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CL GROUP (HOLDINGS) LIMITED
（昌利（控股）有限公司）

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 8098)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 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 high investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. 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 (the "Directors") of CL Group (Holdings) Limited (the "Company") collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange (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.

HIGHLIGHTS

- The Group's total turnover and investment income for the year ended 31 March 2015 was approximately HK$59.5 million (2014: approximately HK$55.7 million), representing an increase of approximately 6.7% from that of the year ended 31 March 2014.
- The Group's profit before tax for the year ended 31 March 2015 amounted to approximately HK$27.6 million (2014: approximately HK$29.3 million).
- The Group's profit attributable to the owners of the Company amounted to approximately HK$22.7 million for the year ended 31 March 2015 (2014: approximately HK$24.8 million).
- Basic earnings per share amounted to approximately HK2.06 cents for the year ended 31 March 2015 (2014: approximately HK2.47 cents).
- The Board proposed a final dividend of HK2.0 cents per share for the financial year ended 31 March 2015 (2014: HK2.0 cents).

FINAL RESULTS

The board of Directors (the "Board") is pleased to present the consolidated results of the Company and its subsidiaries (collectively the "Group") for the year ended 31 March 2015 (the "Financial Year") together with comparative figures for the year ended 31 March 2014, as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 March 2015

	Notes	**2015** *HK$*	2014 *HK$*
Turnover	*4*	**50,573,547**	45,739,589
Gain on trading of financial assets at fair value through profit or loss		**3,066,816**	5,284,385
Net change in fair value of financial assets at fair value through profit or loss		**5,820,384**	4,677,645
Net other income	*5*	**56,848**	152,519
Administrative expenses		**(31,891,230)**	(26,315,374)
Finance costs	*7*	**(29,632)**	(206,772)
Profit before tax	*8*	**27,596,733**	29,331,992
Income tax expenses	*9*	**(4,971,853)**	(4,528,380)
Profit and total comprehensive income for the year		**22,624,880**	24,803,612
Profit and total comprehensive income attributable to:			
Owners of the Company		**22,675,357**	24,784,305
Non-controlling interests		**(50,477)**	19,307
		22,624,880	24,803,612
Earnings per share			
– Basic	*11*	**2.06 cents**	2.47 cents
– Diluted	*11*	**2.06 cents**	2.47 cents

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 March 2015

	Notes	2015 HK$	2014 HK$
Non-current assets			
Plant and equipment		**1,784,164**	479,195
Intangible assets		**25,532,129**	2,900,250
Other assets		**1,730,797**	1,735,515
Deferred tax assets		**32,271**	9,986
		29,079,361	5,124,946
Current assets			
Trade receivables	*12*	**89,221,974**	66,303,019
Loan receivables	*13*	**55,725,529**	102,618,643
Other receivables, deposits and prepayments		**6,292,401**	1,740,583
Financial assets at fair value through profit or loss		**19,351,707**	22,338,348
Tax refundable		**–**	45,921
Pledged bank deposit		**10,000,000**	10,000,000
Bank balances and cash – trust accounts		**56,797,018**	29,356,730
Bank balances and cash – general accounts		**32,191,898**	36,682,421
		269,580,527	269,085,665
Current liabilities			
Trade payables	*14*	**62,833,349**	38,395,293
Other payables and accruals		**1,808,409**	2,291,620
Bank borrowing		**–**	10,000,000
Income tax payables		**1,594,552**	–
		66,236,310	50,686,913
Net current assets		**203,344,217**	218,398,752
Total assets less current liabilities		**232,423,578**	223,523,698
Net assets		**232,423,578**	223,523,698
Capital and reserves			
Share capital	*15*	**11,000,000**	11,000,000
Reserves		**221,588,709**	212,638,352
Equity attributable to owners of the Company		**232,588,709**	223,638,352
Non-controlling interests		**(165,131)**	(114,654)
Total equity		**232,423,578**	223,523,698

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 March 2015

	Share capital *HK$*	Share premium *HK$*	Merger reserve *HK$*	Share option reserve *HK$*	Retained profits *HK$*	Attributable to owners of the Company *HK$*	Non-controlling interests *HK$*	Total *HK$*
At 1 April 2013	10,000,000	112,473,021	32,500,000	211,906	33,085,670	188,270,597	(133,961)	188,136,636
Profit and total comprehensive income for the year	–	–	–	–	24,784,305	24,784,305	19,307	24,803,612
Issue of shares	1,000,000	29,490,211	–	–	–	30,490,211	–	30,490,211
Recognition of equity-settled share-based payments	–	–	–	93,239	–	93,239	–	93,239
Share option expired	–	–	–	(305,145)	305,145	–	–	–
Dividend	–	–	–	–	(20,000,000)	(20,000,000)	–	(20,000,000)
At 31 March 2014 and 1 April 2014	11,000,000	141,963,232	32,500,000	–	38,175,120	223,638,352	(114,654)	223,523,698
Profit and total comprehensive income for the year	–	–	–	–	22,675,357	22,675,357	(50,477)	22,624,880
Recognition of equity-settled share-based payments	–	–	–	8,275,000	–	8,275,000	–	8,275,000
Dividend	–	–	–	–	(22,000,000)	(22,000,000)	–	(22,000,000)
At 31 March 2015	11,000,000	141,963,232	32,500,000	8,275,000	38,850,477	232,588,709	(165,131)	232,423,578

1. GENERAL

The Company is incorporated in the Cayman Islands as an exempted company with limited liability. The addresses of the registered office and principal place of business of the Company are disclosed in the corporate information section of the annual report.

The consolidated financial statements are presented in Hong Kong Dollars, which is also the functional currency of the Company.

