Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

華銀控股有限公司
SINO CREDIT HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)
(Stock code: 628)

ANNOUNCEMENT OF ANNUAL RESULTS FOR THE YEAR ENDED 31 MARCH 2016

The board (the "Board") of directors (the "Directors") of Sino Credit Holdings Limited (the "Company") is pleased to announce the audited consolidated results of the Company and its subsidiaries (together, the "Group") for the year ended 31 March 2016 together with the comparative figures, which have been reviewed by the Company's audit committee (the "Audit Committee").

Consolidated Statement of Profit or Loss

For the year ended 31 March 2016

	Note	2016 HK$'000	2015 HK$'000
Continuing operations			
Revenue	5	**33,370**	48,932
Other income	5	**1,577**	165
Other gains and losses, net	5	**(1,007)**	(27,214)
Administrative expenses		**(25,828)**	(28,835)
Impairment loss on loans receivable		**(6,131)**	(7,246)
Share-based compensation		**-**	(23,357)
Finance costs	6	**(6,564)**	(6,528)
Loss before taxation		**(4,583)**	(44,083)
Taxation	7	**(2,591)**	(6,593)
Loss for the year from continuing operations		**(7,174)**	(50,676)
Discontinued operation			
Profit for the year from discontinued operation	8	**11,080**	8,893
Profit/(loss) for the year attributable to owners of the Company	9	**3,906**	(41,783)
Earnings/(loss) per share	10		
From continuing & discontinued operations			
Basic		**0.62 HK cents**	(6.85) HK cents
Diluted		**0.61 HK cents**	(6.85) HK cents
From continuing operations			
Basic and diluted		**(1.13) HK cents**	(8.31) HK cents

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the year ended 31 March 2016

	2016	2015
	HK$'000	HK$'000
Profit/(loss) for the year	**3,906**	(41,783)
Other comprehensive (loss)/ income :		
Items that may be reclassified subsequently to profit or loss		
Exchange differences on translating foreign operations	**(17,863)**	332
Reclassification from exchange reserve to profit or loss upon disposal of subsidiaries	**13,176**	-
	(4,687)	332
Total comprehensive loss for the year attributable to owners of the Company	**(781)**	(41,451)

Consolidated Statement of Financial Position

As at 31 March 2016

	Note	2016	2015
		HK$'000	HK$'000
Assets			
Non-current assets			
Property, plant and equipment		**19,165**	6,269
Intangible assets		**5,588**	5,878
Goodwill		**7,148**	53,646
Investment properties		**-**	627,328
Deferred tax assets		**2,994**	1,804
		34,895	694,925
Current assets			
Financial assets at fair value through profit or loss		**28,059**	30,559
Trade and loans receivable	12	**436,407**	177,669
Prepayments, deposits and other receivables		**6,410**	2,551
Promissory note receivable		**30,000**	-
Cash and cash equivalents		**23,959**	26,426
		524,835	237,205
Liabilities			
Current liabilities			
Trade payables	13	**2,574**	511
Accruals and other payables		**22,541**	10,767
Tax payables		**3,443**	-
Borrowings		**-**	100,720
		28,558	111,998
Net current assets		**496,277**	125,207
Total assets less current liabilities		**531,172**	820,132
Non-current liabilities			
Borrowings		**-**	186,881
Bonds		**31,078**	21,945
Deferred tax liabilities		**1,397**	111,828
		32,475	320,654
Net assets		**498,697**	499,478
Capital and reserves			
Share capital		**63,478**	63,478
Reserves		**435,219**	436,000
Total equity		**498,697**	499,478

NOTES:

1 GENERAL INFORMATION

Sino Credit Holdings Limited (the "Company") was incorporated in Bermuda as an exempted company with limited liability and its shares are listed on The Stock Exchange of Hong Kong Limited (the "HKEx"). The registered office of the Company is located at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda and the principal place of business in Hong Kong is Unit 1502, 15/F, Far East Finance Centre, 16 Harcourt Road, Admiralty, Hong Kong.

