



Loco Hong Kong Holdings Limited 港銀控股有限公司

(incorporated in Hong Kong with limited liability 於香港註冊成立的有限公司)
(Stock Code 股份代號: 8162)



First
Quarterly
Report
第一季季度報告
2022

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

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This report, for which the directors (the “Directors” or individually a “Director”) of Loco Hong Kong Holdings Limited (the “Company”, and together with its subsidiaries, the “Group”, “we”, “our” or “us”) 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 report is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this report misleading.

This report shall remain on the “Latest Listed Company Information” page of the GEM website at www.hkgem.com for at least seven days from the date of its posting and on the Company’s website at www.locohkholdings.com.

香港聯合交易所有限公司(「聯交所」)GEM之特色

GEM的定位，乃為中小型公司提供一個上市的市場，此等公司相比起其他在聯交所上市的公司帶有較高投資風險。有意投資的人士應了解投資於該等公司的潛在風險，並應經過審慎周詳的考慮後方作出投資決定。

由於GEM上市公司普遍為中小型公司，在GEM買賣的證券可能會較於聯交所主板買賣之證券承受較大的市場波動風險，同時無法保證在GEM買賣的證券會有高流通量的市場。

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本報告乃根據聯交所GEM證券上市規則(「GEM上市規則」)提供有關港銀控股有限公司(「本公司」，連同其附屬公司為「本集團」或「我們」)的資料。本公司各董事(「董事」)願對本報告共同及個別承擔全部責任。各董事在作出一切合理查詢後確認，就彼等所深知及確信，本報告所載資料在各重大方面均屬準確完整，並無誤導或欺詐成份，且並無遺漏任何其他事項，致使本報告所載任何陳述或本報告有所誤導。

本報告將由其刊登日期起計最少七天於GEM網站www.hkgem.com之「最新上市公司公告」網頁及本公司網站www.locohkholdings.com內刊登。

The board of Directors (the “Board”) of the Company presents the unaudited condensed consolidated financial statements of the Group for the three months ended 31 March 2022, together with the comparative unaudited figures for the corresponding periods in 2021, as follows:

本公司董事會（「董事會」）謹此提呈本集團截至二零二二年三月三十一日止三個月的未經審核簡明綜合財務報表，連同二零二一年同期之未經審核比較數字載列如下：

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME 簡明綜合損益及其他全面收益表

		Unaudited Three months ended 31 March 未經審核 截至三月三十一日止三個月	
		2022 二零二二年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元
		Note 附註	
Revenue	收入		
– Sales of metal	– 銷售金屬		–
– Education management services	– 教育管理服務		1,180
Total revenue	收入總額		1,180
Other income	其他收益		52
			4,750
Carrying value of inventories sold	已售存貨之賬面值		–
Change in fair value of commodity inventories	商品存貨之公平值變動		(13)
Depreciation on property, plant and equipment	物業、廠房及設備折舊		(313)
Depreciation on right-of-use assets	使用權資產折舊		(760)
Employee costs	僱員成本		(5,096)
Gain on disposal of other financial asset	出售其他金融資產之收益		–
Rental expenses	租賃開支		(313)
Other operating expenses	其他經營開支		(2,174)
Provision of loss allowance on trade and other receivables	計提貿易及其他應收款項虧損撥備		(31)
Share of (loss)/profit of an associate	分佔一間聯營公司（虧損）／溢利		17
Finance costs	財務成本	3	(12)
Loss before income tax expense	除所得稅開支前虧損		(7,463)
Income tax expense	所得稅開支	4	–
Loss for the period	期內虧損		(7,463)
Loss for the period attributable to:	以下人士應佔期內虧損：		
– Owners of the Company	– 本公司擁有人		(6,946)
– Non-controlling interests	– 非控股權益		(517)
			(7,463)

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

簡明綜合損益及其他全面收益表

		Unaudited Three months ended 31 March 未經審核 截至三月三十一日止三個月	
		2022 二零二二年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元
	Note 附註		
Loss for the period	期內虧損	(9,501)	(7,463)
Other comprehensive income/(loss)	其他全面收益／(虧損)		
Item that may be reclassified subsequently to profit or loss:	可於其後重新分類至損益之項目：		
Exchange differences on translating foreign operations	換算海外業務產生之匯兌差額	84	(100)
Total comprehensive loss for the period	期內全面虧損總額	(9,417)	(7,563)
Total comprehensive loss for the period attributable to:	以下人士應佔期內全面虧損總額：		
– Owners of the Company	– 本公司擁有人	(8,413)	(6,999)
– Non-controlling interests	– 非控股權益	(1,004)	(564)
		(9,417)	(7,563)
		HK cents 港仙	HK cents 港仙
Basic and diluted loss per share	每股基本及攤薄虧損	(1.02)	(1.00)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

簡明綜合權益變動表

		Unaudited 未經審核							Non- controlling interests	Total equity
		Share capital	Merger reserve	Equity- settled share-based payment reserve	Statutory reserve	Translation reserve	Accumulated Losses	Equity attributable to owners of the Company		
		股本	合併儲備	以股本結算之 股份基礎 給付儲備	法定儲備	換算儲備	累計虧損	本公司擁有人 應佔權益	非控股權益	總權益
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
As at 1 January 2021	於二零二一年一月一日	161,112	(1,357)	7,000	1,647	669	(121,503)	47,568	3,655	51,223
Loss for the period	期內虧損	-	-	-	-	-	(6,946)	(6,946)	(517)	(7,463)
Other comprehensive loss:	其他全面虧損：									
Exchange differences on translating foreign operations	換算海外業務產生之匯兌差額	-	-	-	-	(53)	-	(53)	(47)	(100)
Total comprehensive loss for the period	期內全面虧損總額	-	-	-	-	(53)	(6,946)	(6,999)	(564)	(7,563)
Recognition of equity-settled share-based payments	確認以股本結算之股份基礎給付	-	-	320	-	-	-	320	-	320
As at 31 March 2021	於二零二一年三月三十一日	161,112	(1,357)	7,320	1,647	616	(128,449)	40,889	3,091	43,980
As at 1 January 2022	於二零二二年一月一日	188,348	(1,357)	7,846	1,647	874	(150,642)	46,716	1,004	47,720
Loss for the period	期內虧損	-	-	-	-	-	(8,461)	(8,461)	(1,040)	(9,501)
Other comprehensive loss:	其他全面虧損：									
Exchange differences on translating foreign operations	換算海外業務產生之匯兌差額	-	-	-	-	48	-	48	36	84
Total comprehensive loss for the period	期內全面虧損總額	-	-	-	-	48	(8,461)	(8,413)	(1,004)	(9,417)
As at 31 March 2022	於二零二二年三月三十一日	188,348	(1,357)	7,846	1,647	922	(159,103)	38,303	-	38,303

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

1. GENERAL INFORMATION

Loco Hong Kong Holdings Limited (the “**Company**”) is a limited liability company incorporated in Hong Kong and its shares are listed on the GEM of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) with effect from 5 August 2014. The addresses of the registered office and principal place of business are Unit 401, 4/F., Fairmont House, 8 Cotton Tree Drive, Admiralty, Hong Kong.

The Company is an investment holding company. The Company and its subsidiaries (collectively the “**Group**”) are principally engaged in metal business in Hong Kong, provision of education management services in the mainland of the People’s Republic of China (the “**PRC Mainland**”) and provision of money lending services in Hong Kong.

