associates*

An associate is an entity over which the Group has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

In consolidated financial statements, associates are accounted for using the equity method whereby they are initially recognised at cost and thereafter, their carrying amounts are adjusted for the Group's share of the post-acquisition change in the associates' net assets except that losses in excess of the Group's interest in the associate are not recognised unless the Group has incurred legal or constructive obligations to make good those losses. The Group's share of the post-acquisition, post-tax results of the investees, including any impairment losses on the investments in associates for the year, are recognised in profit or loss, whereas the Group's share of the post-acquisition, post-tax items of the investees' other comprehensive income are recognised in other comprehensive income of the Group.

Any premium paid for an associate above the fair value of the Group's share of the identifiable assets, liabilities and contingent liabilities acquired is capitalised and included in the carrying amount of the associate. Where there is objective evidence that the investment in an associate has been impaired, the carrying amount of the investment is tested for impairment in the same way as other non-financial assets.

If an investment in an associate becomes an investment in a joint venture or vice versa, retained interest is not remeasured. Instead, the investment continues to be accounted for under the equity method.

In all other cases, when the Group ceases to have significant influence over an associate, it is accounted for as a disposal of the entire interest in that investee, with a resulting gain or loss being recognised in profit or loss. Any interest retained in that former investee at the date when significant influence or joint control is lost is recognised at fair value and this amount is regarded as the fair value on initial recognition of a financial asset (see note 2(g)).

Unrealised profits and losses resulting from transactions between the Group and its associates are recognised only to the extent of unrelated investors' interests in the associates. The investor's share in the associate's profits and losses resulting from these transactions is eliminated against the carrying value of the associates, except where unrealised losses provide evidence of an impairment of the asset transferred, in which case they are immediately recognised in profit or loss.

Where the associates use accounting policies other than those of the Group for like transactions and events in similar circumstances, adjustments are made to conform the associates' accounting policies to those of the Group when the associates' financial statements are used by the Group in applying the equity method.

(c) Property, plant and equipment

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

Depreciation is recognised so as to write off the cost of items of property, plant and equipment, less their estimated residual values, if any, over their useful lives, using straight-line method, at the following rates per annum:

Land	Over period of the lease
Buildings	50 years
Leasehold improvements	20% or over the lease terms, if shorter
Equipment	20%
Furniture and fixtures	20%
Motor vehicles	20%
Equipment under finance leases	20%

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.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets. However, when there is no reasonable certainty that ownership will be obtained by the end of the lease term, assets are depreciated over the shorter of the lease term and their useful lives.

An item of property, 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 disposal or retirement of an item of property, plant and equipment is determined as the difference between the net disposal proceeds and the carrying amount of the item and is recognised in profit or loss.

(d) Investment properties

Investment properties are land and/or buildings which are owned or held under a leasehold interest to earn rentals and/or for capital appreciation are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at fair value. Gains and losses arising from changes in the fair value of investment properties are included in profit or loss in the period in which they arise.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.

(e) Leases

Leases are classified as finance leases whenever the lease transfer substantially all the risks and rewards incidental to ownership of the assets to the Group. All other leases are classified as operating leases.

The Group as lessor

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

The Group as lessee

(i) Assets held under finance leases are initially recognised as assets of the Group at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the consolidated statement of financial position as a finance lease obligation.

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Group's general policy on borrowing costs. Contingent rentals (if any) are recognised as expenses in the periods in which they are incurred.

(ii) Operating leases payments are recognised as an expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed. Contingent rentals (if any) arising under operating leases are recognised as an expense in the period in which they are incurred.

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.

(f) Impairment of tangible and intangible assets other than goodwill

At the end of the reporting period, the Group reviews the carrying amounts of its tangible and intangible 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 asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

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 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 the cash-generating unit) is reduced to its recoverable amount. 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) 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 cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

(g) Financial assets

All financial assets are recognised and derecognised on trade date when the purchase or sale of a financial asset is under a contract whose terms require delivery of the financial asset within the timeframe established by the market concerned. Financial assets are initially measured at fair value, plus transaction costs, except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value.

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of reporting period. The foreign exchange component forms part of its fair value gain or loss. For financial assets classified as at fair value through profit or loss, the foreign exchange component is recognised in profit or loss. For financial assets designated as at fair value through other comprehensive income (2014: available-for-sale financial assets), any foreign exchange component is recognised in other comprehensive income. For foreign currency denominated debt instruments classified at amortised cost, the foreign exchange gains and losses are determined based on the amortised cost of the asset and are recognised in the "other gains and losses" line item in the statement of comprehensive income.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts the estimated future cash receipts (including all fees 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 debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Interest income is recognised on effective interest basis for debt instruments.

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 financial asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group continues to recognise the asset to the extent of its continuing involvement and recognises an associated liability. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

(I) For financial assets held on or before 31st March, 2014 or financial assets derecognised prior to 31st March, 2014

(a) Classification of financial assets

The Group's financial assets are classified into the following categories:

– Financial assets at fair value through profit or loss

– Loans and receivables

– Available-for-sale financial assets

The classification of financial assets depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

(i) Financial assets at fair value through profit or loss

Financial assets are classified as at fair value through profit or loss when the financial asset is either held for trading or it is designated as at fair value through profit or loss.

A financial asset is classified as held for trading if the condition set out in note 2(g) (II) (a) (iii) is satisfied.

A financial asset other than a financial asset held for trading may be designated as at fair value through profit or loss upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or

- the financial asset forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or

- it forms part of a contract containing one or more embedded derivatives, and HKAS 39 "Financial Instruments: Recognition and Measurement" permits the entire combined contract (asset or liability) to be designated as at fair value through profit or loss.

Financial assets at fair value through profit or loss are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. Any dividend or interest earned on the financial asset is included in the "Investment and other income" line item.

(ii) *Available-for-sale financial assets*

Available-for-sale financial assets are non-derivatives that are either designated as available-for-sale or are not classified as loans and receivables, held-to-maturity investments or financial assets at fair value through profit or loss.

Equity and debt securities held by the Group that are classified as available-for-sale financial assets and are traded in an active market are measured at fair value at the end of each reporting period. Changes in the carrying amount of available-for-sale monetary financial assets relating to interest income calculated using the effective interest method and dividends on available-for-sale equity investments are recognised in profit or loss.

Gain or loss on fair value changes of available-for-sale financial assets are recognised in other comprehensive income and accumulated separately in equity under investment revaluation reserve, except for impairment losses and foreign exchange gain or losses resulting from changes in the amortised cost of debt securities which are recognised directly in profit or loss. When the available-for-sale financial assets are disposed of or are determined to be impaired, the cumulative gain or loss previously accumulated in the investment revaluation reserve is reclassified to profit or loss (see the accounting policy in respect of impairment loss on finance assets below).

Dividends on available-for-sale equity investments are recognised in profit or loss when the Group's right to receive the dividends is established.

Available-for-sale equity investments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured and derivatives that are linked to and must be settled by delivery of such unquoted equity investments are measured at cost less any identified impairment losses at the end of each reporting period (see the accounting policy in respect of impairment loss on finance assets below).

(iii) *Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables (including loans and advances to customers, trade receivables, deposits and other receivables, amount due from a related company, amounts due from associates, pledged bank deposits, cash and cash equivalents) are measured at amortised cost using the effective interest method, less any impairment. Loans and receivables are included in current assets, except for maturities greater than 12 months after the end of the reporting period which are classified as non-current assets.

Interest income is recognised by applying the effective interest rate, except for short-term receivables where the recognition of interest would be immaterial.

(b) Derecognition of financial assets

On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss.

(II) For financial assets on or after 1st April, 2014

(a) Classification of financial assets

Following the early adoption of HKFRS 9 (2009) on 1st April, 2014, financial assets of the Group extant at that date are classified under the following categories:

– Financial assets at amortised cost

– Financial assets at fair value through profit or loss

– Financial assets at fair value through other comprehensive income

Therefore, the Group's recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value.

(i) Financial assets at amortised cost

Debt instruments are classified under this category if they satisfy both of the following conditions:

– the assets are held within a business model whose objective is to hold assets in order to collect contractual cash flows for managing liquidity and generating income on its investment, but not for the purpose of realising fair value gains; and

– the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, with interest being the consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and are unleveraged.

Debt instruments meeting these criteria are measured initially at fair value plus transaction costs. They are subsequently measured at amortised cost using the effective interest method less any impairment, with interest revenue recognised on an effective yield basis and included in the "investment and other income" line item.

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 and receivable is recognised in profit or loss.

(ii) *Financial assets at fair value through profit or loss*

Debt instruments are classified under this category if they do not meet the conditions to be measured at amortised cost.