The principal activity of the Company is investment holding. The principal activities of its subsidiaries comprise of pawn business, commercial factoring, financial leasing and financial consultancy services in the People's Republic of China ("PRC") and money lending service in Hong Kong.

The properties leasing in PRC was discontinued during the year ended 31 March 2016.

The consolidated financial statements are presented in Hong Kong dollars ("HK$"), which is the same as functional currency of the Company, and the functional currency of some subsidiaries is Renminbi ("RMB"). The management considered that it is more appropriate to present the consolidated financial statements in HK$ as the share of the Company are listed on the HKEx. The consolidated financial statements are presented in thousands of units of HK$ ("HK$'000"), unless otherwise stated.

2 BASIS OF PREPARATION

The consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") (which also include Hong Kong Accounting Standards ("HKASs") and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA"), accounting principles generally accepted in Hong Kong, the disclosure requirements of the Hong Kong Companies Ordinance and the applicable disclosure provisions of The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") and by the Hong Kong Companies Ordinance ("CO").

The provisions of the new Hong Kong Companies Ordinance (Cap. 622) regarding preparation of financial statements and directors' reports and audits became effective for the Company for the financial year ended 31 March 2016. Further, the disclosure requirements set out in the Listing Rules regarding annual consolidated financial statements have been amended with reference to the new CO and to streamline with HKFRSs. Accordingly, the presentation and disclosure of information in the consolidated financial statements for the financial year ended 31 March 2016 have been changed to comply with these new requirements. Comparative information in respect of the financial year ended 31 March 2015 are presented or disclosed in these consolidated financial statements based on the new requirements. Information previously required to being discloses under the predecessor CO or Listing Rules but not under the new CO or amended Listing Rules are not disclosed in these consolidated financial statements. A summary of the significant accounting policies adopted by the Group (as defined hereinafter) is set out below.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

In the current year, the Group has adopted for the first time the new and revised standards, amendments and interpretations ("new and revised HKFRSs") issued by the HKICPA that are relevant to its operations and effective for annual periods on or after 1 April 2015.

Amendments to HKFRSs	Annual Improvement to HKFRSs 2010-2012 Cycle
Amendments to HKFRSs	Annual Improvement to HKFRSs 2011-2013 Cycle
Amendments to HKAS19	Defined benefit plans: Employee contributions

The application of these new and revised HKFRSs in the current year has had no material impact on the Group's financial performance and position for the current and prior years and on the disclosures set out in these consolidated financial statement.

New and revised HKFRSs in issue but not yet effective

The Group has not applied the following new and revised HKFRSs that have been issued but are not yet effective, in these consolidated financial statements:

Amendments to HKFRSs	Annual Improvement to HKFRSs 2012-2014 Cycle[1]
HKAS1 (Amendments)	Disclosure Initative[1]
HKAS7 (Amendments)	Disclosure Initiative[6]
HKAS12 (Amendments)	Recognition of Deferral Assets for Unrealised Losses[6]
HKAS16 and HKAS38 (Amendments)	Clarification of Acceptable Methods of Depreciation and Amortisation[1]
HKAS16 and HKAS41 (Amendments)	Agriculture: Bearer Plant[1]
HKAS 27 (Amendments)	Equity Method in Separate Financial Statements[1]
HKFRS 9	Financial Instruments[3]
HKFRS 10, HKFRS 12 and HKAS 28 (Amendments)	Investment Entities: Applying the Consolidation Exception[1]
HKFRS 10 and HKAS28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture[5]
HKFRS 11 (Amendments)	Accounting for Acquisitions of Interests in Joint Operations[1]
HKFRS 14	Regulatory Deferral Accounts[2]
HKFRS 15	Revenue from Contracts with Customers[3]
HKFRS 16	Leases[4]

1 Effective for annual periods beginning on or after 1 January 2016, with earlier application permitted.

2 Effective for first annual HKFRS financial statements beginning on or after 1 January 2016, with earlier application permitted.