The unaudited condensed consolidated financial statements of the Group for the three months ended 31 March 2022 are presented in thousands of units of Hong Kong dollars (“**HK\$’000**”), unless otherwise stated. The unaudited condensed consolidated financial statements were approved and authorised for issue by the board of Directors (the “**Board**”) on 11 May 2022.

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES

These unaudited condensed consolidated financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards and Interpretations (hereinafter collectively referred to as the “**HKFRSs**”) issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”) and the applicable disclosure provisions of the GEM Listing Rules.

These unaudited condensed consolidated financial statements do not include all the information and disclosures required in a full set of financial statements prepared in accordance with HKFRSs, and should be read in conjunction with the Group’s annual financial statements for the year ended 31 December 2021 (the “**2021 annual financial statements**”).

1. 一般資料

港銀控股有限公司（「**本公司**」）為一間於香港註冊成立的有限公司，其股份於二零一四年八月五日起於香港聯合交易所有限公司（「**聯交所**」）GEM上市。註冊辦事處及主要營業地點之地址為香港金鐘紅棉路8號東昌大廈4樓401室。

本公司為投資控股公司。本公司及其附屬公司（統稱「**本集團**」）主要於香港從事金屬業務，於中華人民共和國內地（「**中國內地**」）提供教育管理服務及於香港提供放債服務。

除非另有指明，否則本集團截至二零二二年三月三十一日止三個月的未經審核簡明綜合財務報表以千港元（「**千港元**」）為單位列示。該等未經審核簡明綜合財務報表已於二零二二年五月十一日獲董事會（「**董事會**」）批准及授權刊發。

2. 編製基準及會計政策

該等未經審核簡明綜合財務報表乃根據香港會計師公會（「**香港會計師公會**」）頒佈的所有適用香港財務報告準則、香港會計準則及詮釋（以下統稱「**香港財務報告準則**」）及GEM上市規則的適用披露規定而編製。

該等未經審核簡明綜合財務報表並未包含根據香港財務報告準則編製的完整財務報表所需的所有資料及披露，應與本集團截至二零二一年十二月三十一日止年度之年度財務報表（「**二零二一年年度財務報表**」）一併閱覽。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES *(continued)*

These unaudited condensed consolidated financial statements have been prepared with the same accounting policies adopted in the 2021 annual financial statements, except for those that relate to new or revised HKFRSs effective for the first time for periods beginning on or after 1 January 2022. The adoption of these new or revised HKFRSs has had no material effect on the amounts reported and/or disclosures set out in these unaudited condensed consolidated financial statements. The Group has not early adopted any other new or revised HKFRSs that has been issued but is not yet effective.

These unaudited condensed consolidated financial statements have not been audited but have been reviewed by the audit committee of the Company (the “**Audit Committee**”).

3. FINANCE COSTS

2. 編製基準及會計政策 (續)

編製該等未經審核簡明綜合財務報表所用之會計政策與二零二一年年度財務報表所採納者相同(與於二零二二年一月一日或之後開始的期間首次生效的新訂或經修訂香港財務報告準則相關者除外)。採納該等新訂或經修訂香港財務報告準則並無對該等未經審核簡明綜合財務報表所呈報的金額及/或所載披露造成重大影響。本集團並無提早採納已頒佈但尚未生效的任何其他新訂或經修訂香港財務報告準則。

該等未經審核簡明綜合財務報表乃未經審核，但已經本公司審核委員會(「**審核委員會**」)審閱。

3. 財務成本

		Unaudited Three months ended 31 March 未經審核 截至三月三十一日止三個月	
		2022 二零二二年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元
Interest expenses on lease liabilities	租賃負債之利息開支	29	12

4. INCOME TAX EXPENSE

The amount of the income tax expense represents the following:

4. 所得稅開支

所得稅開支金額呈列如下：

		Unaudited Three months ended 31 March 未經審核 截至三月三十一日止三個月	
		2022 二零二二年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元
Current tax	即期稅項	-	-

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

4. INCOME TAX EXPENSE (continued)

Hong Kong profits tax is calculated at 16.5% (2021: 16.5%) on the estimated assessable profit for the period. No provision for Hong Kong profits tax has been made in the condensed consolidated financial statements as the Group incurred tax losses for the period.

Under the law of the PRC Mainland on Enterprise Income Tax (the “EIT Laws”) and Interpretation Regulation of the EIT Laws, the tax rate of the PRC Mainland subsidiaries is 25% for the three months ended 31 March 2022 (2021: 25%).

5. DIVIDENDS

The Board does not recommend the payment of any dividend of the Company for the three months ended 31 March 2022 (2021: nil).

6. LOSS PER SHARE

The calculation of basic and diluted loss per share attributable to the owners of the Company is based on the following data:

4. 所得稅開支 (續)

香港利得稅乃按期內估計應課稅溢利以16.5% (二零二一年：16.5%) 的稅率計算。概無於簡明綜合財務報表作出香港利得稅撥備，原因是本集團期內產生稅項虧損。

根據中國內地企業所得稅法(「企業所得稅法」)及企業所得稅法實施條例，於截至二零二二年三月三十一日止三個月，中國內地附屬公司的稅率為25% (二零二一年：25%)。

5. 股息

董事會並不建議派付本公司截至二零二二年三月三十一日止三個月之任何股息 (二零二一年：無)。

6. 每股虧損

本公司擁有人應佔每股基本及攤薄虧損乃根據下列數據計算：

		Unaudited Three months ended 31 March 未經審核 截至三月三十一日止三個月	
		2022 二零二二年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元
Loss	虧損		
Loss attributable to owners of the Company	本公司擁有人應佔虧損	(8,461)	(6,946)
Number of shares	股份數目		
Weighted average number of ordinary shares for the purpose of calculating basic loss per share (in thousand)	用以計算每股基本虧損之普通股加權平均數目 (千股)	829,404	691,170

Diluted loss per share for loss attributable to owners of the Company for the three months ended 31 March 2021 and 2022 was the same as basic loss per share because the impact of the exercise of share options is anti-dilutive.

截至二零二一年及二零二二年三月三十一日止三個月，本公司擁有人之每股攤薄虧損跟每股基本虧損一致。因為行使購股權之影響為反攤薄效應。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

BUSINESS REVIEW

For the three months ended 31 March 2022 (“Q1 2022” or “Current Period”), the Group’s principal activities were broadly divided into the trading of metal in Hong Kong, provision of education management services in the mainland of the People’s Republic of China (the “PRC Mainland”) and provision of money lending services in Hong Kong.

Trading of metal

As of Q1 2022, the global pandemic is still not yet under control. Triggered by the Omicron variant, the fifth wave of pandemic outbreak in Hong Kong has caused the Hong Kong government to adopt the most stringent social distance restrictions and other pandemic prevention measures and the import, export and logistics industry is also greatly affected, with a concurrent increase in settlement risks. In the PRC Mainland, the sporadic outbreak of the pandemic, coupled with temporary close-down and static management measures, has also brought huge impact to ports, logistics and supply chains. This business segment has seen a significant increase in instability and uncertainty, and the business environment remains complex and challenging.

The precious metal and silver business under the metal business segment is declining year by year, which is due to the shrinking supply of goods on the one hand and the relatively shrinking market demand on the other hand. For the Group’s silver refining and processing business in Hong Kong, due to the shortage of the supply of goods from the PRC Mainland to Hong Kong, the export asking price was raised up. Coupled with the impact of the pandemic in 2020 and 2021, the restrictions on customs clearance have made face-to-face business negotiations basically impossible and led to blocked supply chains and logistics, disrupted flights, instability of cross-border transport and increasing transaction costs and transaction risks, which greatly affected the development of business.