Investments in equity instruments are classified as at fair value through profit or loss, unless the Group designates an investment that is not held for trading as at fair value through other comprehensive income on initial recognition as described below.

Financial assets at fair value through profit or loss are measured at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The fair value gains or losses recognised in profit or loss is included in the "other gains and losses" line item in the statement of comprehensive income.

Transaction costs directly attributable to the acquisition of financial assets at fair value through profit or loss are recognised immediately in profit or loss.

Interest income on debt instruments and dividend income on investments in equity instruments at fair value through profit or loss is recognised in profit or loss. Fair value gains or losses do not include any interest or dividend earned on these financial assets.

(iii) *Financial assets at fair value through other comprehensive income*

On initial recognition, the Group can make an irrevocable election (on an instrument-by-instrument basis) to designate investments in equity instruments as at fair value through other comprehensive income. Designation at fair value through other comprehensive income is not permitted if the equity investment is held for trading.

A financial asset is held for trading if:

– it has been acquired principally for the purpose of selling it in the near term; or

– on initial recognition it is part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking; or

– it is a derivative that is not designated and effective as a hedging instrument or a financial guarantee.

Investments in equity instruments at fair value through other comprehensive income are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the investment revaluation reserve. On derecognition of a financial asset that is classified as fair value through other comprehensive income, the cumulative gain or loss previously accumulated in the investment revaluation reserve is not reclassified to profit or loss, but is reclassified directly to retained profits/accumulated losses.

Dividends on these investments in equity instruments are recognised in profit or loss, unless the dividends clearly represent a recovery of part of the cost of the investment.

(b) *Derecognition of financial assets*

Derecognition of financial assets occurs when, and only when, the contractual rights to receive cash flows from the financial assets expire or are transferred and substantially all of the risks and rewards of ownership have been transferred. Details of which are set out in note 2(g) (II) (a).

(h) Impairment of financial assets

At each reporting date, financial assets measured at amortised cost are reviewed to determine whether there is any objective evidence of impairment. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the financial assets have been affected.

Objective evidence of impairment of individual financial assets includes observable data that comes to the attention of the Group about one or more of the following loss events:

– significant financial difficulty of the debtor or counterparty; or

– breach of contract, such as a default or delinquency in interest or principal payments; or

– it becoming probable that the borrower will enter bankruptcy or financial re-organisation; or

– the disappearance of an active market for that financial asset because of financial difficulties.

For certain categories of financial asset, such as trade receivables, assets that are assessed for impairment on collective basis even if they were assessed not to be impaired individually. Objective evidence of impairment for a portfolio of receivables could include the Group's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period, as well as observable changes in notional or local economic conditions that correlate with default on receivables.

For financial assets that are carried at amortised cost, the amount of impairment loss recognised is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets measured at amortised cost, if in a subsequent period, the amount of impairment loss decrease and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed to the extent that it does not result in a carrying amount of the financial asset exceeding what the amortised cost would have been had the impairment not been recognised at the date the impairment is reversed. The amount of the reversal is recognised in profit or loss of the period in which the reversal occurs.

In respect of the impairment losses on doubtful receivables, whose recovery is considered doubtful but not remote, are recorded using an allowance account. When the Group considered that recovery of receivables is remote, the amount considered irrecoverable is written off against the receivables directly and any amounts held in the allowance account in respect of that receivable are reversed. Subsequent recoveries of amounts previously charged to the allowance account are reversed against the allowance account. Other changes in the allowance account and subsequent recoveries of amounts previously written off directly are recognised in profit or loss.

Impairment of available-for-sale financial assets (which held on or before 31st March, 2014 or derecognised prior to 31st March, 2014)

When an available-for-sale financial asset (which held on or before 31st March, 2014 or derecognised prior to 31st March, 2014) is considered to be impaired, cumulative gains or losses previously recognised in other comprehensive income are reclassified to profit or loss in the period.

In respect of the available-for-sale equity securities (which held on or before 31st March, 2014 or derecognised prior to 31st March, 2014), impairment losses previously recognised in profit or loss are not reversed through profit or loss. Any increase in fair value subsequent to an impairment loss is recognised in other comprehensive income and accumulated under the investment revaluation reserve. In respect of the available-for-sale debt securities (which held on or before 31st March, 2014 or derecognised prior to 31st March, 2014), impairment losses are subsequently reversed through profit or loss if an increase in the fair value of the investment can be objectively related to an event occurring after the recognition of the impairment loss.

For available-for-sale equity securities (which held on or before 31st March, 2014 or derecognised prior to 31st March, 2014) that carried at cost, the amount of impairment loss is measured as the difference between the carrying amount and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss is not reversed.

(i) Inventories

Inventories are stated at the lower of cost and net realisable value. Costs of inventories are determined on a weighted-average basis. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

When inventories are sold, the carrying amount of those inventories is recognised as an expense in the period in which the related revenue is recognised. The amount of any write-down of inventories to net realisable value and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories is recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

(j) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks, other financial institutions and securities brokers, and short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are also included as a component of cash and cash equivalents for the purpose of the consolidated statement of cash flows.

In the consolidated statement of financial position, bank overdrafts are shown within borrowings in current liabilities.

(k) Financial liabilities and equity instruments

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.

(i) 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 a group entity are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

(ii) Financial liabilities

Financial liabilities (including trade and other payables, amounts due to related parties, amounts due to non-controlling interests and borrowings) are subsequently measured at amortised cost using the effective interest method.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liabilities for at least 12 months after the end of reporting period.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash 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 liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Interest expense is recognised on an effective interest basis other than financial liabilities classified as at fair value through profit or loss.

(l) Derecognition of financial liabilities

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

(m) Derivative financial instruments

Derivatives financial instruments are initially recognised at fair value on the date the derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reporting period. Changes in fair value of the derivative instruments are recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument. The Group does not have any hedging instrument at any time during the year or at the end of reporting period.

A derivative with positive fair value is recognised as financial asset through profit or loss and a derivative with negative fair value is recognised as a financial liability through profit or loss. The Group does not have any derivative with negative fair value at the end of reporting period.

(n) Income tax

Income tax for the year comprises current tax and movements in deferred tax assets and liabilities. Current tax and movements in deferred tax assets and liabilities are recognised in profit or loss except to the extent that they relate to items recognised in other comprehensive income or directly in equity, in which case the relevant amounts of the tax are recognised in other comprehensive income or directly in equity, respectively.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the end of the reporting period, and any adjustment to tax payable in respect of previous years.

Deferred tax assets and liabilities arise from deductible and taxable temporary differences respectively, being the differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax bases. Deferred tax assets also arise from unused tax losses and unused tax credits.

Apart from certain limited exceptions, all deferred tax liabilities, and all deferred tax assets to the extent that it is probable that future taxable profits will be available against which the asset can be utilised, are recognised. Future taxable profits that may support the recognition of deferred tax assets arising from deductible temporary differences include those that will arise from the reversal of existing taxable temporary differences, provided those differences relate to the same taxation authority and the same taxable entity, and are expected to reverse either in the same period as the expected reversal of the deductible temporary difference or in periods into which a tax loss arising from the deferred tax asset can be carried back or forward. The same criteria are adopted when determining whether existing taxable temporary differences support the recognition of deferred tax assets arising from unused tax losses and credits, that is, those differences are taken into account if they relate to the same taxation authority and the same taxable entity, and are expected to reverse in a period, or periods, in which the tax loss or credit can be utilised.

The limited exceptions to recognition of deferred tax assets and liabilities are those temporary differences arising from goodwill not deductible for tax purposes, the initial recognition of assets or liabilities that affect neither accounting nor taxable profit (provided they are not part of a business combination), and temporary differences relating to investments in subsidiaries and associates to the extent that, in the case of taxable differences, the Group controls the timing of the reversal and it is probable that the differences will not reverse in the foreseeable future, or in the case of deductible differences, unless it is probable that they will reverse in the future. Deferred tax assets and liabilities are not discounted.

The carrying amount of a deferred tax asset is reviewed at the end of each reporting period and is reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow the related tax benefit to be utilised. Any such reduction is reversed to the extent that it becomes probable that sufficient taxable profits will be available.

Additional income taxes that arise from the distribution of dividends are recognised when the liability to pay the related dividends is recognised.

Current tax balances and deferred tax balances, and movements therein, are presented separately from each other and are not offset. Current tax assets are offset against current tax liabilities, and deferred tax assets against deferred tax liabilities, if the Group or the Company has the legally enforceable right to set off current tax assets against current tax liabilities and the following additional conditions are met:

– in the case of current tax assets and liabilities, the Group or the Company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously; or

– in the case of deferred tax assets and liabilities, if they relate to income taxes levied by the same taxation authority on either;

  – the same taxable entity; or

  – different taxable entities, which, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered, intend to realise the current tax assets and settle the current tax liabilities on a net basis or realise and settle simultaneously.