3 Effective for annual periods beginning on or after 1 January 2018, with earlier application permitted.

4 Effective for annual periods beginning on or after 1 January 2019, earlier application is permitted if only in conjunction with HKRFS 15.

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

6 Effective for annual periods beginning on or after 1 January 2017.

The Group is in the process of assessing the potential impact of the above new and revised HKFRSs upon initial application but is not yet in a position to state whether the above new and revised HKFRSs will have a significant impact on the Group's results of operations and financial position.

4 SEGMENT INFORMATION

Management has determined the operating segments based on the internal reports reviewed and used by executive directors for strategic decision making. The executive directors consider the business from a product and service perspectives. Summary of details of the operating segments is as follows:

Continuing operations

- Financing services

  Provision of pawn loans services, real estate-backed loan service, other loan service, commercial factoring, finance leasing and financial consultancy services in the PRC, and money lending service in Hong Kong.

Discontinued operation

- Properties leasing

  Receiving profit streams from leasing retail premises in PRC.

(a) Business segments

An analysis of the Group's revenue, results and certain assets, liabilities and expenditure information for the years ended 31 March 2016 and 2015 by operating segments is as follows:

	Continuing operations		Discontinued operation			
	Financing services		Properties leasing		Total	
	2016	2015	**2016**	2015	**2016**	2015
	HK$'000	HK$'000	**HK$'000**	HK$'000	**HK$'000**	HK$'000
Revenue (from external customers)	**33,370**	48,932	**19,503**	6,947	**52,873**	55,879
Segment results	**2,801**	24,368	**11,080**	12,008	**13,881**	36,376
Fair value changes on financial assets at FVTPL					**(2,500)**	3,017
Bank interest income					**1**	1
Dividend income					**1,526**	-
Finance costs					**-**	(424)
Share-based compensation					**-**	(23,357)
Loss on early repayment of promissory note					**-**	(40,318)
Unallocated expenses					**(6,411)**	(7,370)
Profit/(loss) before taxation					**6,497**	(32,075)
Taxation					**(2,591)**	(9,708)
Profit/(loss) for the year					**3,906**	(41,783)

4 SEGMENT INFORMATION (CONTINUED)

(a) Business segments (continued)

	Continuing operations		Discontinued operation			
	Financing services		Properties leasing		Total	
	2016	2015	**2016**	2015	**2016**	2015
	HK$'000	HK$'000	**HK$'000**	HK$'000	**HK$'000**	HK$'000
Segment assets	**499,406**	213,476	**-**	687,936	**499,406**	901,412
Financial assets at FVTPL					**28,059**	30,559
Unallocated assets					**32,265**	159
Total assets					**559,730**	932,130
Segment liabilities	**58,378**	94,544	-	335,294	**58,378**	429,838
Unallocated liabilities					**2,655**	2,814
Total liabilities					**61,033**	432,652

Other segment information:

	Continuing operations		Discontinued operation					
	Financing services		Properties leasing		Unallocated items		Total	
	2016	2015	**2016**	2015	**2016**	2015	**2016**	2015
	HK'000	HK'000	**HK'000**	HK'000	**HK'000**	HK'000	**HK'000**	HK'000
Depreciation	**(2,580)**	(1,400)	**-**	-	**(8)**	(7)	**(2,588)**	(1,407)
Impairment loss on loans receivable	**(6,131)**	(7,246)	**-**	-	**-**	-	**(6,131)**	(7,246)
Fair value change on investment properties	**-**	-	**1,615**	12,460	**-**	-	**1,615**	12,460
Additions to non-current asset*	**(15,629)**	(4,932)	**-**	-	**-**	-	**(15,629)**	(4,932)
Reversal of impairment loss recognised on loans receivable	**957**	10,088	**-**	-	**-**	-	**957**	10,088

*Additions to non-current assets only include the additions to property, plant and equipment during the year.

4 SEGMENT INFORMATION (CONTINUED)

(a) Business segments (continued)

Segment results represents the profit/(loss) earned by each segment without allocation of fair value changes on financial assets at FVTPL, finance income, finance costs and corporate expenses. This is the measure reported to the directors of the Company for the purpose of resource allocation and assessment of segment performance.