業務回顧

截至二零二二年三月三十一日止三個月（「二零二二年一季度」或「本期」），本集團之主要業務大致分為於香港從事金屬貿易，在中華人民共和國內地（「中國內地」）提供教育管理服務及於香港提供放債服務。

金屬貿易

截至二零二二年一季度，全球疫情仍未可控，香港本地因Omicron爆發第五波嚴峻疫情，港府採取了最為嚴厲的社交距離限制等防疫措施，進出口物流業亦大受影響，交收風險同步大增。而中國內地則呈現疫情多點散發、伴隨臨時性封控及靜態管理，港口、物流及供應鏈亦受到巨大衝擊。此業務分部不穩定及不確定因素顯著增多，營商環境依然複雜嚴峻。

金屬業務分部的貴金屬白銀業務領域整體逐年式微，一方面是供應方貨源萎縮，另一方面是市場需求亦相對萎縮。本集團在香港的白銀提煉加工業務，由於中國內地出口香港貨源緊缺，出口要價高。同時疊加二零二零年及二零二一年的疫情影響，通關限制致使商貿當面洽談基本無法進行，供應鏈及物流均受阻，航班熔断、跨境運輸的不穩定性，交易成本及交易風險不斷增大，這樣極大影響了業務的開展。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

BUSINESS REVIEW (continued)

Trading of metal (continued)

Therefore, in the past two years, our metal business has mainly been domestic trade of gold in Hong Kong. According to industry standards, even if we engage in domestic trade of gold in Hong Kong, we choose clients based on their qualifications, reputation, source of goods, source of funds, etc., so currently we have only selected one reliable client as our partner. Meanwhile, as the price of gold fluctuates greatly with high requirements for risk control, we are also hedging at the same time. As hedging itself also has risks, we controlled the scale of our gold business during the two-year pandemic period while actively seeking opportunities to develop this business. As for our silver processing and smelting business, despite the severe impact of the pandemic, we still retained our factory manager and technical backbone, and kept in touch with several skilled part-time technicians. We took advantage of the gap during the pandemic to inspect and repair plant equipment and facilities to keep them available, so that we can start work at any time when the pandemic eases and the supply of goods recovers.

In view of the above situation, we started to liaise in the PRC Mainland and expand domestic business in 2020 and 2021. At the beginning of 2020, the outbreak of the global pandemic and the lock-down in the PRC Mainland and Hong Kong made it impossible to negotiate trade in depth. In September 2021, the second Sichuan-Hong Kong Cooperation Summit was held in Chengdu. The meeting mentioned that Sichuan enterprises will continue to rely on Hong Kong as a window and bridge to connect with the world, and jointly develop and expand overseas markets with Hong Kong.

Taking this opportunity of the Sichuan-Hong Kong High-level Summit, a state-owned enterprise in Sichuan Province contacted us to discuss cooperation matters through relevant information and channel recommendations. This state-owned enterprise in Sichuan Province itself has a large number of import and export business and domestic trade industry chain and supply chain business in the field of metal business. In the field of import and export business, futures hedging transactions are required in order to avoid risks. However, as state-owned enterprises in the PRC Mainland are subject to the regulation of national policies, state-owned enterprises are not allowed to conduct hedging transactions in the PRC Mainland. In addition, as the state-owned enterprise is not familiar with Hong Kong futures trading rules and related regulations, it needs to find an experienced and reliable Hong Kong company for cooperation in order to avoid risks. In the field of metals, the Company has accumulated many years of successful experience in futures trading for the purpose of hedging, and has the background of a listed company. Therefore, we are currently negotiating with the state-owned enterprise on relevant cooperation matters.

業務回顧 (續)

金屬貿易 (續)

因此，這兩年我們的金屬業務主要是在香港做黃金內貿，依照行業標準，即便是做香港黃金內貿，我們選擇客戶，也要看客戶的資歷、口碑、貨源地、資金來源等情況，所以目前僅選擇一家可靠的客戶作為合作夥伴。同時，黃金的價格波幅很大，風控要求高，所以我們同時也有做對沖，但對沖本身也有風險，因此在兩年疫情期間，我們在積極尋求機會開展這項業務的同時，我們對於黃金業務規模有所控制。而對於我們的白銀加工冶煉業務，儘管受到疫情期間的嚴重影響，但我們仍然保留了廠長及技術骨幹，同時還保持聯絡了幾名業務熟練的兼職技工。我們利用疫情期間的空檔，對於廠房設備設施進行檢查檢修，以保持可用狀態，以便疫情緩解、貨源恢復時可隨時開工。

鑒於上述情況，我們在二零二零年及二零二一年就開始在中國內地聯繫及拓展國內業務。二零二零年初全球疫情突發，兩地封控，無法深入洽談貿易。二零二一年九月，川港第二次合作峰會在成都舉行，會議提到進一步加強四川企業繼續依託香港作為連通國際的窗口和橋樑地位，與香港共同引進發展和開拓海外市場。

藉此川港高層峰會契機，一家四川省屬國資企業，透過相關資訊和渠道推薦，聯繫我們商洽合作事宜。這間四川省屬國資企業本身在金屬業務領域，就有大量進出口業務和內貿產業鏈供應鏈業務，在進出口業務領域，為規避風險，需進行期貨對沖交易，但由於中國內地國資企業受限於國家的政策規管，國資企業在中國內地做對沖交易是不被允許的，且對於香港期貨交易規則及相關條例不熟悉，為規避風險，需要找一家有經驗及可靠的香港公司合作，且本公司在金屬領域，以對沖為目的的期貨交易已積累了多年之成功經驗，又具有上市公司背景。故此，我們目前與該國資企業就相關合作事宜正在商洽中。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

BUSINESS REVIEW (continued)

Trading of metal (continued)

In addition, during the business negotiation process between the two parties, the state-owned enterprise learned that we are actively expanding the industrial chain and supply chain business development of the metal business in the PRC Mainland, and recommended us an industrial supply chain unit — a company in Sichuan Province (the national hardware and electromechanical information collection unit in the PRC Mainland and the supply chain unit of hardware and electromechanical standard parts in Sichuan Province) (the “**PRC Company**”) for cooperation. The Group has signed a cooperation agreement with the PRC Company in Q1 2022. Currently, the Group and the PRC Company are negotiating an agreement to further substantiate the framework laid by the cooperation agreement. We are positive that these agreements will provide a solid foundation for development of our metal business and will enable our revenue to greatly improve by the end of 2022 (if there are no large-scale and uncontrollable outbreaks in the PRC Mainland, including but not limited to long-term and large-scale lockdowns, etc., and there are no sudden international disputes and sanctions, wars, natural disasters, earthquakes and other force majeure situations involving the PRC Mainland). In this industry chain, we believe that we will achieve greater development in the next step.

In Q1 2022, the Group’s progress in expanding the industrial chain and supply chain of our metal business in the PRC Mainland market is generally in line with our expectation and has boosted our confidence in leveraging the regional advantages of Hong Kong to integrate into the overall development of the state. At the same time, the Group will continue to place emphasis on risk control and prudent business partner selection as our primary principles in order to achieve sustainable and steady development. In Q1 2022, the Group’s metal trading business recorded an improvement in revenue compared to the same period in last year, with sales revenue from this business segment amounting to approximately HK\$4.3 million (for the three months ended 31 March 2021: Nil). This growth in revenue from metal trading business underlined the Group’s effort and commitment to sustain and further develop the metal business despite the pandemic. The Group is confident that it will be able to further improve and expand its metal business after the pandemic situation has gradually stabilized and people flow between Hong Kong and the PRC Mainland has returned to normal.