(o) Borrowing costs

Borrowing costs directly attributable to the acquisition or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

(p) Retirement benefit costs and short term employee benefit

(i) Retirement benefits costs

Retirement benefits to employees are provided through a defined contribution plan.

The Group operates a defined contribution Mandatory Provident Fund retirement benefits scheme (the "MPF Scheme") under the Mandatory Provident Fund Schemes Ordinance, for those employees who are eligible to participate in the MPF Scheme. Contributions are made based on a percentage of the employees' basic salaries. The assets of the MPF Scheme are held separately from those of the Group in an independently administered fund. The Group's employer contributions vest fully with the employees when contributed into the MPF Scheme, except for the Group's employer voluntary contributions, which are refunded to the Group when the employee leaves employment prior to the contributions vesting fully, in accordance with the rules of the MPF Scheme.

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

(ii) Short-term employee benefits

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the end of the reporting period.

Non-accumulating compensated absences such as sick leave and maternity leave are not recognised until the time of leave.

(iii) Share-based employee compensation

The Group operates equity-settled share-based compensation plans for remuneration of its employees.

For grants of share options that are conditional upon satisfying specified vesting conditions, the fair value of services received is determined by reference to the fair value of share options granted at the date of grant and is expensed on a straight-line basis over the vesting period, with a corresponding increase in equity (share option reserve).

At the end of the reporting period, the Group revises its estimates of the number of options that are expected to ultimately vest. 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 share option reserve.

For share options that vest immediately at the date of grant, the fair value of the share options granted is expensed immediately to profit or loss.

When share options are exercised, the amount previously recognised in share option reserve will be transferred to share premium. When share options are forfeited after the vesting date or are still not exercised at the expiry date, the amount previously recognised in share option reserve will be transferred to accumulated losses.

(q) Financial guarantees issued, provisions and contingent liabilities

(i) Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by the Group are initially measured at their fair values and, if not designated as at fair value through profit or loss, are subsequently measured at the higher of:

- the amount of the obligation under the contract, as determined in accordance with HKAS 37 “Provisions, Contingent Liabilities and Contingent Assets”; and

- the amount initially recognised less, where appropriate, cumulative amortisation recognisedin accordance with the revenue recognition policies.

(ii) Other provisions and contingent liabilities

Provisions are recognised for other liabilities of uncertain timing or amount when the Group has a legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Where the time value of money is material, provisions are stated at the present value of the expenditure expected to settle the obligation.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

(r) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable for the sale of goods and services in the ordinary course of the Group’s activities. Revenue is shown net of value-added tax, returns, rebates, discounts and after eliminating sales within the Group.

The Group recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and when specific criteria have been met for each of the Group's activities as described below.

(i) Sales of goods are recognised upon transfer of the significant risks and rewards of ownership to the customer. This is usually taken as the time when the goods are delivered and the customer has accepted the goods;

(ii) Interest income
Interest income for all interest-bearing financial instruments is recognised in profit or loss on an accrual basis using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating the interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset.

For impaired loans, the accrual of interest income based on the original terms of the loan is discontinued, but any increase in the present value of impaired loans due to the passage of time is reported as interest income.

(iii) Rental income is recognised on a straight-line basis over the term of the lease;

(iv) Dividend income is recognised when the shareholder's right to receive payment is established prior to the end of reporting period; and

(v) Management fee income and commission income are recognised when the services have been rendered.

(s) Foreign currencies

(i) Functional and presentation currency

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

(ii) Transactions and balances

In preparing the financial statements of each individual group entity, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at 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 at 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.

Exchange differences on monetary items are recognised in profit or loss in the period in which they arise except for:

- exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;

- exchange differences on transactions entered into in order to hedge certain foreign currency risks; and

- exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to profit or loss on repayment of the monetary items.

(t) Segment reporting

Operating segments, and the amounts of each segment item reported in the consolidated financial statements, are identified from the financial information provided regularly to the Group's most senior executive management for the purposes of allocating recourses to, and assessing the performance of, the Group's various lines of business and geographical locations.

Individually material operating segments are not aggregated for financial reporting purposes unless the segments have similar economic characteristics and are similar in respect of the nature of the products and services, the nature of the production processes, the type or class of customers, the methods used to distribute the products or provide the services, and the nature of the regulatory environment. Operating segments which are not individually material may be aggregated if they share a majority of these criteria.

(u) Related parties

(a) A person, or a close member of that person's family, is related to the Group if that person:

(i) has control or joint control over the Group;

(ii) has significant influence over the Group; or

(iii) is a member of the key management personnel of the Group or the Company's parent.

(b) An entity is related to the Group if any of the following conditions applies:

(i) the entity and the Group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others);

(ii) one entity is an associate or a joint venture of the other entity (or an associate or a joint venture of a member of a group of which the other entity is a member);

(iii) both entities are joint ventures of the same third party;

(iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;

(v) the entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group;

(vi) the entity is controlled or jointly controlled by a person identified in (a); and

(vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

3. CHANGES IN ACCOUNTING POLICIES

(a) The HKICPA has issued certain new and revised HKFRSs and amendments to HKFRSs that are first effective for current accounting period of the Group. Of these, the following developments are relevant to the Group's financial statements:

Amendments to HKAS 32	Financial instruments: Presentation – Offsetting financial assets and financial liabilities
Amendments to HKAS 36	Recoverable amount disclosures for non-financial assets
Amendments to HKAS 39	Financial instruments: Recognition and measurement – Novation of derivatives and continuation of hedge accounting
Amendments to HKFRS 10, HKFRS 12 and HKAS 27	Investment entities
HK (IFRIC) – Int 21	Levies

Other than those mentioned below, the application of the above new and revised HKFRSs in the current year has had no material impact on the Group's financial performance and positions for the current and prior years and/or on the disclosures set out in the consolidated financial statements.

The principal effects of adopting these new and revised HKFRSs are summarised as follows:

Amendments to HKAS 32, Financial instruments: Presentation - Offsetting financial assets and financial liabilities

The amendments to HKAS 32 clarify the requirements relating to the offset of financial assets and financial liabilities. Specifically, the amendments clarify the meaning of "currently has a legally enforceable right of set-off" and "simultaneous realisation and settlement". The amendments have been applied retrospectively. As the Group does not have any financial assets and financial liabilities that qualify for offset, the application of the amendments has had no impact on the disclosures or on the amounts recognised in the Group's consolidated financial statements.

Amendments to HKAS 36, Recoverable amount disclosures for non-financial assets

The amendments to HKAS 36 remove the requirement to disclose the recoverable amount of a cash generating unit (CGU) to which goodwill or other intangible assets with indefinite useful lives had been allocated when there has been no impairment or reversal of impairment of the related CGU. Furthermore, the amendments introduce additional disclosure requirements applicable to when the recoverable amount of an asset or a CGU is measured at fair value less costs of disposal. These new disclosures include the fair value hierarchy, key assumptions and valuation techniques used which are in line with the disclosure required by HKFRS 13 Fair Value Measurements. The application of these amendments has had no material impact on the disclosures in the Group's consolidated financial statements.

Amendments to HKFRS 10, HKFRS 12 and HKAS 27

The amendments apply to a particular class of businesses that qualify as investment entities. An investment entity's business purpose is to invest funds solely for returns from capital appreciation, investment income or both. It evaluates the performance of its investments on a fair value basis. Investment entities could include private equity organisations, venture capital organisations, pension funds and investment funds.

The amendments provide an exception to the consolidation requirements in HKFRS 10 Consolidated Financial Statements and require investment entities to measure particular subsidiaries at fair value through profit or loss rather than to consolidate them. The amendments also set out the disclosure requirements for investment entities.

The adoption of the amendments has had no impact on the consolidated financial statements as the Company is not an investment entity.

HK (IFRIC) – Int 21 – Levies

HK (IFRIC) – Int 21 clarifies that an entity recognises a liability a pay a levy imposed by government when the activity that triggers payment, as identified by the relevant legislation, occurs. The interpretation has been applied retrospectively. The adoption of HK (IFRIC) – Int 21 has had no material impact on the disclosures or on the amounts recognised in the Group's consolidated financial statements.

(b) New and amended standards early adopted by the Group

The following standard has been early adopted by the Group for the first time for the financial year beginning on or after 1st April, 2014:

HKFRS 9 (issued in 2009) Financial Instruments "HKFRS 9 (2009)"

The Group has adopted HKFRS 9 (2009) in advance of its effective date. The Group has chosen 1st April, 2014 as its date of initial application, being the date on which the Group has assessed its existing financial assets.