The principal activities of the Company and its subsidiaries (collectively referred to as the "Group") are engaged in the provision of securities, futures and options broking and trading, loan financing service, placing and underwriting services, securities advisory service and investment holding.

The ultimate holding company of the Group is Zillion Profit Limited, a private company incorporated in the British Virgin Islands with limited liability.

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

The following new and revised HKFRSs issued by Hong Kong Institute of Certified Public Accountants ("HKICPA") have been applied by the Group in the current year.

HKFRS 10, HKFRS 12 and HKAS 27 (Amendments)	Investment Entities
HKAS 32 (Amendments)	Financial Instruments: Presentation – Offsetting Financial Assets and Financial Liabilities
HKAS 36 (Amendments)	Impairment of Assets – Recoverable Amount Disclosures for Non-Financial Assets
HKAS 39 (Amendments)	Financial Instruments: Recognition and Measurement – Novation of Derivatives and Continuation of Hedge Accounting
HK(IFRIC) – Int 21	Levies
Amendment to HKFRS 2 included in Annual Improvements 2010–2012 Cycle	Definition of Vesting Condition[1]
Amendment to HKFRS 3 included in Annual Improvements 2010–2012 Cycle	Accounting for Contingent Consideration in a Business Combination[1]
Amendment to HKFRS 13 included in Annual Improvements 2010–2012 Cycle	Short-term Receivables and Payables
Amendment to HKFRS 1 included in Annual Improvements 2011–2013 Cycle	Meaning of Effective HKFRSs

[1] Effective from 1 July 2014

The adoption of the new or revised HKFRSs has had no material effect on the consolidated financial statements of the Group for the current or prior accounting periods, except as described below. Accordingly, no prior period adjustment has been required.

Amendments to HKFRS 10, HKFRS 12 and HKAS 27 Investment Entities

The Group has applied the amendments to HKFRS 10, HKFRS 12 and HKAS 27 Investment Entities for the first time in the current year. The amendments to HKFRS 10 define an investment entity and require a reporting entity that meets the definition of an investment entity not to consolidate its subsidiaries but instead to measure its subsidiaries at fair value through profit or loss in its consolidated and separate financial statements.

To qualify as an investment entity, a reporting entity is required to:

– obtain funds from one or more investors for the purpose of providing them with investment management services;

– commit to its investor(s) that its business purpose is to invest funds solely for returns from capital appreciation, investment income, or both; and

– measure and evaluate performance of substantially all of its investments on a fair value basis.

Consequential amendments have been made to HKFRS 12 and HKAS 27 to introduce new disclosure requirements for investment entities.

As the Company is not an investment entity (assessed based on the criteria set out in HKFRS 10 as at 1 January 2014), the application of the amendments has had no impact on the disclosures or the amounts recognised in the Group's consolidated financial statements.

Amendments to HKAS 32 Offsetting Financial Assets and Financial Liabilities

The Group has applied the amendments to HKAS 32 Offsetting Financial Assets and Financial Liabilities for the first time in the current year. 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'.

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 Group has applied the amendments to HKAS 36 Recoverable Amount Disclosures for Non-Financial Assets for the first time in the current year. 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.

New and revised HKFRSs issued but not yet effective

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

HKFRSs (Amendments)	Annual Improvements to HKFRSs 2010–2012 Cycle[6]
HKFRSs (Amendments)	Annual Improvements to HKFRSs 2011–2013 Cycle[1]
HKFRSs (Amendments)	Annual Improvements to HKFRSs 2012–2014 Cycle[2]
HKFRS 9	Financial Instruments[5]
HKFRS 10 and HKAS 28 (Amendments)	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture[2]
HKFRS 10 and HKFRS 12 and HKAS 28 (Amendments)	Investment Entities: Applying the Consolidation Exception[2]
HKFRS 11 (Amendments)	Accounting for Acquisitions of Interests in Joint Operations[2]
HKFRS 14	Regulatory Deferral Accounts[3]
HKFRS 15	Revenue from Contracts with Customers[4]
HKAS 1 (Amendments)	Disclosure Initiative[2]
HKAS 16 and HKAS 38 (Amendments)	Clarification of Acceptable Methods of Depreciation and Amortisation[2]
HKAS 16 and HKAS 41 (Amendments)	Agriculture: Bearer Plants[2]
HKAS 19 (Amendments)	Defined Benefit Plans: Employee Contributions[1]
HKAS 27 (Amendments)	Equity Method in Separate Financial Statements[2]

1 Effective for annual periods beginning on or after 1 July 2014, with earlier application permitted.
2 Effective for annual periods beginning on or after 1 January 2016, with earlier application permitted.
3 Effective for first annual HKFRS financial statements beginning on or after 1 January 2016, with earlier application permitted.
4 Effective for annual periods beginning on or after 1 January 2017, with earlier application permitted.
5 Effective for annual periods beginning on or after 1 January 2018, with earlier application permitted.
6 Effective for annual periods beginning on or after 1 July 2014 with limited exceptions. Earlier application is permitted.

Except as described below, the directors of the Company do not anticipate that the application of the above amendments will have a significant impact on the Group's consolidated financial statements.

HKFRS 9 Financial Instruments

HKFRS 9 issued in 2009 introduced new requirements for the classification and measurement of financial assets. HKFRS 9 was subsequently amended in 2010 to include requirements for the classification and measurement of financial liabilities and for derecognition, and further amended in 2013 to include the new requirements for general hedge accounting. Another revised version of HKFRS 9 was issued in 2014 mainly to include a) impairment requirements for financial assets and b) limited amendments to the classification and measurement requirements by introducing a 'fair value through other comprehensive income' (FVTOCI) measurement category for certain simple debt instruments.