Provision of education management services

As of Q1 2022, our indirect subsidiary, 四川港銀雅匯教育管理有限公司 (Sichuan Loco Yahui Education Management Limited*) (“**Loco Yahui**”), was principally engaged in the provision of education management and consulting services to different schools in the PRC Mainland.

業務回顧 (續)

金屬貿易 (續)

同時，雙方在商洽業務過程中，該國資企業了解到我們正在中國內地積極拓展金屬業務的產業鏈供應鏈業務發展，便向我們推薦了一間其產業供應鏈單位—四川省內的一間公司（中國內地國家五金機電信息採集單位，四川省五金機電標準件供應鏈單位）（「**該中國公司**」）與之合作。本集團已與該中國公司在二零二二年一季度簽署了合作協議。當前，本集團與該中國公司正在商討進一步的協議，以便充實合作協議所奠定的框架，該協議將為我們的金屬業務的發展提供一個堅實的基礎，並將使之成為可能。預估到二零二二年底，我們的營收將有大幅改觀（假如中國內地沒有再次出現大面積爆發且不可控疫情，包括但不限於發生長時間大範圍封控等情況，並且沒有突發涉及中國內地的國際爭端及制裁、戰爭、自然災害、地震等不可抗力情況），在這種產業鏈上，相信下一步會有更大的發展。

於二零二二年一季度，本集團拓展中國內地市場金屬業務的產業鏈供應鏈進展，大致符合我們的預期，也增強了本集團依託香港區域優勢，融入國家發展大局的信心。同時，本集團依然將注重風險控制、謹慎選擇合作夥伴作為首要原則，以期實現可持續穩步發展。二零二二年一季度，本集團金屬貿易業務營收同比有所改善，此業務分部銷售收入為約4.3百萬港元（截至二零二一年三月三十一日止三個月：無）。金屬業務營收的增長表明了本集團在疫情期間維持和進一步發展金屬業務的努力和承諾。本集團有信心在疫情形勢逐步穩定、香港與中國內地通關恢復正常後能夠進一步改善和擴大金屬業務。

提供教育管理服務

截至二零二二年一季度，我們的間接附屬公司四川港銀雅匯教育管理有限公司（「**港銀雅匯**」）主要在中國內地向不同學校提供教育管理及諮詢服務。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

BUSINESS REVIEW *(continued)*

Provision of education management services *(continued)*

Objectively speaking, the education industry in the PRC Mainland developed well in 2019, and it was in good condition in 2018 and 2019. The capital market was also very optimistic about the prospects of the education industry. As the Group had resources and contacts in the PRC Mainland, it obtained returns in the year of introduction in 2019. At the beginning of 2020, due to the sudden outbreak of the pandemic which was a force majeure, schools were closed for more than half a year and were greatly affected. We began to gradually recover in September and October 2020. However, as the government's new policies on the rectification and reform of education burst out and the documents of the General Office of the CPC Central Committee and the General Office of the State Council, the "Double Reduction Opinions" (Relevant rectification policies to reduce the burden of homework and off-campus training for students in compulsory education) and related supporting policies were successively issued in 2021, educational institutions were teetering, and the overall education industry in the PRC Mainland entered a period of deepening reform and rectification, which has caused major shocks to schools and education and training institutions. Their revenue declined significantly, and some even have shut down. Our education management service business was also greatly affected, with a significant reduction in revenue. Nevertheless, we believe that the government's reform and rectification of education are in line with the correct direction of the current national education development, and we shall understand and support it while maintaining a high degree of compliance and legality to achieve the healthy development of our business.

業務回顧 *(續)*

提供教育管理服務 *(續)*

客觀而言，在二零一九年，當時中國內地教育產業發展良好，二零一八年及二零一九年都很好，資本市場對於教育產業前景也十分看好，本集團具有中國內地的資源和人脈，二零一九年實現了當年引進當年回報。二零二零年初，遭遇突發疫情，實屬不可抗力，學校被關停大半年，受到很大影響。等到二零二零年九月、十月開始逐步恢復，然而二零二一年國家教育整頓改革新政重磅突發，「兩辦文件」（中共中央辦公廳、國務院辦公廳相關教育整頓文件）、「雙減政策」（減輕義務教育階段學生作業負擔和校外培訓負擔的相關整頓政策）及相關配套政策陸續出台，致使各教育機構步履維艱，內地整體教育產業進入深化改革整頓時期，各學校及教培類機構遭受重大衝擊，收入顯著下滑，甚至部分關停。我們的教育管理服務業務亦大受影響，營收大幅縮減。儘管如此，我們認為國家教育整頓改革符合當前國家教育發展的正確方向，我們應予以理解支持，同時保持高度的依規合法性來運作業務的健康發展。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

BUSINESS REVIEW *(continued)*

Provision of education management services *(continued)*

In Q1 2022, there were also regional outbreaks of Omicron variant in the PRC Mainland, which led to strict preventive and control measures such as temporary close-down of communities and static management by the local health authorities. Such measures, coupled with the impact of the Spring Festival and the class suspension during the winter vacation in the PRC Mainland in February, led to a significant decrease in revenue of our education management services segment in Q1 2022. This business segment contributed revenue of approximately HK\$0.4 million (for the three months ended 31 March 2021: approximately HK\$1.2 million) to the Group during the Current Period.

For this business segment, we will continue to pay close attention to the policy and regulatory environment, and will optimize our business model and related arrangements in response to the new national education reform policy.

Provision of money lending services

As of Q1 2022, due to the continuous spread of the global COVID-19 pandemic, the resumption of operation and production, as well as the economic and social development, faced new difficulties and challenges, and the environment for individual employment and corporate operations remained challenging. Likewise, market conditions in the PRC Mainland have also been affected, and we believe that the credit risk in our money lending services remains high. Due to the uncertain economic situation and business outlook, the Group strictly adheres to a prudent credit assessment and review policy and assesses the creditworthiness of existing and potential customers in a timely manner based on the prevailing market conditions and the respective background of the customers. As the prevailing uncertain economic conditions would affect asset valuation projections, business forecasts and individual repayment capacity projections, the Group has adopted further enhanced risk control measures and prudent evaluation and lending policies in selecting qualified credit applicants for potential business opportunities. However, we will expand our business accordingly when the time comes. Therefore, no revenue was recorded in this business segment in Q1 2022 (for the three months ended 31 March 2021: Nil).