According to "Mandatory effective date of HKFRS 9 and transition disclosures" (Amendments to HKFRS 9 (2009) and HKFRS 7) issued in December 2011, the Group has not restated comparative information and has provided additional disclosures on the transition in these consolidated financial statements for the year ended 31st March 2015.

HKFRS 9 (2009) specifies how an entity should classify and measure its financial assets, it requires all financial assets to be classified in their entirety on the basis of the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets. Financial assets are measured either at amortised cost or fair value.

Debt instruments are measured at amortised cost only if (i) the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows and (ii) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. If either of the two criteria is not met the financial instrument is classified as at fair value through profit or loss.

All derivatives, including embedded derivatives that are embedded in financial liabilities or host contracts outside the scope of HKAS 39 that are separately accounted for, are stated at fair value through profit or loss, except for those designated in hedge accounting relationship.

Investment in equity instruments are classified and measured as at fair value through profit or loss, except if the equity investment is not held for trading and is designated by the Group as at fair value through other comprehensive income. If the equity investment is designated as at fair value through other comprehensive income, all fair value gains or losses, except for dividend income recognised in accordance with HKAS 18, are recognised in other comprehensive income and are not subsequently reclassified to profit or loss.

The Group's financial assets were previously classified as financial assets at fair value through profit or loss, available-for-sale financial assets or loans and receivables (note 2g) under HKAS 39. The early adoption of HKFRS 9 (2009) has resulted in a change in accounting policy, the Group has reviewed and assessed all of the Group's existing financial assets as at the date of initial application of HKFRS 9 (2009). As a result:

- The Group's equity investments not held for trading that were previously measured at fair value and classified as available-for-sale have been designated as at fair value through other comprehensive income.

  Regarding the aforesaid available-for-sale financial assets as at 31st March, 2014, changes in fair value of approximately HK$8,123,000 which had been recognised in other comprehensive income during the year ended 31st March, 2014, would be reclassified as "items that will not be reclassified subsequently to profit or loss" upon designation of those financial assets at fair value through other comprehensive income.

- The Group's equity investments held for trading are continuously measured at fair value through profit or loss under HKFRS 9 (2009).

- Other financial assets of the Group that were previously measured at amortised cost and classified as loans and receivables are continuously measured at amortised cost under HKFRS 9 (2009).

The effect of this change in accounting policy arising from early adoption of HKFRS 9 (2009) is summarised below:

Measurement category Financial assets	HKAS 39 Carrying amount at 31st March, 2014 *HK$'000*	Reclassification *HK$'000*	Remeasurement *HK$'000*	HKFRS 9 (2009) Carrying amount at 1st April, 2014 *HK$'000*	Total effect on accumulated losses at 1st April, 2014 *HK$'000*
Fair value through profit or loss					
From financial assets at fair value through profit or loss (HKAS 39)	20,357	–	–	20,357	–
Total change to fair value through profit or loss	20,357	–	–	20,357	–
Fair value through other comprehensive income					
From available-for-sale financial assets (HKAS 39), which are stated at fair value	13,928	–	–	13,928	–
Total change to fair value through other comprehensive income	13,928	–	–	13,928	–
Amortised cost					
From loans and receivables (HKAS 39)	228,255	–	–	228,255	–
Total change to amortised cost	228,255	–	–	228,255	–
Total financial asset balances, reclassification and remeasurement at 1st April, 2014	262,540	–	–	262,540	–
Total change to accumulated losses at 1st April, 2014					–

Consolidated statement of financial position

	1st April, 2014
	HK$'000
Increase in financial assets at fair value through other comprehensive income	13,928
Decrease in available-for-sale financial assets	(13,928)
Increase/decrease in investment revaluation reserve	–
Increase/decrease in accumulated losses	–

Under HKAS 39, fair value changes on the Group's available-for-sale financial assets were recognised in other comprehensive income and accumulated in investment revaluation reserve. The amount accumulated in investment revaluation reserve was removed from equity and recognised in profit or loss on impairment or derecognition. Under HKFRS 9 (2009), such financial assets are designated by management of the Group by way of irrevocable election on instrument-by-instrument basis on these investments in equity instruments (not held for trading) as fair value through other comprehensive income and the cumulative fair value changes previously accumulated in investment revaluation reserve are not reclassified to profit or loss, but is transferred between reserves within equity when such financial assets are derecognised.

4. REVENUE

Revenue, which is also the Group's turnover, comprised of (i) rental income based on the terms of the lease of investment properties, (ii) interest income from rendering money lending services and (iii) invoiced sales value of grocery products to customers.

	2015	2014
	HK$'000	*HK$'000*
Rental income from investment properties	**221**	705
Money lending services	**60,427**	33,277
Sales of grocery products	**6,211**	3,948
	66,859	37,930

5. SEGMENT INFORMATION

The chief operating decision makers have been identified as the executive directors of the Company (the "Executive Directors"). The Executive Directors review the Group's internal reporting in order to assess performance and allocate resources. Management determined the operating segments based on these reports.

Management assesses the performance based on the nature of the Group's businesses which are principally located in Hong Kong, and comprises (i) money lending; (ii) financial instruments and quoted shares investment; (iii) groceries store business; and (iv) property investment.

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

(a) Business Segments

For the year ended 31st March, 2015

	Money lending *HK$'000*	Financial instruments and quoted shares investment *HK$'000*	Groceries store business *HK$'000*	Property investment *HK$'000*	Total *HK$'000*
Segment revenue from external customers	**60,427**	**–**	**6,211**	**221**	**66,859**
Investment and other income	**36**	**1,376**	**5**	**2**	**1,419**
Other gains and (losses), net	**–**	**8,952**	**–**	**3,339**	**12,291**
Results	**60,463**	**10,328**	**6,216**	**3,562**	**80,569**
Segment results before impairment losses and bad debts recovery/ (written off)	**49,695**	**6,980**	**610**	**3,223**	**60,508**
Impairment losses on loans and advances to customers, net	**(1,343)**	**–**	**–**	**–**	**(1,343)**
Bad debts recovery	**158**	**–**	**–**	**–**	**158**
Bad debt written off	**–**	**–**	**(20)**	**–**	**(20)**
Segment results	**48,510**	**6,980**	**590**	**3,223**	**59,303**
Unallocated income					**103**
Unallocated expenses					**(15,060)**
Gain on disposal of property, plant and equipment					**14**
Finance costs					**(1,913)**
Share of results of an associate	**–**	**–**	**(1,605)**	**–**	**(1,605)**
Profit before taxation					**40,842**
Taxation					**79**
Profit for the year					**40,921**

As at 31st March, 2015

	Money lending *HK$'000*	Financial instruments and quoted shares investment *HK$'000*	Groceries store business *HK$'000*	Property investment *HK$'000*	Total *HK$'000*
Assets					
Reportable segment assets	**313,134**	**203,071**	**3,982**	**1,613**	**521,800**
Unallocated corporate assets					**896**
Consolidated assets					**522,696**
Liabilities					
Reportable segment liabilities	**16,287**	**83,904**	**176**	**–**	**100,367**
Unallocated corporate liabilities					**305**
Consolidated liabilities					**100,672**
Other segment information for the year ended 31st March, 2015					
Interest income	**5**	**443**	**–**	**2**	**450**
Depreciation and amortisation	**69**	**–**	**24**	**308**	**401**
Unallocated portion					**770**
Total depreciation and amortisation					**1,171**
Finance costs	**1,665**	**214**	**–**	**22**	**1,901**
Unallocated portion					**12**
Total finance costs					**1,913**
Additions to non-current assets during the year					
– Investment in an associate	**–**	**–**	**540**	**–**	**540**
– Other capital expenditure	**250**	**1,050**	**128**	**–**	**1,428**
Total capital expenditure					**1,968**

For the year ended 31st March, 2015

	Money lending *HK$'000*	Financial instruments and quoted shares investment *HK$'000*	Groceries store business *HK$'000*	Property investment *HK$'000*	Total *HK$'000*
Other segment information in segment results					
Fair value gains on financial assets at fair value through profit or loss	**–**	**4,236**	**–**	**–**	**4,236**
Gains on disposal of investment properties	**–**	**–**	**–**	**3,353**	**3,353**
Net gains on disposal of financial assets at fair value through profit or loss	**–**	**5,012**	**–**	**–**	**5,012**