Key requirements of HKFRS 9 are described below:

- All recognised financial assets that are within the scope of HKAS 39 Financial Instruments: Recognition and Measurement are subsequently measured at amortised cost or fair value. Specifically, debt investments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost at the end of subsequent accounting periods. Debt instruments that are held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets, and that have 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, are measured at FVTOCI. All other debt investments and equity investments are measured at their fair values at the end of subsequent reporting periods. In addition, under HKFRS 9, entities may make an irrevocable election to present subsequent changes in the fair value of an equity investment (that is not held for trading) in other comprehensive income, with only dividend income generally recognised in profit or loss.

- With regard to the measurement of financial liabilities designated as at fair value through profit or loss, HKFRS 9 requires that the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is presented in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. Changes in fair value of financial liabilities attributable to changes in the financial liabilities' credit risk are not subsequently reclassified to profit or loss. Under HKAS 39, the entire amount of the change in the fair value of the financial liability designated as fair value through profit or loss was presented in profit or loss.

- In relation to the impairment of financial assets, HKFRS 9 requires an expected credit loss model, as opposed to an incurred credit loss model under HKAS 39. The expected credit loss model requires an entity to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition. In other words, it is no longer necessary for a credit event to have occurred before credit losses are recognised.

- The new general hedge accounting requirements retain the three types of hedge accounting. However, greater flexibility has been introduced to the types of transactions eligible for hedge accounting, specifically broadening the types of instruments that qualify for hedging instruments and the types of risk components of non-financial items that are eligible for hedge accounting. In addition, the effectiveness test has been overhauled and replaced with the principle of an 'economic relationship'. Retrospective assessment of hedge effectiveness is also no longer required. Enhanced disclosure requirements about an entity's risk management activities have also been introduced.

Same as disclosed in 2013, the directors of the Company anticipate that the adoption of HKFRS 9 in the future may have a material impact on amounts reported in respect of the Group's financial assets and financial liabilities. Regarding the Group's financial assets, it is not practicable to provide a reasonable estimate of that effect until a detailed review has been completed.

HKFRS 15 Revenue from Contracts with Customers

In July 2014, HKFRS 15 was issued which establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. HKFRS 15 will supersede the current revenue recognition guidance including HKAS 18 Revenue, HKAS 11 Construction Contracts and the related Interpretations when it becomes effective.

The core principle of HKFRS 15 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, the standard introduces a 5-step approach to revenue recognition:

- Step 1: Identify the contract(s) with a customer

- Step 2: Identify the performance obligations in the contract

- Step 3: Determine the transaction price

- Step 4: Allocate the transaction price to the performance obligations in the contract

- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

Under HKFRS 15, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when 'control' of the goods or services underlying the particular performance obligation is transferred to the customer. Far more prescriptive guidance has been added in HKFRS 15 to deal with specific scenarios. Furthermore, extensive disclosures are required by HKFRS 15.

The directors of the Company anticipate that the application of HKFRS 15 in the future may have impact on the amounts reported and disclosures made in the Group's consolidated financial statements. However, it is not practicable to provide a reasonable estimate of the effect of HKFRS 15 until the Group performs a detailed review.

Amendments to HKAS 16 and HKAS 38 Clarification of Acceptable Methods of Depreciation and Amortisation

The amendments to HKAS 16 prohibit entities from using a revenue-based depreciation method for items of property, plant and equipment. The amendments to HKAS 38 introduce a rebuttable presumption that revenue is not an appropriate basis for amortisation of an intangible asset. This presumption can only be rebutted in the following two limited circumstances:

a) when the intangible asset is expressed as a measure of revenue; or

b) when it can be demonstrated that revenue and consumption of the economic benefits of the intangible asset are highly correlated.

The amendments apply prospectively for annual periods beginning on or after 1 January 2016. Currently, the Group uses the straight-line method for depreciation and amortisation for its plant and equipment, and intangible assets respectively. The directors of the Company believe that the straight-line method is the most appropriate method to reflect the consumption of economic benefits inherent in the respective assets and accordingly, the directors of the Company do not anticipate that the application of these amendments to HKAS 16 and HKAS 38 will have a material impact on the Group's consolidated financial statements.

3. SIGNIFICANT ACCOUNTING POLICIES

Statement of compliance

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

Basis of preparation

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

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

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

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

– Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

– Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

– Level 3 inputs are unobservable inputs for the asset or liability.

The principal accounting policies are set out below.

Basis of consolidation

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

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

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

When the Group has less than a majority of the voting rights of an investee, but it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Group considers all relevant facts and circumstances in assessing whether or not the Group's voting rights in an investee are sufficient to give it power, including:

- the size of the Group's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Group, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Group has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

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

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

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

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

Changes in the Group's ownership interests in existing subsidiaries

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

When the Group loses control of a subsidiary, a gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable HKFRSs). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under HKAS 39, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

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 (see the accounting policy below); 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 bargain purchase gain.

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis. Other types of non-controlling interests are measured at their fair value or, when applicable, on the basis specified in another HKFRS.

When the consideration transferred by the Group in a business combination includes assets or liabilities resulting from a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and included as part of the consideration transferred in a business combination. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with the corresponding adjustments against goodwill. Measurement period adjustments are adjustments that arise from additional information obtained during the measurement period (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or a liability is remeasured at subsequent reporting dates in accordance with HKAS 39, or HKAS 37 Provisions, Contingent Liabilities and Contingent Assets, as appropriate, with the corresponding gain or loss being recognised in profit or loss.

When a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to its acquisition date fair value and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss where such treatment would be appropriate if that interest were disposed of.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see above), or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised at that date.