業務回顧 *(續)*

提供教育管理服務 *(續)*

於二零二二年一季度，中國內地亦因 Omicron 變異株而呈現地區性疫情反覆，當地衛健委等部門採取了臨時性社區封控與靜態管理等嚴格的疫情防控措施，疊加二月份恰逢中國內地春節及學校寒假停課等影響，二零二二年一季度教育管理服務分部營收減少較大。此業務分部於本期內，為本集團貢獻收益約 0.4 百萬港元（截至二零二一年三月三十一日止三個月：約 1.2 百萬港元）。

對於此業務分部，我們仍將密切關注政策動向及監管環境，對其業務模式與相關安排，將因應國家教育整頓改革新政而進行優化調整。

提供放債服務

截至二零二二年一季度，由於全球新冠疫情的持續蔓延，復工復產和經濟社會發展面臨新的困難和挑戰，個人就業及企業經營環境仍然嚴峻。同樣地，中國內地市場情況亦受影響，因此我們認為放債服務中的信貸風險仍處於高位。基於不確定的經濟形勢及商業展望，本集團嚴格遵守審慎的信貸評估及審閱政策，並根據當時的市況及客戶各自的背景及時評估現有及潛在客戶的信貸狀況。由於當前不確定的經濟狀況影響資產估值預測、商業預測及個人的還貸能力預測，本集團在選擇合資格信貸申請人以尋求潛在商機時，採取了進一步加強風控及審慎評估與放貸政策，但視時機成熟，我們也會相應展開業務。故此，該業務分部在二零二二年一季度並未錄得收入（截至二零二一年三月三十一日止三個月：無）。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

OUTLOOK

Given that the international situation and the international economic environment becoming more complex, severe and uncertain, coupled with the repeated global pandemic and the resurgence of the fifth wave of the pandemic in Hong Kong, the operating environment of the Group's metal business and its various business aspects will face more complex, changeable and uncontrollable situations. Nevertheless, the Group still expects to further improve and expand its metal business once the pandemic can be brought under control and gradually stabilized, and the customs clearance between Hong Kong and the PRC Mainland returns to normal. We will continue to uphold the strategy of active recovery, continuous expansion of our main business, highly pay attention to the risk control and choose partners carefully, and vigorously expand the metal business and metal supply chain industry within the PRC Mainland on the basis of the current trading of metal business. The Group's money lending business still requires cautious assessment and robust risk control. In the PRC Mainland, with the implementation and strict supervision of the new national education management reform policy, the education and training industry will face profound changes and severe challenges. The Group's education management service business is also deeply affected. We will pay close attention to the policy trends and regulatory environment, and optimize and adjust its business model and related arrangements in response to the government's new policies on the rectification and reform of education. All in all, the Group will strive to seek development in the balance of risk control in its existing business model.

展望

鑒於國際形勢和國際經濟環境更趨複雜嚴峻及不確定，疊加全球疫情反覆、本港第五波疫情再度急劇爆發的情況下，本集團金屬業務的經營環境及其各業務環節將面臨更為複雜多變且難以掌控的市場狀態。儘管如此，本集團依然預期在疫情形勢如能得以受控並逐步穩定、香港與中國內地通關恢復正常後，能夠進一步改善和擴大金屬業務。我們將繼續秉持積極恢復和不斷拓展主營業務的策略，並高度注重風險控制，謹慎選擇合作夥伴，在立足當前金屬貿易業務的基礎上，積極拓展中國內地範圍內的金屬業務和金屬供應鏈產業。對於本集團的放債業務則仍需審慎觀望，加強風控。而在中國內地，隨著國家教育管理整頓改革新政的落地實施與嚴格督導，教培產業將面臨深刻變化和嚴峻挑戰。本集團之教育管理服務業務亦深受影響，我們將密切關注政策動向及監管環境，對其業務模式及相關安排，將因應國家教育整頓改革新政而進行優化調整。總之，本集團將在現有商業模式風控平衡中努力尋求發展。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

FINANCIAL REVIEW

For the three months ended 31 March 2022, the Group had a total revenue of approximately HK\$4.71 million (for the three months ended 31 March 2021: approximately HK\$1.18 million), representing an increase of approximately 299% as compared with the three months ended 31 March 2021. For the three months ended 31 March 2022, the Group recorded a loss of approximately HK\$9.5 million (for the three months ended 31 March 2021: approximately HK\$7.5 million), representing an increase of approximately 27% as compared with the three months ended 31 March 2021. The increase in loss was mainly attributable to net effect of:

- (i) an increase in the Group's total revenue of approximately HK\$3.53 million as discussed above;
- (ii) the carrying value of inventories sold was recognised approximately HK\$4.3 million (for the three months ended 31 March 2021: Nil);
- (iii) a decrease in employee costs of approximately HK\$1.5 million; and
- (iv) an increase in other operating expenses of approximately HK\$2.3 million.

For the three months ended 31 March 2022, the Group's loss attributable to owners of the Company was approximately HK\$8.5 million, as compared to the loss attributable to owners of the Company of approximately HK\$6.9 million for the three months ended 31 March 2021.

GEARING RATIO

The Group monitors capital on the basis of the net gearing ratio. This ratio is calculated as net debt divided by total capital.

As at 31 March 2022, no gearing ratio was presented as the Group has net cash surplus (31 December 2021: net cash surplus).

CHARGE ON THE GROUP'S ASSETS

As at 31 March 2022, no Group's asset was pledged as security (31 December 2021: Nil).

財務回顧

於截至二零二二年三月三十一日止三個月，本集團錄得總收入約4.71百萬港元（截至二零二一年三月三十一日止三個月：約1.18百萬港元），較截至二零二一年三月三十一日止三個月增加約299%。截至二零二二年三月三十一日止三個月，本集團錄得虧損約9.5百萬港元（截至二零二一年三月三十一日止三個月：約7.5百萬港元），較截至二零二一年三月三十一日止三個月增加約27%。虧損增加主要歸因於下列各項的淨影響：

- (i) 誠如以上討論，本集團總收入增加約3.53百萬港元；
- (ii) 已售存貨之賬面值確認為約4.3百萬港元（截至二零二一年三月三十一日止三個月：無）；
- (iii) 僱員成本減少約1.5百萬港元；及
- (iv) 其他經營開支增加約2.3百萬港元。

於截至二零二二年三月三十一日止三個月，本公司擁有人應佔的本集團虧損為約8.5百萬港元，而於截至二零二一年三月三十一日止三個月，本公司擁有人應佔的虧損為約6.9百萬港元。

資產負債比率

本集團按淨資產負債比率監察資本。該比率乃按債務淨額除以資本總額計算得出。

於二零二二年三月三十一日，並無呈列資產負債比率，原因是本集團有現金淨盈餘（二零二一年十二月三十一日：現金淨盈餘）。

本集團之資產抵押

於二零二二年三月三十一日，本集團概無抵押任何資產作為擔保（二零二一年十二月三十一日：無）。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

FUTURE PLAN FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

As at 31 March 2022, the Group did not have any concrete plan for material investments or capital assets.

SIGNIFICANT INVESTMENTS, ACQUISITIONS AND DISPOSALS

During the three months ended 31 March 2022, the Group did not have any significant investments, acquisitions and disposals.

CAPITAL COMMITMENT

As at 31 March 2022, the Group did not have any significant capital commitment (31 December 2021: Nil).

FOREIGN EXCHANGE EXPOSURE

The Group's sales, purchase and borrowings are predominantly denominated in HK\$, United States dollars and Renminbi. The Directors considered that the Group had no significant exposure to foreign exchange fluctuations and believed it was not necessary to hedge against any exchange risk. Nevertheless, the Company's management will continue to monitor the foreign exchange exposure position and will take any future measures if appropriate.

CONTINGENT LIABILITIES

As at 31 March 2022, the Group did not have any material contingent liabilities, guarantees or any litigation or claims of material importance pending or threatened against any member of our Group (31 December 2021: Nil) and there has not been any material change in the contingent liabilities of the Group since 31 March 2022.