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

- All assets are allocated to reportable segments other than financial assets at FVTPL, promissory note receivable and corporate financial assets;
- All liabilities are allocated to reportable segments other than corporate financial liabilities

(b) Geographical information

The Group operates in two principal areas – the PRC and Hong Kong. Revenue and non-current assets by location from continuing operations are detailed below:

	Revenue from external customers		Non-current assets	
	2016	2015	**2016**	2015
	HK$'000	HK$'000	**HK$'000**	HK$'000
Hong Kong	**6,505**	7,351	**1,898**	2,673
PRC	**26,865**	41,581	**32,997**	692,252
	33,370	48,932	**34,895**	694,925

(c) Major customers

Continuing operations

Revenue from customer of the corresponding years contributing over 10% of the total revenue of the Group is as follows:

	2016	2015
	HK$'000	HK$'000
Customer A	**6,034**	6,846

5 REVENUE, OTHER INCOME, OTHER GAINS AND LOSSES

Continuing operations

	2016	2015
	HK$'000	HK$'000
Revenue		
Real estate-backed loan interest income	3,383	8,446
Personal property pawn loan interest income	5,431	10,820
Other loans interest income	17,934	17,365
Financial consultancy service income	312	2,622
Commercial factoring interest income	4,687	7,019
Financing lease interest income	1,623	2,660
	33,370	48,932
Other income		
Bank interest income	48	161
Dividend income	1,526	-
Others	3	4
	1,577	165
Other gains and losses, net		
Write back of long outstanding other payables	469	-
Reversal of impairment loss on loans receivable	957	10,088
Fair value change on financial assets at FVTPL	(2,500)	3,017
Loss on early repayment of promissory note	-	(40,318)
Exchange gain/(loss)	67	(1)
	(1,007)	(27,214)

6 FINANCE COSTS

Continuing operations

	2016	2015
	HK$'000	HK$'000
Interest on:		
Borrowings	3,831	5,600
Promissory notes	-	424
Bonds	2,733	504
	6,564	6,528

7 TAXATION

Continuing operations

	2016	2015
	HK$'000	HK$'000
Current income tax		
- PRC	**(3,884)**	(5,873)
Total current tax	**(3,884)**	(5,873)
Deferred tax	**1,293**	(720)
Taxation	**(2,591)**	(6,593)

PRC corporate income tax is provided for at the rate of 25% (2015: 25%) on the profits for the PRC statutory financial reporting purpose, adjusted for those items which are not assessable or deductible for the PRC corporate income tax purpose.

Hong Kong profits tax has been provided at the rate of 16.5% (2015: 16.5%) on the estimated assessable profits arising from Hong Kong during the year. The Group has no assessable profit under Hong Kong profits tax for the years ended 31 March 2016 and 2015.

8 DISCONTINUED OPERATION

On 12 November 2015, the Company has disposed of its entire interest in Best Volume Investments Limited and its subsidiaries (collectively referred to as "Best Volume Group"). The operation of the Best Volume Group represented the entire business segment of properties leasing of the Group and therefore the disposal of the business was treated as discontinued operation in these consolidated financial statements in accordance with HKFRS 5 "Non-current Assets Held for Sale and Discontinued Operations".

The comparative consolidated statement of profit or loss, profit before taxation stated in these consolidated financial statements and the relevant disclosure notes for profit or loss items are re-presented for discontinued operation in the current period.