4. TURNOVER

An analysis of the Group's revenue for the year from continuing operations is as follows:

	2015	2014
	HK$	*HK$*
Commission and brokerage fees from securities dealing on The Stock Exchange of Hong Kong Limited	**7,760,680**	5,525,824
Placing and underwriting commission	**8,658,621**	9,381,944
Commission and brokerage fees from dealing in futures contracts	**51,934**	60,084
Commission from securities advisory services	**1,000,000**	–
Other service income	**29,695**	435,955
Clearing and settlement fees	**2,447,805**	1,204,179
Handling service and dividend collection fees	**2,518,423**	448,862
Interest income from		
– clients (including margin clients)	**26,534,871**	28,107,240
– authorised financial institutions	**186,004**	95,501
– others	**340,822**	480,000
Income derived from income right and film right	**1,044,692**	–
	50,573,547	45,739,589

See Note 6 for an analysis of revenue by major services.

5. NET OTHER INCOME

	2015	2014
	HK$	*HK$*
Gain on disposal of plant and equipment	**1,913**	200
Dividend income	**–**	955
Other income	**54,935**	151,364
	56,848	152,519

6. SEGMENTS INFORMATION

Segment revenues and results

The following is an analysis of the Group's revenues and results by reportable segments:

	2015					
	Securities and futures broking *HK$*	**Placing and underwriting** *HK$*	**Loan and financing** *HK$*	**Securities advisory service** *HK$*	**Investment holding** *HK$*	**Consolidated** *HK$*
Segment revenue	**26,359,444**	**8,658,621**	**13,106,941**	**1,000,000**	**1,448,541**	**50,573,547**
Segment results	**18,712,086**	**5,984,372**	**9,892,688**	**746,229**	**7,717,521**	**43,052,896**
Other income						**56,848**
Share-based payments						**(8,275,000)**
Unallocated other operating expenses						**(7,208,379)**
Finance costs						**(29,632)**
Profit before tax						**27,596,733**
Income tax expenses						**(4,971,853)**
Profit for the year						**22,624,880**

	2014 (restated)					
	Securities and futures broking *HK$*	Placing and underwriting *HK$*	Loan and financing *HK$*	Securities advisory service *HK$*	Investment holding *HK$*	Consolidated *HK$*
Segment revenue	19,676,540	9,381,944	15,756,415	–	924,690	45,739,589
Segment results	10,727,515	6,753,739	12,323,408	(2,000,000)	9,214,919	37,019,581
Other income						152,519
Share-based payments						(93,239)
Unallocated other operating expenses						(7,540,097)
Finance costs						(206,772)
Profit before tax						29,331,992
Income tax expenses						(4,528,380)
Profit for the year						24,803,612

Revenue reported above represents revenue generated from external customers. There was no inter-segment transactions during the year (2014: HK$Nil).

Segment assets and liabilities

	2015					
	Securities and futures broking *HK$*	**Placing and underwriting** *HK$*	**Loan and financing** *HK$*	**Securities advisory service** *HK$*	**Investment holding** *HK$*	**Consolidated** *HK$*
Assets						
Segment assets	**171,731,197**	**–**	**34,001,935**	**1,000,000**	**49,088,295**	**255,821,427**
Unallocated assets						**42,838,461**
Total assets						**298,659,888**
Liabilities						
Segment liabilities	**66,202,310**	**–**	**34,000**	**–**	**–**	**66,236,310**
Unallocated liabilities						**–**
Total liabilities						**66,236,310**

	2014 (restated)					
	Securities and futures broking *HK$*	Placing and underwriting *HK$*	Loan and financing *HK$*	Securities advisory service *HK$*	Investment holding *HK$*	Consolidated *HK$*
Assets						
Segment assets	128,916,117	–	83,358,204	1,300,000	25,256,926	238,831,247
Unallocated assets						35,379,364
Total assets						274,210,611
Liabilities						
Segment liabilities	49,932,863	–	750,000	–	–	50,682,863
Unallocated liabilities						4,050
Total liabilities						50,686,913

Geographical information

The Group operates in the two principal geographical areas – Hong Kong and the PRC.

The Group's turnover from external customers by location of operations and information about its non-current assets by location of assets are detailed as below:

	Revenue from external customers		**Non-current assets***	
	2015	2014	**2015**	2014
	HK$	*HK$*	***HK$***	*HK$*
Hong Kong	**49,532,169**	45,739,589	**5,614,211**	5,114,960
The PRC	**1,041,378**	–	**23,432,879**	–
	50,573,547	45,739,589	**29,047,090**	5,114,960

* Non-current assets exclude financial instrument and deferred tax assets.

Information on major customers

A major customer of the Group accounted for approximately 9% (2014: 12%) of the total revenue during the year ended 31 March 2015. No other single customers contributed 10% or more to the Group's revenue for both 2015 and 2014.

7. FINANCE COSTS

	2015	2014
	HK$	*HK$*
Interest on bank borrowings wholly repayable within five years	**29,632**	206,772

8. PROFIT BEFORE TAX

	2015	2014
	HK$	*HK$*
Profit before tax has been arrived at after (crediting) charging:		
Staff costs	**6,599,278**	6,551,591
Auditor's remuneration	**480,000**	506,000
Depreciation of plant and equipment	**796,789**	385,589
Amortisation of intangible assets	**981,946**	613,637
Write-off of trade receivables	**–**	2,000,000
Impairment loss on trade receivables	**455,903**	824,431
Impairment loss on other receivables	**800,000**	–
Impairment loss on intangible assets	**317,625**	362,893
Gain on disposal of plant and equipment	**(1,913)**	(200)
Operating lease payments in respect of rented premises	**3,545,930**	3,496,369
Equity-settled share-based payments	**8,275,000**	93,239

9. INCOME TAX EXPENSES

	2015	2014
	HK$	*HK$*
Hong Kong Profits Tax		
– current year	**5,024,140**	4,616,369
– overprovision in prior year	**(30,002)**	(44,343)
Deferred tax		
– current year	**(22,285)**	(43,646)
	4,971,853	4,528,380

Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profit for both years.