重大投資及資本資產之未來計劃

於二零二二年三月三十一日，本集團並無有關重大投資或資本資產的任何具體計劃。

重大投資、收購及出售事項

截至二零二二年三月三十一日止三個月，本集團並無任何重大投資、收購及出售事項。

資本承擔

於二零二二年三月三十一日，本集團並無任何重大資本承擔（二零二一年十二月三十一日：無）。

外匯風險

本集團的銷售、採購及借貸主要以港元、美元及人民幣計值。董事認為本集團並無面臨重大外匯波動風險，並相信無需對沖任何匯兌風險。然而，本公司管理層將繼續監察外匯風險狀況並將於日後採取有關措施（倘適當）。

或然負債

於二零二二年三月三十一日，本集團並無任何重大或然負債、擔保或任何待決或針對本集團任何成員公司的重大訴訟或申索（二零二一年十二月三十一日：無），及本集團或然負債自二零二二年三月三十一日以來並無任何重大變動。

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

As at 31 March 2022, the interests and short positions of the Directors and the chief executives of the Company in the shares, underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")), as recorded in the register required to be kept by the Company under section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to Rule 5.46 of the GEM Listing Rules, were as follows:

Long Positions

(a) Ordinary shares and underlying ordinary shares of the Company

Name of Directors/chief executives	Nature of interests	Number of ordinary shares held	Number of underlying ordinary shares of the Company held	Total	Approximate percentage of shareholding
董事／主要行政人員姓名	權益性質	所持普通股數目	所持本公司相關普通股數目	總計	持股概約百分比
			(Note 1) (附註1)		(Note 2) (附註2)

Executive Directors:

執行董事：

Mr. Wang Wendong 王文東先生	Beneficial Owner 實益擁有人	–	5,700,000	5,700,000	0.69%
Mr. Fung Chi Kin 馮志堅先生	Beneficial Owner 實益擁有人	–	5,700,000	5,700,000	0.69%

Independent Non-Executive

Directors:

獨立非執行董事：

Mr. Zhou Tianshu 周天舒先生	Beneficial Owner 實益擁有人	–	570,000	570,000	0.07%
Ms. Wu Liyan 吳勵妍女士	Beneficial Owner 實益擁有人	–	570,000	570,000	0.07%
Ms. Wong Susan Chui San 黃翠珊女士	Beneficial Owner 實益擁有人	–	570,000	570,000	0.07%

董事及主要行政人員於股份、相關股份及債權證的權益及淡倉

於二零二二年三月三十一日，本公司董事及主要行政人員於本公司或其相聯法團（定義見證券及期貨條例（「證券及期貨條例」）第XV部）的股份、相關股份及債權證中擁有已記錄於根據證券及期貨條例第352條本公司須存置之登記冊內的權益及淡倉，或根據GEM上市規則第5.46條須知會本公司及聯交所的權益及淡倉如下：

好倉

(a) 本公司的普通股及相關普通股

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DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES (continued)

Long Positions (continued)

(a) Ordinary shares and underlying ordinary shares of the Company (continued)

Note 1: These are share options granted by the Company to the Directors under the Scheme on 27 August 2019. The particulars of the Directors' interests in share options are set out in part (b) below.

Note 2: The approximate percentage of shareholding was calculated based on the total number of ordinary shares in issue, being 829,404,000 shares as at 31 March 2022.

董事及主要行政人員於股份、相關股份及債權證的權益及淡倉 (續)

好倉 (續)

(a) 本公司的普通股及相關普通股 (續)

附註1：該等股份為本公司於二零一九年八月二十七日根據計劃向董事授出的購股權。董事於購股權的權益詳情載於下文(b)部分。

附註2：持股概約百分比乃根據已發行普通股總數(即於二零二二年三月三十一日的829,404,000股股份)計算。

(b) Interests in share options relating to ordinary shares of the Company

(b) 本公司普通股相關之購股權之權益

Name of Directors	Date of grant	Exercise price per share	Exercise period	Number of share options and underlying shares				Outstanding as at 31.3.2022	
				Outstanding as at 1.1.2022	Granted	Exercised	Cancelled		Lapsed
董事姓名	授出日期	每股行使價 HK\$ 港元	行使期	於二零二二年一月一日 尚未行使	已授出	已行使	已註銷	已失效	於二零二二年三月三十一日 尚未行使
Mr. Wang Wendong	27.8.2019	0.616	27.8.2019 – 26.8.2022 (Note 1)	5,700,000	-	-	-	-	5,700,000
王文東先生	二零一九年八月二十七日		二零一九年八月二十七日至二零二二年八月二十六日 (附註1)						
Mr. Fung Chi Kin	27.8.2019	0.616	27.8.2019 – 26.8.2022 (Note 1)	5,700,000	-	-	-	-	5,700,000
馮志堅先生	二零一九年八月二十七日		二零一九年八月二十七日至二零二二年八月二十六日 (附註1)						

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DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES (continued)

Long Positions (continued)

(b) Interests in share options relating to ordinary shares of the Company (continued)

董事及主要行政人員於股份、相關股份及債權證的權益及淡倉 (續)

好倉 (續)

(b) 本公司普通股相關之購股權之權益 (續)

Name of Directors	Date of grant	Exercise price per share	Exercise period	Number of share options and underlying shares					Outstanding as at 31.3.2022
				Granted	Exercised	Cancelled	Lapsed	Outstanding as at 1.1.2022	
董事姓名	授出日期	每股行使價 HK\$ 港元	行使期	已授出	已行使	已註銷	已失效	於二零二二年一月一日 尚未行使	於二零二二年三月三十一日 尚未行使
Mr. Zhou Tianshu	27.8.2019	0.616	27.8.2019 – 26.8.2022 (Note 1)	-	-	-	-	570,000	570,000
周天舒先生	二零一九年八月二十七日		二零一九年八月二十七日至二零二二年八月二十六日 (附註1)						
Ms. Wu Liyan	27.8.2019	0.616	27.8.2019 – 26.8.2022 (Note 1)	-	-	-	-	570,000	570,000
吳勵妍女士	二零一九年八月二十七日		二零一九年八月二十七日至二零二二年八月二十六日 (附註1)						
Ms. Wong Susan Chui San	27.8.2019	0.616	27.8.2019 – 26.8.2022 (Note 1)	-	-	-	-	570,000	570,000
黃翠珊女士	二零一九年八月二十七日		二零一九年八月二十七日至二零二二年八月二十六日 (附註1)						
				13,110,000	-	-	-	-	13,110,000

Note 1 : The share options granted will vest to the Directors at the date of grant (i.e. 27 August 2019), the first and second anniversary of the date of grant (i.e. 27 August 2020 and 27 August 2021, respectively) at an average amount, the share options once vested shall be exercisable on a cumulative basis.

附註1 : 所授出的購股權將於授出日期(即二零一九年八月二十七日)、授出日期第一及第二週年(即二零二零年八月二十七日及二零二一年八月二十七日)按平均金額歸屬予董事,購股權一經歸屬,可累積行使。

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DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES (continued)

Short Positions

As at 31 March 2022, no short positions of Directors and chief executives in the shares of the Company and its associated corporations were recorded in the register or as otherwise notified to the Company and the Stock Exchange pursuant to Rule 5.46 of the GEM Listing Rule.