Profit from the discontinued operation were as follows:

	2016	2015
	HK$'000	HK$'000
Profit after taxation (note (a))	**7,855**	8,893
Gain on disposal of subsidiaries (note (d))	**3,225**	-
Profit from discontinued operation attributable to owners of the Company	**11,080**	8,893

(a) Analysis of the results of discontinued operation is as follows:

	2016	2015
	HK$'000	HK$'000
Revenue	**19,503**	6,947
Other income	**31**	14
Fair value changes on investment properties	**1,615**	12,460
Other gains and losses	**(13)**	-
Administrative expenses	**(4,602)**	(697)
Finance cost	**(8,716)**	(6,716)
Profit before taxation	**7,818**	12,008
Taxation	**37**	(3,115)
Profit after taxation	**7,855**	8,893

8 DISCONTINUED OPERATION (CONTINUED)

(b) Profit before taxation from discontinued operation is arrived at after charging the following:

	2016	2015
	HK$'000	HK$'000
Business taxes and other levies	**1,068**	548
Legal and professional fee	**500**	59

(c) Analysis of the cash flows of discontinued operation is as follows:

	2016	2015
	HK$'000	HK$'000
Net cash inflow from operating activities	**18,848**	29,505
Net cash inflow/(outflow) from investing activities	**3**	(4,805)
Net cash outflow from financing activities	**(20,147)**	(12,785)
Net cash (outflow)/inflow from discontinued operation	**(1,296)**	11,915

(d) Disposal of subsidiaries

Analysis of assets and liabilities over which control was lost

	2016
	HK$'000
Net assets disposed of	
Goodwill	**46,498**
Investment properties	**606,858**
Trade receivables	**996**
Other receivables	**22,745**
Tax recoverable	**3**
Cash and cash equivalents (Note (e))	**8,023**
Receipt in advance	**(734)**
Accruals and other payables	**(4,176)**
Bank borrowing	**(190,191)**
Deferred tax liabilities	**(106,423)**
	383,599

8 DISCONTINUED OPERATION (CONTINUED)

(d) Disposal of subsidiaries (continued)

	2016
	HK$'000
Gain on disposal of subsidiaries	
Net assets disposed of	(383,599)
Consideration	400,000
Cumulative exchange loss in respect of the net assets of the subsidiary reclassified from equity to profit or loss on loss of control of subsidiaries	(13,176)
Gain on disposal of subsidiaries	3,225

(e) Net cash inflow on disposal of subsidiaries

	2016
	HK$'000
Analysis of net cash flow in respect of the disposal of subsidiaries is as follows:	
Cash consideration received	370,000
Cash and cash equivalents disposed of (Note (d))	(8,023)
Total cash inflow from disposal of subsidiaries	361,977

9 PROFIT/(LOSS) FOR THE YEAR

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

Continuing operations

	2016	2015
	HK$'000	HK$'000
Staff cost:		
Salaries, wages and other benefits (including directors' emoluments)	9,646	12,395
Retirement benefit contributions	411	588
Share-based compensation	-	23,357
	10,057	36,340
Business taxes and other levies	794	2,238
Depreciation of property, plant and equipment	2,588	1,407
Auditors' remuneration	700	600
Legal and professional fee	3,843	3,553
Minimum lease payments under operating leases in respect of land and buildings	3,583	3,480

10 EARNINGS/(LOSS) PER SHARE

Continuing and discontinued operations

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

	2016	2015
	HK$'000	HK$'000
Profit/(loss)		
Profit/(loss) for the purpose of earnings/(loss) per share	**3,906**	(41,783)

	2016	2015
Number of shares		
Weighted average number of ordinary shares for the purpose of basic earnings/(loss) per share (in thousand shares)	**634,780**	609,628
Weighted average number of ordinary shares for the purpose of diluted earnings/(loss) per share (in thousand shares)	**644,967**	614,048

Continuing operations

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

	2016	2015
	HK$'000	HK$'000
Profit/(loss)		
Group's profit/(loss) attributable to the owners of the Company	**3,906**	(41,783)
Less: Profit for the year from discontinued operation	**(11,080)**	(8,893)
Loss for the purpose of loss per share from continuing operations	**(7,174)**	(50,676)

The denominators used are the same as those detailed above for both basic and diluted loss per share.