The tax expenses for the year can be reconciled to the profit before tax per the consolidated statements of profit or loss and other comprehensive income as follows:

	2015	2014
	HK$	*HK$*
Profit before tax	**27,596,733**	29,331,992
Tax at the domestic income tax rate of 16.5% (2014: 16.5%)	**4,553,460**	4,839,778
Tax effect of expenses not deductible for tax purpose	**25,152**	494,998
Tax effect of income not taxable for tax purpose	**(1,016,990)**	(787,726)
Tax effect of temporary difference not recognised	**3,556**	3,688
Tax effect of tax loss not recognised	**1,436,677**	57,667
Utilisation of tax losses previously not recognised	**–**	(35,682)
Overprovision in prior year	**(30,002)**	(44,343)
Tax expenses for the year	**4,971,853**	4,528,380

As 31 March 2015, the Group had unused estimated tax losses of HK$13,185,921 (2014: HK$4,478,788) available for offset against future profits. No deferred tax asset has been recognised in respect of the tax losses due to the unpredictability of future profit streams. The estimated tax losses may be carried forward indefinitely.

10. DIVIDEND

	2015	2014
	HK$	*HK$*
2014 Final dividend paid – HK2.0 cents per share (2013 Final dividend paid – HK2.0 cents per share)	**22,000,000**	20,000,000

The board of directors proposed a final dividend of HK2.0 cents per ordinary share for the year ended 31 March 2015 (2014: HK2.0 cents). This proposed final dividend is not reflected as a dividend payable as of 31 March 2015, but will be recorded as a distribution of retained profits for the year ending 31 March 2016.

11. EARNINGS PER SHARE

The calculation of basic earnings per share is based on the profit for the year attributable to owners of the Company and the weighted average number of the Company's ordinary shares in issue during the year.

	2015	2014
	HK$	*HK$*
Profit for the year attributable to owners of the Company	**22,675,357**	24,784,305

	2015	2014
Weighted average number of ordinary shares in issue during the year	**1,100,000,000**	1,001,917,808
Effect of dilutive potential ordinary shares:		
Share option issued by the Company	**–**	–
Weighted average number of ordinary shares and dilutive potential ordinary shares in issue during the year	**1,100,000,000**	1,001,917,808

The calculation of basic earnings per share is based on the Group's profit attributable to the owners of the Company of HK$22,675,357 (2014: HK$24,784,305) and the number of ordinary shares of 1,100,000,000 (2014: weighted average number of 1,001,917,808) during the year.

The diluted earnings per share is not presented because there were no potential dilutive effects during the year ended 31 March 2015 and 2014.

12. TRADE RECEIVABLES

	2015	2014
	HK$	*HK$*
Trade receivables from the business of dealing in futures contracts:		
Clearing houses	**6**	669,851
Trade receivables from the business of dealing in securities:		
Cash clients	**256,700**	11,723,668
Margin clients	**83,383,243**	40,656,450
Clearing houses and brokers	**4,374,444**	11,953,050
Trade receivables from securities advisory service	**1,000,000**	1,300,000
Trade receivable from the income right	**207,581**	–
	89,221,974	66,303,019

The settlement terms of trade receivables arising from the business of dealing in securities are two days after the trade date, and trade receivables arising from the business of dealing in futures contracts are one day after the trade date.

Listed securities of clients are held as collaterals against secured margin loans. The aggregate fair value of the listed securities at 31 March 2015 held as collaterals was HK$226,910,420 (2014: HK$227,384,793).

The aging analysis of the trade receivables are as follows:

	2015	2014
	HK$	*HK$*
Margin clients balances:		
No due date	**83,296,682**	40,113,986
Past due	**86,561**	542,464
	83,383,243	40,656,450
Cash clients balances:		
Not yet due	**119,612**	11,723,668
Past due	**–**	–
	119,612	11,723,668
Other balances		
Not yet due (within 30 days)	**4,719,113**	12,303,988
Past due	**1,000,006**	1,618,913
	5,719,119	13,922,901
	89,221,974	66,303,019

Provision of impairment loss on trade receivables:

	2015	2014
	HK$	*HK$*
Balance at beginning of the year	**2,343,787**	1,787,359
Reverse of impairment loss	**–**	(118,003)
Write-off of provision of impairment loss	**–**	(150,000)
Impairment loss for the year	**455,903**	824,431
	2,799,690	2,343,787

Age of receivables that are past due but not impaired:

	2015	2014
	HK$	*HK$*
Margin clients balances:		
Past due	**86,561**	542,464
Other balances		
Less than 1 month past due	**1,000,006**	16,892
1 to 3 months past due	**–**	–
Over 3 months but less than 1 year past due	**–**	301,392
Over 1 year past due	**–**	1,300,629
	1,000,006	1,618,913
	1,086,567	2,161,377

13. LOAN RECEIVABLES

	2015	2014
	HK$	*HK$*
Loan receivables and loan interest receivables	**55,725,529**	102,618,643

	2015	2014
	HK$	*HK$*
Securities on loan receivables		
Secured	**42,481,940**	83,641,345
Unsecured	**7,016,830**	15,673,355
	49,498,770	99,314,700

All the loans bear interest at market interest rate and repayable within one year. The fair values of the Group's loan receivables at the end of reporting period are determined based on the present value of the estimated future cash flows discounted using the prevailing market rates at the end of each reporting period. The fair values of the Group's loan receivables approximate to the corresponding carrying amounts of the loan receivables.

The loan receivables have been reviewed by the directors to assess impairment which are based on the evaluation of collectability, aging analysis of accounts and on their judgment, including the current creditworthiness and the past collection statistics. The directors considered that no impairment is required to be provided for the year.