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

As at 31 March 2022, the following persons/entities (other than the Directors and chief executives of the Company as disclosed above) have interest or short positions in the shares and underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company pursuant to section 336 of the SFO were as follows:

Name 姓名	Nature of interests 權益性質	Number of ordinary shares held 所持普通股數目	Approximate percentage of shareholding 持股概約百分比 (Note) (附註)
Hon Pok 韓博	Beneficial owner 實益擁有人	76,000,000	9.16%
Poon Lai 潘黎	Beneficial owner 實益擁有人	55,300,000	6.67%
Zhang Bo 張博	Beneficial owner 實益擁有人	45,000,000	5.43%
Fung Ping Tak 馮秉德	Beneficial owner 實益擁有人	55,000,000	6.63%
Poon Kwan Ho 潘均浩	Beneficial owner 實益擁有人	46,000,000	5.55%
So Hing Sang 蘇慶生	Beneficial owner 實益擁有人	41,964,000	5.06%
Liu Chengnan	Beneficial owner 實益擁有人	41,960,000	5.06%
Wong Man Na 王文娜	Beneficial owner 實益擁有人	41,960,000	5.06%

Note: The approximate percentage of shareholding was calculated based on the total number of ordinary shares in issue, being 829,404,000 shares as at 31 March 2022.

董事及主要行政人員於股份、相關股份及債權證的權益及淡倉 (續)

淡倉

於二零二二年三月三十一日，概無董事及主要行政人員於本公司及其相聯法團的股份中擁有根據GEM上市規則第5.46條須記錄於登記冊或已另行知會本公司及聯交所的淡倉。

主要股東於股份及相關股份之權益及淡倉

於二零二二年三月三十一日，除上文所披露之本公司董事及主要行政人員外，以下人士／實體於本公司股份及相關股份中擁有根據證券及期貨條例第XV部第2及第3分部的條文須向本公司作出披露的權益或淡倉，或已記錄於本公司根據證券及期貨條例第336條須存置之登記冊的權益或淡倉如下：

附註：持股概約百分比乃根據已發行普通股總數（即於二零二二年三月三十一日的829,404,000股股份）計算。

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SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES (continued)

Save as disclosed above, no other interests or short positions of any persons/entities (other than the Directors and the chief executives of the Company) in the shares or underlying shares of the Company were recorded in the register or as otherwise notified to the Company and the Stock Exchange as at 31 March 2022.

SHARE OPTIONS

The Company adopted a share option scheme on 22 July 2014 (the "Share Option Scheme"), a summary of the share options granted under the Share Option Scheme are as follows:

主要股東於股份及相關股份之權益及淡倉 (續)

除上文所披露者外，於二零二二年三月三十一日，概無任何人士／實體（本公司董事及主要行政人員除外）於本公司之股份或相關股份中持有記錄於登記冊內或已另行知會本公司及聯交所之其他權益或淡倉。

購股權

本公司於二零一四年七月二十二日採納一項購股權計劃（「購股權計劃」），根據購股權計劃項下授出之購股權概要如下：

Type of participants	Grant date	Exercise price per share	Exercise period	Number of share options and underlying shares					Outstanding as at 31.3.2022
				Outstanding as at 1.1.2022	Granted	Exercised	Cancelled	Lapsed	
參與者類別	授出日期	每股行使價	行使期間	於二零二二年一月一日尚未行使	已授出	已行使	已註銷	已失效	於二零二二年三月三十一日尚未行使
		HK\$ 港元							
Directors 董事	27.8.2019 二零一九年 八月二十七日	0.616	27.8.2019 – 26.8.2022 (Note) 二零一九年八月二十七日至 二零二二年八月二十六日 (附註)	13,110,000	-	-	-	-	13,110,000
Employees 僱員	10.4.2015 二零一五年 四月十日	0.78	10.4.2015 – 9.4.2025 二零一五年四月十日至 二零二五年四月九日	160,000	-	-	-	-	160,000
	27.8.2019 二零一九年 八月二十七日	0.616	27.8.2019 – 26.8.2022 (Note) 二零一九年八月二十七日至 二零二二年八月二十六日 (附註)	23,500,000	-	-	-	-	23,500,000
Others 其他	10.4.2015 二零一五年 四月十日	0.78	10.4.2015 – 9.4.2025 二零一五年四月十日至 二零二五年四月九日	120,000	-	-	-	-	120,000
				36,890,000	-	-	-	-	36,890,000

Note: The share options granted vest to the grantees at the date of grant (i.e. 27 August 2019), the first and second anniversary of the date of grant (i.e. 27 August 2020 and 27 August 2021, respectively) at an average amount, the share options once vested shall be exercisable on a cumulative basis.

附註：該等已授出的購股權將於授出日期（即二零一九年八月二十七日）、授出日期的第一週年及第二週年當日（即分別為二零二零年八月二十七日及二零二一年八月二十七日）以平均數量歸屬於承授人，而購股權一經歸屬，則將可累積行使。

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SHARE OPTIONS (continued)

The fair value of equity-settled share options granted during the year ended 31 December 2015 was HK\$0.319 per option, amounted to approximately HK\$520,000 in aggregate. It was estimated as at 10 April 2015, being the date of grant, using the Black-Scholes Option Pricing Model and taking into account the terms and conditions upon which the options were granted. The significant assumptions and inputs used in the estimation of the fair value are as follows:

Share price at date of grant	授出日期之股價	HK\$0.78港元
Exercise price	行使價	HK\$0.78港元
Volatility	波幅	45.90%
Risk-free interest rate	無風險利率	1.09%
Dividend yield	股息收益率	0%
Expected life of option	購股權預期年期	5 years年

The expected life of the options may not be necessarily indicative of the exercise pattern that may occur. The expected volatility reflects the assumption that the historical volatility of comparable companies are indicative of future trends, which may also not necessarily be the actual outcome.

The fair value of equity-settled share options granted during the year ended 31 December 2019 were HK\$0.211, HK\$0.212 and HK\$0.213 per option each for three tranches which will be vested on 27 August 2019, 27 August 2020 and 27 August 2021, respectively, amounted to approximately HK\$7,984,000 in aggregate. The fair values were estimated as at 27 August 2019, being the date of grant, using the Binomial Option Pricing Model and taking into account the terms and conditions upon which the options were granted. The significant assumptions and inputs used in the estimation of the fair value are as follows:

Share price at date of grant	授出日期之股價	HK\$0.60港元
Exercise price	行使價	HK\$0.616港元
Volatility	波幅	52.68%
Risk-free interest rate	無風險利率	1.31%
Dividend yield	股息收益率	0%
Early exercise multiplier	提早行使倍數	2.80
Expected life of option	購股權預期年期	3 years年

購股權 (續)

截至二零一五年十二月三十一日止年度，已授出股本結算購股權之公平值為每份購股權0.319港元，合共約520,000港元，乃於二零一五年四月十日（即授出日期）使用柏力克-舒爾斯期權定價模式進行估計，並計及授出購股權之條款及條件。估計公平值所採用之重大假設及輸入數據如下：

購股權預期年期未必為可能出現之行使方式之指標。預期波幅乃反映可比較公司之過往波動性代表未來趨勢之假設，亦未必代表實際結果。

就分別將於二零一九年八月二十七日、二零二零年八月二十七日及二零二一年八月二十七日歸屬的三批購股權而言，於截至二零一九年十二月三十一日止年度所授出股本結算購股權之公平值分別為每份購股權0.211港元、0.212港元及0.213港元，合共約7,984,000港元。公平值乃於二零一九年八月二十七日（即授出日期）使用二項式期權定價模式進行估計，並計及授出購股權之條款及條件。估計公平值所採用之重大假設及輸入數據如下：

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SHARE OPTIONS *(continued)*

Estimation of the value of the share options is subjective and uncertain as such values are subject to a number of assumptions and with regard to the limitation of the model. The expected volatility is based on the historical volatility reflecting the assumption that the historical volatility is indicative of future trends, which may also not necessarily be the actual outcome. The expected early exercise multiplier is also estimated and is not necessarily indicative of the exercise patterns that may occur.