Discontinued operation

Basic earnings per share from discontinued operation is 1.75 HK cents per share (2015: 1.46 HK cents per share) and diluted earnings per share from the discontinued operation is 1.72 HK cents per share (2015: 1.45 HK cents per share), based on the profit for the year from the discontinued operation of HK$11,080,000 (2015: HK$8,893,000) and the denominators detailed above for both basic and diluted earnings per share.

For the year ended 31 March 2015, the effects of the Company's outstanding share options were anti-dilutive and therefore the diluted loss per share are the same as the basic loss per share.

11 DIVIDEND

The Directors do not recommend the payment of any dividend for the years ended 31 March 2016 and 2015.

12 TRADE AND LOANS RECEIVABLE

	2016	2015
	HK$'000	HK$'000
Trade receivable		
Rental receivable	-	2,305
Loans receivable		
Real estate-backed loans receivable	34,743	6,962
Personal property pawn loans receivable	76,953	20,036
Commercial factoring receivable	17,042	48,026
Financing lease receivable	24,580	48,492
Other loans receivable	295,069	59,066
	448,387	182,582
Trade and loans receivable	448,387	184,887
Less: Provision for impairment loss	(11,980)	(7,218)
	436,407	177,669

12 TRADE AND LOANS RECEIVABLE (CONTINUED)

Based on the loan commencement date set out in the relevant contracts, aging analysis of the Group's trade and loans receivable as of each reporting date is as follows:

	2016	2015
	HK$'000	HK$'000
Within 3 months	**65,549**	45,335
3-6 months	**291,804**	58,200
6-12 months	**10,713**	22,286
Over 12 months	**80,321**	59,066
	448,387	184,887
Less: Provision for impairment loss	**(11,980)**	(7,218)
	436,407	177,669

13 TRADE PAYABLES

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

	2016	2015
	HK$'000	HK$'000
Within 3 months	**2,574**	511

14 COMPARATIVE FINANCIAL INFORMATION

The comparative statement of profit or loss has been re-presented as the property leasing segment disposed during the current year. Certain comparative amounts have been reclassified to conform to the current year's presentation. In the opinion of the Company's directors, such reclassification provide a more appropriate presentation on the Group's business segments.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

During the year, the Group continued to provide financial services to the customers. On 12 November 2015, the Group completed the sale of entire equity interest in Best Volume Group for a total consideration of HK$400 million. The contribution of Best Volume Group to the Group up to the completion date has been classified under discontinued operation and 2015 comparatives have been restated accordingly. The Group has ceased to properties leasing business after completion of the disposal. We have used the proceeds mainly in expanding our financial services business and repayment of borrowings.

FINANCIAL REVIEW

The Group’s consolidated revenue generated from continuing operations for the year ended 31 March 2016 were approximately HK$33.4 million (2015: HK$48.9 million), a decrease of 31.8% over the last year. Profit attributable to the owners of the Company for the year ended 31 March 2016 was approximately HK$3.9 million, of which approximately HK$11.1 million was attributed from discontinued operation (2015: loss HK$41.8 million, of which profit HK$8.9 million was attributed from discontinued operation). Basic earnings per share was 0.62 HK cents (2015: loss per share 6.85 HK cents). Based on continuing operations, the loss attributable to the owners of the Company was HK$7.2 million (2015: HK$50.7 million). Loss per share was 1.13 HK cents (2015: 8.31 HK cents).

Continuing operations

Financial services business

The Group’s revenue for the year ended 31 March 2016 decreased by 31.8% to HK$33.4 million, as compared to HK$48.9 million for the last year. The decline in revenue is mainly attributable to the Group’s continuity to maintain a tight policy in evaluating credit risk and provision of loan to low-risk customers. The total return on loans in the PRC, being revenue divided by average gross loan balance, decreased from 15.8% for the year ended 31 March 2015 to 12.0% for the year ended 31 March 2016.

Operating expenses decreased by 11.7% as a result of a decrease in sale related expenses such as sale commission and business tax. Finance costs amounted to HK$6.6 million (2015: HK$6.1 million) with increase in amount of corporate bonds.