At 31 March 2015, HK$1,876,245 of the loan receivables were past due but not impaired. (2014: HK$1,107,220)

14. TRADE PAYABLES

	2015	2014
	HK$	*HK$*
Trade payables from the business of dealing in futures contracts:		
Margin clients	**1,065,745**	1,983,732
Trade payables from the business of dealing in securities:		
Margin clients	**27,290,961**	16,646,693
Cash clients	**34,476,643**	19,764,868
	62,833,349	38,395,293

The settlement terms of trade payables arising from the business of dealing in securities are two days after trade date, and trade payables arising from the business of dealing in futures contracts are one day after trade date. No aging analysis is disclosed as in the opinion of the directors, the aging analysis does not give additional value in view of the nature of this business.

Included in trade payables to cash clients and margin clients attributable to dealing in securities and futures contracts transaction is an amount of HK$56,797,018 (2014: HK$29,356,730) representing these clients' undrawn monies/ excess deposits placed with the Group. The balances are repayable on demand.

The directors consider that the carrying amounts of trade payables approximate their fair values.

15. SHARE CAPITAL

	Number of ordinary shares HK$0.01 each	*HK$*
At 1 April 2013, 31 March 2014, 1 April 2014 and 31 March 2015	5,000,000,000	50,000,000
Issued and fully paid:		
At 1 April 2013	1,000,000,000	10,000,000
Issue of shares *(note)*	100,000,000	1,000,000
At 31 March 2014, 1 April 2014 and 31 March 2015	1,100,000,000	11,000,000

Note: On 25 March 2014, 100,000,000 Shares were issued by the Company as a result of a subscription agreement dated 11 March 2014. Shares were issued at a price of HK$0.305 giving the gross proceeds of approximately HK$30,490,000 for general working capital of the Company.

16. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform with current year's presentation.

MANAGEMENT DISCUSSION AND ANALYSIS

MARKET REVIEW

In 2014, the Hong Kong market rose slightly on solid Mainland economic data, despite the other major stock markets around the world rose their record high. The market was less volatile and short-selling activity rose during 2014. The market worries an early exit of the quantitative easing programme in the US and the Mainland economic outlook.

As at 31 March 2015, the Hang Seng Index recorded as 24,901 representing approximately 12.4% increase as compared with 22,151 as at 31 March 2014.

The total value of transaction of the Hong Kong stock market for the year ended 31 March 2015 increased by approximately 26.4% as compared with the year ended 31 March 2014. The average daily value of transaction was approximately HK$73.5 billion.

BUSINESS REVIEW

Turnover

The Group's total turnover and investment income for the year was approximately HK$59.5 million, as compared with 2014 of approximately HK$55.7 million, increased by approximately 6.7% or approximately HK$3.8 million. The breakdown of turnover and investment income by business activities of the Group is set out below:

	Year ended 31 March				**Increase/**
	2015		2014		**(decrease)**
	HK$	*%*	*HK$*	*%*	*%*
Turnover					
Commission and brokerage fee from securities dealings	**7,760,680**	**15.3%**	5,525,824	12.1%	40.4%
Placing and underwriting commission	**8,658,621**	**17.1%**	9,381,944	20.5%	(7.7%)
Commission and brokerage fee from dealing in futures contracts	**51,934**	**0.1%**	60,084	0.1%	(13.6%)
Commission from securities advisory services	**1,000,000**	**2.0%**	–	0.0%	100.0%
Other service income	**29,695**	**0.1%**	435,955	1.0%	(93.2%)
Clearing and settlement fee	**2,447,805**	**4.8%**	1,204,179	2.6%	103.3%
Handling service and dividend collection fees	**2,518,423**	**5.0%**	448,862	1.0%	461.1%
Interest income					
from clients (including margin clients)	**26,534,871**	**52.5%**	28,107,240	61.5%	(5.6%)
from authorised financial institutions	**186,004**	**0.4%**	95,501	0.2%	94.8%
from others	**340,822**	**0.7%**	480,000	1.0%	(29.0%)
Income derived from income right and film right	**1,044,692**	**2.0%**	–	0.0%	100.0%
	50,573,547	**100.0%**	45,739,589	100.0%	10.6%
Gain on trading of financial assets at fair value through profit or loss	**3,066,816**	**34.5%**	5,284,385	53.0%	(42.0%)
Net changes in fair value of financial assets at fair value through profit or loss	**5,820,384**	**65.5%**	4,677,645	47.0%	24.4%
	8,887,200	**100.0%**	9,962,030	100.0%	(10.8%)
	59,460,747		55,701,619		6.7%

Securities and Futures Brokerage

Revenue from Securities and Futures Brokerage represent commission and brokerage fee and other fees including interest derived from cash and margin securities or futures accounts and interest from IPO financing.

The commission and brokerage fee from securities dealings increased by approximately 40.4% from approximately HK$5.5 million for the year ended 31 March 2014 to approximately HK$7.8 million for the year ended 31 March 2015. The total value of transaction increased by approximately 100.4% from approximately HK$57,765.4 million for the year ended 31 March 2014 to approximately HK$115,779.3 million for the year ended 31 March 2015.

The total value of transactions for securities dealings carried out by the Group for the year ended 31 March 2015 increased as compared with 2014. As a result, income relating to clearing and settlement fee also increased by approximately 103.3% from approximately HK$1.2 million for the year ended 31 March 2014 to approximately HK$2.5 million for the year ended 31 March 2015.

The commission and brokerage fee from dealing in futures contracts decreased by approximately 13.6% from HK$60,084 for the year ended 31 March 2014 to approximately HK$51,934 for the year ended 31 March 2015.