For the year ended 31st March, 2014

	Money lending HK$'000	Financial instruments and quoted shares investment HK$'000	Groceries store business HK$'000	Property investment HK$'000	Total HK$'000
Segment revenue from external customers	33,277	–	3,948	705	37,930
Investment and other income	191	241	13	–	445
Other gains and (losses), net	2	3,185	–	(300)	2,887
Results	33,470	3,426	3,961	405	41,262
Segment results before loss on disposal of available-for-sale financial assets, impairment losses and bad debt recovery on loans and advances to customers	25,063	3,275	(246)	(793)	27,299
Loss on disposal of available-for-sale financial assets	–	(12,954)	–	–	(12,954)
Impairment losses on loans and advances to customers, net	(9,659)	–	–	–	(9,659)
Bad debt recovery	340	–	–	–	340
Segment results	15,744	(9,679)	(246)	(793)	5,026
Unallocated income					303
Unallocated expenses					(16,449)
Gain on disposal of property, plant and equipment					70
Finance costs					(1,100)
Share of results of an associate	–	–	(285)	–	(285)
Loss before taxation					(12,435)
Taxation					90
Loss for the year					(12,345)

	Money lending HK$'000	Financial instruments and quoted shares investment HK$'000	Groceries store business HK$'000	Property investment HK$'000	Total HK$'000
Assets					
Reportable segment assets	211,616	48,385	2,300	23,277	285,578
Unallocated corporate assets					4,351
Consolidated assets					289,929
Liabilities					
Reportable segment liabilities	15,877	725	67	3,314	19,983
Unallocated corporate liabilities					1,783
Consolidated liabilities					21,766
Other segment information for the year ended 31st March, 2014					
Interest income	–	180	–	–	180
Depreciation and amortisation	14	–	11	307	332
Unallocated portion					601
Total depreciation and amortisation					933
Finance costs	1,012	17	–	71	1,100
Additions to non-current assets during the year					
– Investment in associate	–	–	1,350	–	1,350
– Other capital expenditure	–	–	38	48	86
– Unallocated portion					1,849
Total capital expenditure					3,285

For the year ended 31st March, 2014

	Money lending *HK$'000*	Financial instruments and quoted shares investment *HK$'000*	Groceries store business *HK$'000*	Property investment *HK$'000*	Total *HK$'000*
Other segment information included in segment results					
Fair value losses on investment properties	–	–	–	(300)	(300)
Fair value gain on early conversion of convertible bonds, classified as financial assets at fair value through profit or loss – held for trading	–	3,476	–	–	3,476
Fair value losses on financial assets at fair value through profit or loss	–	(868)	–	–	(868)
Net losses on disposal of financial assets at fair value through profit or loss	–	(130)	–	–	(130)

Revenue reported above represents revenue generated from external customers. There were no inter-segment sales for the year ended 31st March, 2015 (2014: nil).

The accounting policies of the operating segments are the same as the Group's accounting policies described in note 2. Segment results represent the profit/(loss) generated by each segment without allocation of central administration costs, gain on disposal of property, plant and equipment, finance costs, share of results of an associate and taxation. This is the measure reported to the Executive Directors for the purposes of resources allocation and assessment of segment performance.

For the purposes of monitoring segment performance and allocating resources between segments:

- All assets other than unallocated corporate assets, current and deferred tax assets are allocated to reportable segments; and

- All liabilities other than unallocated corporate liabilities, current and deferred tax liabilities are allocated to reportable segments.

Information about major customers

No single customers contributed 10% or more to the Group's revenue for the years ended 31st March, 2015 and 2014.

6. PROFIT (LOSS) BEFORE TAXATION

	2015	2014
	HK$'000	*HK$'000*
Profit (loss) before taxation is arrived at after charging/(crediting):		
Auditors' remuneration	**445**	400
Bad debt written off on trade receivables (included in administrative expenses)	**20**	–
Operating leases payments in respect of land and buildings	**2,064**	1,957
Rental income net of outgoings in respect of investment properties	**(215)**	(692)
Employee benefit expenses	**15,552**	14,057
Depreciation of property, plant and equipment		
– Owned assets	**977**	739
– Held under a finance lease	**194**	194
	1,171	933
Carrying amount of inventories sold	**4,611**	2,736
Write-down of inventories	**9**	–
Cost of inventories recognised as expenses	**4,620**	2,736

7. FINANCE COSTS

	2015	2014
	HK$'000	*HK$'000*
Interest expenses on:		
Bank loan and overdrafts		
– not wholly repayable within five years	**22**	71
– wholly repayable within five years	**201**	1
Other borrowings wholly repayable within five years	**1,678**	1,012
	1,901	1,084
Finance charge on obligation under a finance lease	**12**	16
Total interest expenses for financial liabilities that are not at fair value through profit or loss	**1,913**	1,100

8. TAXATION

No provision for Hong Kong profits tax has been made for the companies in the Group as they either have no assessable profits or have available tax losses brought forward from prior years to offset against current year's estimated assessable profits (2014: Nil).

	2015	2014
	HK$'000	*HK$'000*
Current tax:		
Hong Kong		
– Charge for the year	**–**	–
– Under-provision in prior years	**–**	30
	–	30
Deferred tax:		
– Credit for the year	**(79)**	(10)
– Over-provision in prior years	**–**	(110)
	(79)	(120)
Taxation credit	**(79)**	(90)

Included in other comprehensive income, no income tax expense was in relation to each component of other comprehensive income for the years ended 31st March, 2015 and 2014.

The tax credit for the year can be reconciled to the profit/(loss) before taxation per the consolidated statement of comprehensive income as follows:

	2015	2014
	HK$'000	*HK$'000*
Profit/(loss) before taxation	**40,842**	(12,435)
Tax on profit/(loss) before taxation, calculated at the domestic income tax rate of 16.5% (2014: 16.5%)	**6,739**	(2,051)
Tax effect of non-taxable revenue	**(1,230)**	(80)
Tax effect of non-deductible expenses	**2,544**	799
Tax effect of unused tax loss not recognised	**738**	3,869
Tax effect of utilisation of tax losses previously not recognised	**(7,036)**	(3,416)
Tax effect of temporary differences not recognised	**(2,107)**	822
Tax effect of temporary differences previously not recognised	**8**	–
Tax effect of share of loss of an associate	**265**	47
Over-provision of current and deferred tax in prior years	**–**	(80)
Taxation credit	**(79)**	(90)

9. EARNINGS/(LOSS) PER SHARE

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

	2015	2014
	HK$'000	*HK$'000*
Earnings/(loss)		
Profit/(loss) for the year attributable to owners of the Company	**40,724**	(12,259)

	2015	2014 (restated)
Number of ordinary shares		
Weighted average number of ordinary shares for the purpose of basic earning/(loss) per share	**98,689,000**	17,917,000

The weighted average number of ordinary shares for the purposes of calculating basis earnings/(loss) per share for the year ended 31st March, 2015 has been adjusted to reflect (i) the share consolidation occurred during the year and (ii) right issue of shares occurred during the year. The corresponding weighted average number of ordinary shares for the year ended 31st March, 2014 has been retrospectively adjusted to reflect the said share consolidation. Details of issue of shares and share consolidation are set out in note 12 to the consolidated financial statements.

Diluted earnings/(loss) per share for the years ended 31st March, 2015 and 2014 were the same as the basic earnings/(loss) per share as there were no potential ordinary shares outstanding for both years. The Company's outstanding share options had expired during the year ended 31st March, 2014.

10. TRADE RECEIVABLES

	2015	2014
	HK$'000	*HK$'000*
Trade receivables	**544**	107

The Group maintains credit terms of cash on delivery for both years 2015 and 2014. At the end of the reporting period, the ageing analysis of the trade receivables based on the invoiced dates is as follows:

	2015	2014
	HK$'000	*HK$'000*
Within three months	**528**	101
Over three months	**16**	6
	544	107

At the end of each reporting period, the Group reviews trade receivables for evidence of impairment on both an individual and collective basis. Based on these assessments, no impairment loss has been recognised for both years.

The Group did not hold any collateral as security or other credit enhancements over the trade receivables.

The ageing analysis of the Group's trade receivables that were past due as at the end of the reporting period but not impaired, based on due date is as follows:

	2015	2014
	HK$'000	*HK$'000*
Within three months past due	**528**	101
Over three months but within six months past due	**–**	6
Over six months and within 1 year	**16**	–
	544	107

Trade receivables disclosed above include amounts which are past due at the end of the reporting period for which the Group has not recognised allowance for impairment of doubtful debts because in the opinion of the directors, the amounts are still considered recoverable.

11. LOANS AND ADVANCES TO CUSTOMERS

	2015	2014
	HK$'000	*HK$'000*
Loans and advances to customers	**295,340**	219,623
Allowance for impairment	**(6,899)**	(11,656)
	288,441	207,967
Analysed for reporting purpose as:		
Current portion	**177,695**	141,703
Non-current portion	**110,746**	66,264
	288,441	207,967

At 31st March, 2015, certain loans and advances to customers of approximately HK$118,294,000 (2014: HK$83,274,000) are secured by the customers' pledged properties. As at 31st March, 2015, total value of the customers' pledged properties as collaterals for these loans and advances to customers was approximately HK$446,900,000 (2014: HK$365,150,000) based on the market value of the customers' pledged properties as at the end of the reporting period.