All significant features necessary to be considered for the measurement of fair values of the share options granted during the period were incorporated into such measurement.

The Group did not recognised employee costs for the three months ended 31 March 2022 (for the three months ended 31 March 2021: approximately HK\$0.3 million) in relation to share options granted by the Company.

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

During the three months ended 31 March 2022, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

COMPETITION AND CONFLICT OF INTEREST

To the best knowledge of the Directors, none of the Directors, management, shareholders or substantial shareholders of the Company or any of its respective associates has engaged in any business that competes or may compete, either directly or indirectly, with the businesses of the Group, as defined in the GEM Listing Rules, or has any other conflict of interests with the Group during the three months ended 31 March 2022.

購股權 (續)

購股權價值之估計乃主觀及難以確定，原因為該等價值受若干假設及模型限制所規限。預期波幅乃基於歷史波幅，反映過往波動性代表未來趨勢之假設，亦未必代表實際結果。亦會估計預期提早行使倍數，且未必反映可能發生的行使模式。

期內所授出購股權公平值計量需要考慮的所有重大特徵均會納入上述計量。

本集團就本公司授出的購股權於截至二零二二年三月三十一日止三個月並無確認僱員成本（截至二零二一年三月三十一日止三個月：約0.3百萬港元）。

購買、出售或贖回本公司之上市證券

於截至二零二二年三月三十一日止三個月，本公司及其任何附屬公司概無購買、出售或贖回任何本公司上市證券。

競爭及利益衝突

據董事所深知，概無本公司董事、管理層、股東或主要股東或任何其各自的聯繫人於截至二零二二年三月三十一日止三個月從事與本集團的業務直接或間接構成或可能構成競爭（定義見GEM上市規則）的任何業務或與本集團有任何其他利益衝突。

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CORPORATE GOVERNANCE

Code on Corporate Governance Practices

During the three months ended 31 March 2022, to the best knowledge of the Board, the Company has complied with the code provisions set out in the Corporate Governance Code and Corporate Governance Report contained in Appendix 15 of the GEM Listing Rules (the “**Code Provisions**”), save for the deviation from C.2.1 of the Code Provisions as explained below.

C.2.1 of the Code Provisions stipulates that the roles of chairman and chief executive officer should be separated. Mr. Wang Wendong currently holds both positions. Since Mr. Wang Wendong joined the Company in May 2018, he has held the key leadership position of the Group and has been involved in the formulation of corporate strategies and management of business and operations of the Group gradually. Taking into account the consistent leadership within the Group and in order to enable more effective and efficient overall strategic planning and continuation of the implementation of such plans, the Directors (including independent non-executive Directors) consider that Mr. Wang Wendong is the best candidate for both positions and the present arrangements are beneficial and in the interests of the Group and the shareholders as a whole.

Code of Conduct Regarding Securities Transactions by Directors

The Company has adopted a code of conduct regarding securities transactions carried out by Directors, that is not laxer than relevant standards of dealings set out in Rules 5.48 to 5.67 of the GEM Listing Rules. Having made specific enquiries to all Directors, they confirmed they have complied with the standards of dealings and the code of conduct regarding securities transactions carried out by Directors, adopted by the Company throughout the three months ended 31 March 2022.

公司管治

企業管治常規守則

截至二零二二年三月三十一日止三個月，就董事會所深知，除下文所述偏離守則條文第C.2.1條的情況外，本公司已謹遵載於GEM上市規則附錄十五的《企業管治守則》及《企業管治報告》之守則條文（「**守則條文**」）。

守則條文第C.2.1條規定，主席與行政總裁的角色應有區分。王文東先生目前擔任此兩個職位。自王文東先生於二零一八年五月加入本公司以來，彼逐步地擔任本集團的主要領導職務，並參與制定本集團的企業策略及業務管理及運營。考慮到本集團的一貫領導，亦為使整體策略規劃更有效、高效並持續執行有關計劃，董事（包括獨立非執行董事）認為王文東先生為此兩個職位的最佳人選，且現時安排符合本集團及股東的整體利益。

董事進行證券交易的行為守則

本公司已採納一套董事進行證券交易的行為守則，其條款並不較GEM上市規則第5.48條至第5.67條所載之交易相關準則寬鬆。本公司已向全體董事作出具體查詢，而董事亦已確認截至二零二二年三月三十一日止三個月一直遵守交易準則及本公司所採納的董事進行證券交易的行為守則。

OTHER INFORMATION

其他資料

CORPORATE GOVERNANCE *(continued)*

Audit Committee

The Company established the Audit Committee on 22 July 2014 with written terms of reference that was amended and adopted with effect from 2 January 2019 in compliance with D.3.3 of the Code Provisions. The duties of the Audit Committee include reviewing, in draft form, our annual report and accounts, half-yearly report and quarterly report and providing advice and comments to the Board. In this regard, members of the Audit Committee will liaise with the Board, our senior management and auditors. The Audit Committee will also consider any significant or usual items that are, or may need to be, reflected in such reports and accounts and give consideration to any matters that have been raised by our accounting staff, compliance officers or auditors. Members of the Audit Committee are also responsible for reviewing our Company's financial reporting system, risk management and internal control systems.

As at the date of this report, the Audit Committee comprises three independent non-executive Directors, namely Mr. Zhou Tianshu (Chairman), Ms. Wu Liyan and Ms. Wong Susan Chui San.

The Audit Committee has reviewed this quarterly report, including the unaudited condensed consolidated financial statements of the Group for the three months ended 31 March 2022, prior to recommending them to the Board for approval.

By order of the Board

Loco Hong Kong Holdings Limited

Wang Wendong

Chairman and Chief Executive Officer

Hong Kong, 11 May 2022

As at the date of this report, the executive Directors are Mr. Wang Wendong and Mr. Fung Chi Kin; and the independent non-executive Directors are Mr. Zhou Tianshu, Ms. Wu Liyan and Ms. Wong Susan Chui San.

公司管治 *(續)*

審核委員會

本公司已於二零一四年七月二十二日成立審核委員會，並採納符合守則條文第D.3.3條的自二零一九年一月二日起修訂及採納的書面職權範圍。審核委員會的職責包括審閱本公司的年報及賬目、半年度報告和季度報告草擬稿，及向董事會提供建議及意見。就此而言，審核委員會成員將與董事會、高級管理層及核數師聯繫。審核委員會亦將考慮任何於或可能需於該等報告及賬目呈現的重大或經常項目，並考慮任何由本公司的會計人員、合規主任或核數師提出的事項。審核委員會成員亦負責檢討本公司的財務申報制度、風險管理及內部監控制度。

於本報告日期，審核委員會包括三名獨立非執行董事周天舒先生（主席）、吳勵妍女士及黃翠珊女士。

審核委員會在建議董事會批准本季度報告（包括本集團截至二零二二年三月三十一日止三個月的未經審核簡明綜合財務報表）前已作出審閱。

承董事會命

港銀控股有限公司

主席兼行政總裁

王文東

香港，二零二二年五月十一日

於本報告日期，執行董事為王文東先生及馮志堅先生；及獨立非執行董事為周天舒先生、吳勵妍女士及黃翠珊女士。