The interest income derived from cash and margin securities accounts for the year ended 31 March 2015 was approximately HK$15.3 million represents an increase of approximately 95.6% from that of the year ended 31 March 2014 amounting approximately HK$7.8 million.

The other service income decreased by approximately 93.2% from HK$435,955 for the year ended 31 March 2014 to HK$29,695 for the year ended 31 March 2015.

Loan and Financing

The Group holds Money Lenders Licence to engage in money lending business in providing loan and financing to customers. During the reporting period, CLC Finance Limited, the Company's wholly-owned subsidiary, provides loan and financing service to customers. The interest income derived from providing loan and finance to clients for the year ended 31 March 2015 was approximately HK$11.3 million (2014: approximately HK$15.6 million).

Securities Advisory Service

The Group holds licence under the Securities and Futures Ordinance to engage in Type 4 regulated activities – Advising on Securities. Revenue generated from this segment derived from services provided under this regulated activities.

During the reporting period, Cheong Lee Securities Limited ("Cheong Lee"), the Company's wholly-owned subsidiary, provides securities advisory service to customers.

Commission income from securities advisory service increased from no income for the year ended 31 March 2014 to HK$1 million for the year ended 31 March 2015.

Placing and Underwriting Business

Under normal circumstances, the Group acts as an underwriter or a sub-underwriter or a placing agent or a sub-placing agent on best effort basis for fund-raising activities. It would take the role on underwritten basis only if it received special requests from the issuers and/or their respective placing and underwriting agents.

During the year ended 31 March 2015, the placing and underwriting commission decreased by approximately 7.7% from approximately HK$9.4 million for the year ended 31 March 2014 to approximately HK$8.7 million for the year ended 31 March 2015 due to increase in fund raising activities in Hong Kong.

Investment Holding

The Group maintained a portfolio investments included the holding of listed equity securities, income right and film right. During the year under review, the Group acquired an income right of the photovoltaic power plant at the rooftop of a factory located at Hunan Province, the PRC on November 2014. The total value of the Group investment portfolio was increased to approximately HK$49.1 million from last year of approximately HK$25.2 million. As at 31 March 2015, the value of portfolio of listed securities was approximately HK$19.4 million (2014: approximately HK$17.0 million). This business segment has recorded a profit of approximately HK$7.7 million (2014: HK$9.2 million) including gain on trading of financial assets at fair value through profit or loss of approximately HK$3.1 million and net changes in fair value of financial assets at fair value through profit of loss of approximately HK$5.8 million (2014: approximately HK$5.3 million and approximately HK$4.7 million respectively).

Administrative Expenses

During the year ended 31 March 2015, the administrative expenses increased by approximately 21.2% from approximately HK$26.3 million for the year ended 31 March 2014 to approximately HK$31.9 million for the year ended 31 March 2015.

Due to the total value of transaction increased by approximately 100.4% from approximately HK$57,765.4 million for the year ended 31 March 2014 to approximately HK$115,779.3 million for the year ended 31 March 2015, the related expenses such as CCASS charges was increased by approximately 91.5% from HK$1.4 million for the year ended 31 March 2014 to approximately HK$2.6 million for the year ended 31 March 2015.

Staff cost excluding the effects of fair value provision for share options were approximately HK$6.6 million for the year ended 31 March 2015 as compared to approximately HK$6.6 million for the year ended 31 March 2014.

Liquidity, Financial Resources and Capital Structure

The Group financed its operations by shareholders' equity and cash generated from operations.

The Group maintained a strong financial position, with pledged bank deposit and bank balance and cash in general accounts amounting to approximately HK$42.2 million as at 31 March 2015. This represented a decrease of approximately 9.6% as compared with the position as at 31 March 2014 of approximately HK$46.7 million. Most of the Group's cash and bank balances in general accounts were denominated in HK dollars.

The net current assets of the Group decreased from approximately HK$218.4 million as at 31 March 2014 to approximately HK$203.3 million as at 31 March 2015 which represents a decrease of approximately 6.9%. The current ratio of the Group as at 31 March 2015 was approximately 4.1 times (2014: approximately 5.3 times).

The Group had no secured loans (2014: HK$10,000,000).

The gearing ratio is calculated as total indebtedness divided by total capital. Total indebtedness is total bank borrowings (including current and non-current bank borrowings). Total capital is calculated as "equity", as shown in the consolidated statement of financial position. At the end of the reporting period, the Group has no bank borrowings and, accordingly, the gearing ratio is nil. (2014: 4.5%)

Taking into consideration the existing financial resources available to the Group, it is anticipated that the Group should have adequate financial resources to meet its ongoing operating and development requirements.

Charge on Group Assets and Guarantee

As at 31 March 2015, certain bank deposits of the Group's subsidiaries in the aggregate amount of HK$10 million were pledged and corporate guarantee from the Company for securing overdraft and revolving loan facilities amounted to HK$35 million (2014: HK$35 million) issued by the banks to Cheong Lee. As at 31 March 2015, included in the banking facilities granted by the banks, none of the amount has been utilised.

Contingent liabilities

As at 31 March 2015, the Group had no material contingent liabilities.

Capital commitments

As at 31 March 2015, the Group had no capital commitments.

Staff and remuneration policies

The Group believes that staff is our most valuable asset, they are encouraged to pursue excellence at work and career development. We encourage staff to maintain healthy balance between work and life, and communicate with staff to enhance staff morale and their sense of belonging.

Total staff costs (including directors' emoluments) were approximately HK$6.6 million for the year ended 31 March 2015 as compared to approximately HK$6.6 million for the year ended 31 March 2014.