All loans and advances to customers are denominated in HK dollars. The loans and advances to customers carry fixed effective interest ranging from 5% to 48% (2014: 5% to 42%) per annum with credit terms mutually agreed with the customers. The Group's loans and advances to customers related to a large number of diversified customers and there is no significant concentration of credit risk. An ageing analysis of loans and advances to customers net of allowance for impairment loss at the end of reporting period, based on the repayment terms is as follows:

(a) Ageing analysis of loans and advances to customers:

	2015	2014
	HK$'000	*HK$'000*
Within one year	**177,695**	141,703
Over one year but within five years	**32,524**	31,167
Over five years	**78,222**	35,097
	288,441	207,967

(b) The movements in allowance for impairment of loans and advances to customers:

	2015	2014
	HK$'000	*HK$'000*
Balance at the beginning of the year	**11,656**	4,687
Impairment losses charged to profit or loss	**2,074**	10,233
Impairment losses reversed to profit or loss	**(731)**	(574)
Uncollectible amounts written off	**(6,100)**	(2,690)
Balance at the end of the year	**6,899**	11,656
Recovery of loans and advances to customers directly written off in previous years	**(158)**	(340)

At 31st March, 2015, loans and advances to customers of approximately HK$6,899,000 (2014: HK$12,256,000) were impaired. The amount of allowance for impairment was HK$6,899,000 (2014: HK$11,656,000). The impaired loans and advances relate to customers that were in financial difficulties and the recovery of these receivables is remote. Accordingly, the Directors of the Company consider that allowance for impairment of loans and advances to customers would be made on loans outstanding over 60 days.

(c) Loans and advances to customers disclosed in note (a) above include amounts HK$31,298,000 (2014: HK$21,089,000) which are not impaired but past due.

Loans and advances to customers past due but not impaired:

	2015	2014
	HK$'000	*HK$'000*
Past due within 6 months	**27,790**	21,089
Past due 6 to 12 months	**3,508**	–
	31,298	21,089

The Group has not made impairment on these loans and advances to customers because, in the opinion of Directors of the Company, there is either no significant change in credit quality of the customers or sufficient collaterals to recover the outstanding loans receivables , therefore the amounts are still considered recoverable.

12. SHARE CAPITAL

	Notes	**Number of shares**	*HK$'000*
Authorised:			
At 1st April, 2013		30,000,000,000	300,000
Ordinary shares of HK$0.01 each			
Share consolidation	(iii)(a)	(28,500,000,000)	–
Ordinary shares of HK$0.20 each			
Capital reduction	(iii)(b)	–	(285,000)
Ordinary shares of HK$0.01 each			
Capital increase	(iii)(c)	28,500,000,000	285,000
At 31st March, 2014		30,000,000,000	300,000
Ordinary shares of HK$0.01 each			
Share consolidation	(ii)(a)	(27,000,000,000)	–
Ordinary shares of HK$0.10 each			
Capital reduction	(ii)(b)	–	(270,000)
Ordinary shares of HK$0.01 each			
Capital increase	(ii)(c)	27,000,000,000	270,000
At 31st March, 2015			
Ordinary shares of HK$0.01 each		30,000,000,000	300,000
Issued and fully paid:			
At 1st April, 2013		2,097,592,629	20,975
Ordinary shares of HK$0.01 each			
Share consolidation	(iii)(a)	(1,992,712,998)	–
Ordinary shares of HK$0.2 each			
Capital reduction	(iii)(b)	–	(19,927)
Ordinary shares of HK$0.01 each			
Issue of shares upon placing	(iv)	20,960,000	210
Issue of shares upon open offer	(v)	503,358,524	5,034
At 31st March, 2014		629,198,155	6,292
Ordinary shares of HK$0.01 each			
Rights issue of shares	(i)	1,572,995,385	15,730
Share consolidation	(ii)(a)	(1,981,974,186)	–
Ordinary shares of HK$0.1 each			
Capital reduction	(ii)(b)	–	(19,820)
Ordinary shares of HK$0.01 each			
At 31st March, 2015			
Ordinary shares of HK$0.01 each		220,219,354	2,202

Notes:

For the year ended 31st March, 2015

(i) The Company announced the results of the rights issue on 7th January, 2015, details of which are set out the Company's announcement on that date. On 8th January, 2015, 1,572,995,385 new ordinary shares of HK$0.01 each were allotted and issued at a price of HK$0.08 per share by way of rights issue to qualifying shareholders on the basis of five rights shares for every two existing shares. The issued share capital of the Company were increased from 629,198,155 shares to 2,202,193,540 shares on the same date accordingly. The net proceeds of approximately HK$123 million from rights issue were intended to be used for further development of the Group's money lending business, retail business and general working capital.

(ii) By a special resolution dated 23rd March, 2015, the Company's proposed capital reorganisation was duly passed and all the conditions precedent to the capital reorganisation had been fulfilled. On 24th March, 2015, the capital reorganisation became effective, the composition of which is as follows:

(a) Share consolidation:
The consolidation of every ten issued and unissued shares of par value of HK$0.01 each in the share capital of the Company into one consolidated share of par value of HK$0.10 each;

(b) Capital reduction:
Immediately upon completion of the share consolidation, (i) the issued share capital of the Company was reduced by cancelling the paid up capital of the Company to the extent of HK$0.09 on each of the then issued consolidated share such that the par value of each issued consolidated share was reduced from HK$0.10 to HK$0.01 (the "issued share capital reduction"); (ii) the authorised share capital of the Company was reduced by reducing the par value of all consolidated shares from HK$0.10 each to HK$0.01 each resulting in the reduction of the authorised share capital of the Company from HK$300,000,000 divided into 3,000,000,000 consolidated shares to HK$30,000,000 divided into 3,000,000,000 adjusted shares of par value HK$0.01 each; and

The credit arising from the issued share capital reduction of approximately of HK$19,820,000 was credited to the contributed surplus account of the Company.

(c) Capital increase:
Immediately upon completion of the capital reduction, the authorised share capital of the Company increased from HK$30,000,000 divided into 3,000,000,000 adjusted shares to HK$300,000,000 divided into 30,000,000,000 adjusted shares.

For the year ended 31st March, 2014

(iii) By a special resolution dated 17th June, 2013, the Company had the capital reorganisation which was composed of:

(a) Shares consolidation:
The consolidation of every twenty issued and unissued shares of par value of HK$0.01 each in the share capital of the Company into one consolidated share of par value of HK$0.20 each;

(b) Capital reduction:
Immediately upon the share consolidation becoming effective, (i) the issued share capital of the Company was reduced by cancelling the paid-up capital of the Company to the extent of HK$0.19 on each of the then issued consolidated shares such that the par value of each issued consolidated share was reduced from HK$0.20 to HK$0.01 (the "Issued Share Capital Reduction"); and (ii) the authorised share capital of the Company was reduced by reducing the par value of all consolidated shares from HK$0.20 each to HK$0.01 each resulting in the reduction of the authorised share capital of the Company from HK$300,000,000 divided into 1,500,000,000 consolidated shares to HK$15,000,000 divided into 1,500,000,000 adjusted shares of par value HK$0.01 each; and

The credit arising from the Issued Share Capital Reduction of approximately HK$19,927,000 was credited to the contributed surplus account of the Company.

(c) Capital increase:
Immediately upon the capital reduction becoming effective, the authorised share capital of the Company was increased from HK$15,000,000 divided into 1,500,000,000 adjusted shares to HK$300,000,000 divided into 30,000,000,000 adjusted shares.

(iv) On 7th August, 2013, 20,960,000 ordinary shares of the Company of HK$0.01 each were allotted at a price of HK$0.225 by way of placing of new shares under general mandate. The net proceeds were approximately HK$4.4 million for general working capital of the Group.

(v) By ordinary resolution dated 13th January, 2014, there was an open offer to the qualifying shareholders on the basis of four offer shares for every ordinary share of HK$0.01 each at a price of HK$0.1 per offer share. On 14th February, 2014, 503,358,524 offer shares were allotted of which 248,634,125 offer shares had underwritten by underwriter. The net proceeds were approximately HK$48.1 million for general working capital of the Group.

All issued shares rank pari passu in all respects with each other. None of the Company's subsidiaries repurchased, sold or redeemed any of the Company's shares during the year.

13. TRADE AND OTHER PAYABLES

	2015	2014
	HK$'000	*HK$'000*
Trade payables	**60**	–
Accruals	**1,634**	1,510
Receipts in advance	**277**	198
Deposits received and other payables	**431**	538
	2,402	2,246

The following is an analysis of trade payables by age based on the invoiced date.

	2015	2014
	HK$'000	*HK$'000*
0 – 60 days	**60**	–
61 – 90 days	**–**	–
	60	–

The credit term on purchases of goods is cash on delivery.

14. BORROWINGS

	2015	2014
	HK$'000	*HK$'000*
Bank overdrafts secured *(notes (i) and (ii))*	**12,473**	–
Bank loan – secured *(notes (i) to (iii))*		
– Portion of bank loan repayable within one year	**15,611**	385
– Portion of bank loan that not repayable within one year from the end of reporting period which contain a repayment on demand clause *(note (iii))*	**–**	2,635
	28,084	3,020
IPO loan from securities broker *(note (iv))*	**54,264**	–
Other loan – unsecured		
– Repayable within one year *(note (v))*	**7,000**	4,000
	89,348	7,020
Amounts shown as current liabilities	**(89,348)**	(7,020)
Amounts shown as non-current liabilities	**–**	–

Notes:

(i) (a) As at 31st March, 2015, bank overdrafts and bank loan are secured by i) all monies guarantee given by a director of the Company, Mr. Shiu Yeuk Yuen, ii) certain financial assets at fair value through profit or loss with the aggregate fair value of approximately HK$28,274,000 and iii) certain pledged bank deposits of approximately HK$15,661,000.

(b) As at 31st March, 2014, the bank loan of approximately HK$3,020,000 was secured by the charge over the Group's investment properties and corporate guarantees executed by the Company.

During the year ended 31st March, 2015, the bank loan has been fully repaid and the charge over the investment properties together with the corporate guarantee has also been released.

(ii) For the year ended 31st March, 2015, the Group's bank borrowings are bearing interest at the rate ranging from 1.28% to 4% (2014: 2.2% to 2.21%) per annum.

(iii) The aggregate carrying amount of the Group's bank borrowings as at 31st March, 2015 (that is repayable more than one year after the end of the reporting period but contain a repayment on demand clause) that has been reclassified as current liabilities is Nil (2014: approximately HK$2,635,000).

Bank borrowings are callable by the lender, but management of the Group does not expect the lender to exercise its right to demand for repayment in normal circumstances.

(iv) The IPO loan from securities broker amounted to approximately HK$54,264,000 for financing an application of an entity's IPO shares. The IPO loan carried interest at the rate of 1.2% per annum and was unsecured and repaid on 9th April, 2015.

(v) The other loan is denominated in HK dollars and is borrowed from independent third parties. The loan is unsecured, interest-bearing at the rate of 10% (2014: 10%) per annum and repayable within one year.

(vi) The maturity profile of the borrowings is as follows:

	2015	2014
	HK$'000	*HK$'000*
Bank overdrafts and bank loan:		
Within one year	**28,084**	385
After one year but within two years	**–**	394
After two years but within five years	**–**	1,235
After five years	**–**	1,006
	28,084	3,020
IPO loan from securities broker:		
Within one year	**54,264**	–
Other loan:		
Within one year	**7,000**	4,000
	89,348	7,020

Note:

(a) The above amounts due are based on the scheduled repayment dates set out in the loan agreements and ignore the effect of any repayment on demand clause as set out in the loan agreements.

15. COMPARATIVE FIGURES

Certain comparative figures as set out in the consolidated financial statements and the related notes thereto have been reclassified to conform with the current year's presentation.

16. DIVIDEND

No dividend was paid or proposed during the year ended 31st March, 2015 nor has any dividend been proposed since the end of reporting period (2014: Nil).

MANAGEMENT DISCUSSION AND ANALYSIS

Operation Review

Turnover for the financial year ended 31st March, 2015 was approximately HK$66.9 million, representing an increase of approximately 76.3% when compared with the continuing operations in last year. Profit attributable to owners of the Company for the year ended 31st March, 2015 was approximately HK$40.7 million and the corresponding period in 2014 was loss of HK$12.3 million respectively.

Property Investment

The rental income generated from the investment properties continued providing income to the Group. The turnover of this business segment for the financial year was approximately HK$0.2 million and HK$0.7 million in 2014.

The Group has disposed the industrial property in Chaiwan and a residential property in Diamond Hill on 29th May, 2014 and 4th September, 2014 respectively. The Group will continue to identify suitable property for long-term investment purposes.

Securities and bonds Investment

In view of the volatility of the global economic environment, driven by the European sovereign debt crises and the economic downturn in the United States continues in the financial year, the Group will take more conservative step to invest in securities and bonds investment. Focus will be placed on corporate bonds with higher credit rating instead of listed securities in the volatile stock market.

Money Lending

After actively participating in money lending business for more than four years, a solid client base has been built. In the financial year, turnover for this segment under review was approximately HK$60.4 million, representing 81.6% increased when compared with the continuing operations in 2014. It would continue to grow steadily and generate sustainable income in the coming future.

Retail Business

The Group's current distribution office in Taikoo was opened in January, 2013 for the purpose of catering on-line sales and its on-line shopping service in Hong Kong for the sales of grocery products (including frozen seafood, personal care products, stationery, electrical appliances and etc.) to the public.

Turnover for this segment in the financial period under review was approximately HK$6.2 million, representing 57.3% increased when compared with the continuing operations in 2014. We will continue to monitor the operation and develop new market in order to increase the turnover and market share.

Wholesale Business

The Group has also been developing the wholesale business since January, 2015. The wholesale business is a fine supplement to our retail business and it will certainly strengthen our overall business.

Outlook

The Group will continue to look for ways to further improve its existing business and explore new investment opportunities to broaden the business scope of the Group with the ultimate goal to maximise the return to shareholders.

Liquidity and financial resources

The Group generally financed its operations with internally generated cash flows. As at 31st March, 2015, the Group had cash and cash equivalents of approximately HK$66.4 million (2014: HK$11.6 million).

As at 31st March, 2015, the Group had borrowings of HK$89 million (2014: HK$7 million) which were used to finance the securities investment and money lending business.

As at 31st March, 2015, the Group's gearing ratio, expressed as a percentage of total borrowings, (comprising amounts due to related parties, borrowings and obligation under a finance lease) less cash and cash equivalents then divided by total equity, increased to approximately 7.5% (2014: 2.8%).

Charges on Group's Asset

As at 31st March, 2015, except for the pledged bank deposits and financial instruments of approximately HK$57.1 million to secure short term bank borrowings, bank guarantees and other general banking facilities granted to the Group, the Groups has no other asset pledged to bank to secure the bank borrowings granted to the Group (2014: HK$21.8 million). The charges on the Group's asset has been released as the transaction of the disposal of the property located in Chaiwan was completed on 14th July, 2014.

Treasury Policies

Cash and bank deposits of the Group are mainly denominated in HK dollars ("HK$").

Since most of the transactions of the Group are denominated in Hong Kong dollars, no hedging or other arrangements to reduce the currency risk have been implemented.

Employees

As at 31st March, 2015, the Group had around 48 (2014: 65) full-time employees. The total of employee remuneration, including that of the Directors, for the year ended 31st March, 2015 amounted to approximately HK$15.6 million (2014: HK$14.1 million). The Group remunerates its employees based on their performance, experience and the prevailing commercial practice.

Capital Structure

During the year ended 31st March, 2015, the capital structure of the Company has changed as follows:

Rights Issue

By resolution dated 25th November, 2014, the Company was approved to raise approximately HK$125 million, before expenses, by issuing 1,572,995,385 rights shares to the qualifying shareholders by way of Rights Issue at the subscription price of HK$0.08 per rights share on the basis of five (5) rights shares for every two (2) existing shares held on the record date ("Rights Issue").

The reasons of the Rights Issue are for (i) expansion of the money lending business; (ii) expansion of the retail business and/or medicine store; and (iii) general working capital of the Group. The closing price per share as quoted on the Stock Exchange on 10th October, 2014, being the date of the underwriting agreement, was HK$0.165.

The Rights Issue was completed on 8th January, 2015. The net proceeds approximately HK$123.10 million were raised from the Rights Issue and applied as (i) approximately HK$94.2 million for expansion of the money lending business; (ii) approximately HK$2.9 million for expansion of the retail and wholesale business and/or medicine store; and (iii) approximately HK$26 million for general working capital of the Group.

Capital Reorganisation

By a resolution dated 23rd March, 2015, the Company implemented the capital reorganisation which involved the share consolidation, capital reduction and capital increase.

Share Consolidation:

The consolidation of every ten (10) issued and unissued shares of par value of HK$0.01 each in the share capital of the Company into one (1) consolidated share of par value of HK$0.10 each ("Consolidated Share").