Remuneration is determined based on the individual's qualification, experience, position, job responsibility and market conditions. Salary adjustments and staff promotion are based on evaluation of staff performance by way of annual review, and discretionary bonuses would be paid to staff with reference to the financial performance of the Group of the preceding financial year. Other benefits include contributions to statutory mandatory provident fund scheme to its employees in Hong Kong, share options that may be granted under the share option scheme.

Future plans for material investments or capital assets

As at 31 March 2015, the Group had no plans for material investments or acquisition of capital assets, but will actively pursue opportunities for investments to enhance the profitability of the Group in its ordinary course of business.

Material Acquisitions of subsidiaries and affiliated companies

The Group has not made any material acquisitions and disposal of subsidiaries and associated companies. As at 31 March 2015 and up to the date of this announcement, the Group did not hold any significant investment.

Significant Investment

As at 31 March 2015, there was no significant investment held by the Group.

OUTLOOK

With the recent economic growth in the PRC and US is slowdown, the US Federal Reserve delayed the first interest rate rise to end of 2015 and the PRC government's continued economic opening up strategy, the Hong Kong stock market will be affected by such uncertainties. The Group will leverage the knowledge and experience of our management team to seize opportunities as they arise. The Group will continue to grow its brokerage business and placing and underwriting business by broadening clients base and by strengthening our trading platform. The Group will continue to put efforts on expanding the margin and loan financing business and securities advisory service and on satisfying the needs of our customers.

The Group aims to become a leading financial service group in Hong Kong. The Group will continue looking for any potential business opportunities to bring in new sources of income and to further increase the profitability of the Group.

DIRECTORS' INTERESTS IN A COMPETING BUSINESS

For the year ended 31 March 2015, the Directors are not aware of any business or interest of the Directors, the controlling shareholder(s) of the Company and their respective associates (as defined under the GEM Listing Rules) that compete or may compete with the business of the Group and any other conflict of interest which any such person has or may have with the Group.

SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the code of conduct for securities transactions by the Directors on terms no less exacting than the required standard of dealings set out in Rules 5.48 to 5.67 of the GEM Listing Rules. The Company had made specific enquiry to all the Directors and the Directors have confirmed compliance with this code of conduct throughout the financial year ended 31 March 2015. No incident of non-compliance was noted by the Company during this period, save and except for code provision A.6.7 and E.1.2 which deviations are explained below.

Pursuant to code provision A.6.7 and E.1.2 of the CG Code that independent non-executive directors and the chairman of the board should attend general meetings. The independent non-executive Directors of the Company, Mr. Chiu Wai Keung did not attend the general meeting of the Company due to their business arrangement.

CORPORATE GOVERNANCE PRACTICES

The Group is committed to promoting high standards of corporate governance. The Directors believe that sound and reasonable corporate governance practices are essential for the growth of the Group and for safeguarding the shareholders' interests and the Group's assets. Throughout the year ended 31 March 2015, the Company has complied with all the code provisions set out in the Code on Corporate Governance Practices contained in Appendix 15 of the GEM Listing Rules.

PURCHASE, SALE OR REDEMPTION OF SHARES

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities during the year ended 31 March 2015.

FINAL DIVIDEND AND CLOSURE OF REGISTER OF MEMBERS

Directors proposed to declare a final dividend of HK2.0 cents per share for the year ended 31 March 2015, which is subject to approval by shareholders of the Company at the forthcoming annual general meeting (the "AGM").

The AGM of the Company is scheduled to be held on Monday, 3 August 2015. The proposed final dividend is subject to the passing of an ordinary resolution by the shareholders at the AGM. The record date for entitlement to the proposed final dividend is Friday, 14 August 2015. For determining the entitlement to the proposed final dividend, the register of members of the Company will be closed on Tuesday, 11 August 2015, during which period no transfer of shares will be effected. In order to qualify for the proposed final dividend, all transfers of shares, accompanied by the relevant share certificates, must be lodged with the Company's share registrars in Hong Kong, Tricor Investor Services Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, for registration not later than 4:30 p.m. on Monday, 10 August 2015.

The payment of final dividend is expected to be made on Friday, 14 August 2015.

AUDIT COMMITTEE

The Company set up an audit committee (the "Committee") on 21 February 2011, with written terms of reference in compliance with the GEM Listing Rules, for the purpose of reviewing and providing supervision over the financial reporting process and internal control of the Group. The Committee comprises three independent non-executive directors of the Company, namely Mr. Poon Wing Chuen, Mr. Au-Yeung Tai Hong Rorce and Mr. Chiu Wai Keung. The audited consolidated results of the Group for the year ended 31 March 2015 have been reviewed by the Committee, which was of the opinion that the preparation of such results complied with the applicable accounting standards, the Stock Exchange and legal requirements, and that adequate disclosures have been made.

SCOPE OF WORK OF HLM CPA LIMITED

The figures in respect of the preliminary announcement of the Group's results for the year ended 31 March 2015 have been agreed by the Group's auditors, HLM CPA Limited, to the amounts set out in the Group's audited consolidated financial statements for the year. The work performed by HLM CPA Limited in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by HLM CPA Limited on the preliminary announcement.

By Order of the Board
CL Group (Holdings) Limited
Alexis Ventouras
Chairman

Hong Kong, 23 June 2015

As at the date of this announcement, the Company's non-executive Director is Mr. Alexis Ventouras (Chairman), the Company's executive directors are Mr. Kwok Kin Chung (Chief Executive officer), Mr. Lau Kin Hon and Ms. Yu Linda, and the Company's independent non-executive directors are Mr. Au-Yeung Tai Hong Rorce, Mr. Poon Wing Chuen and Mr. Chiu Wai Keung.

This announcement will remain on the Latest Company Announcements page of the Stock Exchange website at www.hkexnews.hk for at least 7 days from the date of its posting. This announcement will also be posted on the Company's website at www.cheongleesec.com.hk.