Capital reduction:

Immediately upon the Share Consolidation became effective, (i) the issued share capital of the Company was reduced by cancelling the paid up capital of the Company to the extent of HK$0.09 on each of the then issued Consolidated Share such that the par value of each issued Consolidated Share was reduced from HK$0.10 to HK$0.01 (the "Issued Share Capital Reduction"); and (ii) the authorised share capital of the Company was reduced by reducing the par value of all Consolidated Shares from HK$0.10 each to HK$0.01 each resulting in the reduction of the authorised share capital of the Company from HK$300,000,000 divided into 3,000,000,000 Consolidated Shares to HK$30,000,000 divided into 3,000,000,000 adjusted shares of par value HK$0.01 each.

Capital Increase:

Immediately upon the Capital Reduction became effective, the authorized share capital of the Company has been increased from HK$30,000,000 divided into 3,000,000,000 adjusted shares to HK$300,000,000 divided into 30,000,000,000 adjusted shares.

Significant Disposals

On 10th April, 2014, the Company disposed of 24,358,974 Crosby Shares (representing approximately 5.48% of the total issued share capital of Crosby as at the date of disposal) for a cash consideration of approximately HK$19.4 million in open market. The consideration represented the market prices of Crosby Shares at the time of Disposal. Details refer to the announcement dated 11th April, 2014.

On 29th May, 2014, an indirect wholly-owned subsidiary of the Company, entered a provisional sale and purchase agreement with an independent third party regarding the disposal of the property in Hong Kong at a cash consideration of HK$19.35 million. The assignment had been completed on 14th July, 2014.

On 4th September, 2014, an indirect wholly-owned subsidiary of the Company, entered a provisional sale and purchase agreement with an independent third party regarding the disposal of the property in Hong Kong at a cash consideration of HK$6 million. The transaction was completed on 17th November, 2014.

Contingent Liabilities

As at 31st March, 2014, the Company had provided an unlimited corporate guarantee to a bank for general banking facilities granted to an indirect wholly-owned subsidiary of the Company. As at 31st March, 2014, banking facilities of approximately HK$3,020,000 had been utilised by the subsidiary.

During the year ended 31st March, 2015, the above corporate guarantee has been released upon settlement of the relevant bank borrowing.

As at 31st March, 2014, the Company had provided a corporate guarantee up to a maximum amount of HK$25,000,000 to secure a letter of guarantee issued by a bank to the extent of approximately HK$679,000.

During the year ended 31st March, 2015, the above corporate guarantee has been replaced by pledge of bank deposit of approximately HK$679,000 to secure the aforesaid bank guarantee.

On 9th October, 2012, a tenancy agreement was jointly entered into between Wit Way Enterprises Limited, as landlord and Top Euro Limited, an indirect wholly-owned subsidiary of the Company and Mark Glory International Enterprise Limited, an indirect wholly-owned subsidiary of China 3D Digital Entertainment Limited, both as tenants, in relation to the lease of an office premises. The duration of the tenancy agreement is for three years commencing from 1st November, 2012 to 31st October, 2015 with a monthly rental of HK$220,000 inclusive of management charges (equivalent to HK$2,640,000 per annum), but exclusive of government rates and all other outgoings. The rent, government rates and all outgoings of the premises shall be paid by the tenants in equal shares.

If either party fails to fulfill their leasing obligations under the agreement, the other party will obligate to pay the other party's outstanding contingent rental liability amounting to HK$1,320,000 per annum. The taking up of the contingent rental liability constitutes a provision of financial assistance under the GEM Listing Rules.

SHARE OPTION SCHEMES

On 24th September, 2001, the shareholders of the Company approved a share option scheme ("the Old Scheme") under which its Board of Directors may, at its discretion, offer full-time or part-time employees and Executive, Non-executive and Independent Non-executive Directors of the Company and/or any of its subsidiaries, options to subscribe for shares of the Company. The subscription price will be determined by the Company's Board of Directors and will be the highest of (i) the nominal value of the shares, (ii) the quoted closing price of the Company's shares on the date of offer of the options, and (iii) the average of the quoted closing prices of the Company's shares on the five trading days immediately preceding the date of offer of the options ("the Old Scheme").

On 4th January, 2011, the shareholders of the Company approved to terminate the Old Scheme ("the Old Scheme") and adopted a new share option scheme ("the New Scheme") under which its Board of Directors may, at its discretion, offer full-time or part-time employees and Executive, Non-executive and Independent Non-executive Directors of the Company and/or any of its subsidiaries, suppliers, customers, advisors or consultants options to subscribe for shares of the Company. The maximum number of shares which may be allotted and issued upon exercise of all outstanding options granted and yet to be exercised under the New Scheme and any other share option scheme adopted by the Group shall not exceed 10 per cent of the share capital of the Company in issue from time to time. The subscription price will be determined by the Company's Board of Directors and shall not be less than the highest of (i) the nominal value of the shares, (ii) the quoted closing price of the Company's shares on the date of offer of the options, and (iii) the average of the quoted closing prices of the Company's shares on the five trading days immediately preceding the date of offer of the options.

The New Scheme is valid for ten years from the date of adoption.

All share-based employee compensation will be settled in equity. The Group has no legal or constructive obligation to repurchase or settle the options.

For the year ended 31st March, 2015, no option was granted and outstanding under the New Scheme.

There is no employee compensation expense which was included in the consolidated statement of comprehensive income for the year ended 31st March, 2015 (2014: Nil). No liabilities were recognised due to share-based payment transactions.

The fair values of options granted were determined using the Black-Scholes valuation model.

CODE ON CORPORATE GOVERNANCE PRACTICES

The Company has adopted the code provisions ("Code") set out in Appendix 15 of the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited) ("GEM Listing Rules") that are considered to be relevant to the Company and has complied with the Code save as disclosed below.

Mr. Shiu Yeuk Yuen currently holds the offices of Chairman and Chief Executive Officer of the Company. The Board considers that the current structure of vesting the roles of Chairman and Chief Executive Officer in the same person will not impair the balance of power and authority between the Board and the management of the Company. The Board also believes that the current structure provides the Company with strong and consistent leadership and allows for effective and efficient planning and implementation of business decisions and strategies.

PURCHASE, SALES OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

For the year ended 31st March, 2015, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

AUDIT COMMITTEE

The Company established an Audit Committee with written terms of reference in compliance with the GEM Listing Rules. The primary duties of the Audit Committee are to review the Company's annual report and financial statements, half-yearly report and quarterly reports and to provide advice and comment thereon to the Board. The Audit Committee is also responsible for reviewing and supervising the financial reporting process and internal control procedures of the Group. Currently it consists of three independent non-executive Directors, Mr. Kam Tik Lun, chairman of the Audit Committee, Mr. Siu Yim Kwan, Sidney and Mr. Lau Gar Hung, Christopher. Five meetings were held during the financial year ended 31st March, 2015. Attendance of the members of the Audit Committee is set out below:

Name of Directors	**Number of meeting attended/Number of meeting held**
Mr. Siu Yim Kwan, Sidney	5/5
Mr. Tsui Pui Hung (resigned on 30th June, 2014)	1/1
Mr. Kam Tik Lun	5/5
Mr. Lau Gar Hung, Christopher (appointed on 1st July, 2014)	4/4

The Company's annual results for the year ended 31st March, 2015 have been reviewed by the Audit Committee.

SUFFICIENCY OF PUBLIC FLOAT

Based on the information publicly available to the Company and within the knowledge of the Directors as at the date of this report, the Company maintained the prescribed public float under the GEM Listing Rules.

COMPETING INTEREST

None of the Directors or the controlling shareholder (as defined in the GEM Listing Rules) of the Company has an interest in a business, which competes or may compete with the business of the Group.

SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the required standard of dealings set out in Rules 5.48 to 5.67 (the "Required Standard of Dealings") of the GEM Listing Rules.

Specific enquiry has been made of all the Directors and the Directors have confirmed that they have complied with the Required Standard of Dealings for the financial year ended 31st March, 2015.

LIST OF DIRECTORS

Mr. Shiu Yeuk Yuen	–	Executive Director
Mr. Leung Ge On Andy	–	Executive Director
Mr. Siu Yim Kwan, Sidney	–	Independent Non-executive Director
Mr. Kam Tik Lun	–	Independent Non-executive Director
Mr. Lau Gar Hung, Christopher	–	Independent Non-executive Director

By order of the Board
Easy Repay Finance & Investment Limited
Shiu Yeuk Yuen
Chairman

Hong Kong, 23rd June, 2015

This announcement will remain on the Company's website at www.ecrepay.com and at the "Latest Company Announcements" page of the GEM website for at least 7 days from the date of its posting.