Impairment loss on loans receivable amounted to HK$6.1 million (2015: HK$7.2 million). The reversal of impairment loss on loans receivable was HK$1.0 million (2015: HK$10.1 million) as customers repaid the loans receivable.

(HK$'000)	**31.3.2016**	31.3.2015	Change
Revenue	**33,370**	48,932	*-31.8%*
Operating expenses	**(18,831)**	(21,335)	*-11.7%*
Finance costs	**(6,564)**	(6,104)	*7.5%*
Operating earnings	**7,975**	21,493	*-62.9%*
Charged for impairment loss on loans receivable	**(6,131)**	(7,213)	*-15.0%*
Reversal of impairment loss on loans receivable	**957**	10,088	*-90.5%*
Operating earnings before taxation	**2,801**	24,368	*-88.5%*

Financial services income

The Group's revenue for the year ended 31 March 2016 generated from real estate-backed loans, personal property pawn loans, other loans and financial consultancy services decreased by 31.1% to HK$27.1 million, representing 81.1% (2015: 80.2%) of the Group's total revenue. The Group's revenue for the year ended 31 March 2016 generated from commercial factoring and financing leasing decreased by 34.8% to HK$6.3 million, representing 18.9% (2015: 19.8%) of the Group's total revenue.

The following table sets forth the composition of financial services income.

(HK$'000)	**31.3.2016**	31.3.2015	Change
Real estate-backed loan	**3,383**	8,446	*-59.9%*
Personal property pawn loan	**5,431**	10,820	*-49.8%*
Financing leasing	**1,623**	2,660	*-39.0%*
Commercial factoring	**4,687**	7,019	*-33.2%*
Other loans interest income	**17,934**	17,365	*3.3%*
Financial consultancy service income	**312**	2,622	*-88.1%*
Total	**33,370**	48,932	*-31.8%*

As at 31 March 2016, the gross loan balance (before provision for impairment allowance) increased to approximately HK$448.4 million, a 145.6% annual increase against the balance at 31 March 2015. The Group redeployed part of the proceeds from sale of investment properties to financial services business in the third quarter of the financial year.

Key operating data

(HK$'000)	**31.3.2016**	31.3.2015	Change
Net loan balance	**436,407**	175,364	*148.9%*
Gross loan balance	**448,387**	182,582	*145.6%*
-Hong Kong	**59,343**	59,066	*0.5%*
-PRC	**389,044**	123,516	*215.0%*
Total return on loans (revenue/average gross loan balance)			
-Hong Kong	**10.4%**	10.4%	
-PRC	**12.0%**	15.8%	
Impairment allowance as % of gross loan balance	**2.7%**	4.0%	

Impairment allowances

During the year, net charges for impairment allowances were HK$5.2 million (2015: net credit HK$2.8 million). These included reversal of impairment loss of HK$1.0 million (2015: HK$10.1 million) as well as the charges arising from the impairment allowance amounted to HK$6.1 million (2015: HK$7.2 million).

(HK$'000)	**31.3.2016**	31.3.2015
At beginning of the year	**7,218**	10,088
Charges to impairment allowance	**6,131**	7,246
Reversal of impairment loss	**(957)**	(10,088)
Exchange alignment	**(412)**	(28)
At end of the year	**11,980**	7,218

Loan quality analysis and impairment allowances

The following table sets forth the distribution of the Group's loans by the five category loan classification. Impairment allowances include substandard, doubtful and loss categories were HK$12.0 million (2015: HK$7.2 million). The impairment allowance as % of gross loan balance was 2.7% (2015: 4.0%).

(HK$'000)	**31.3.2016**	31.3.2015
Normal	**431,020**	169,438
Special mention	**-**	3,525
Substandard	**9,472**	884
Doubtful	**3,739**	5,827
Loss	**4,156**	2,908
Gross loan balance	**448,387**	182,582
Less: Impairment allowances	**(11,980)**	(7,218)
Net loan balance	**436,407**	175,364

Other gains and losses, net

The decrease in other net losses of HK$26.2 million was mainly attributable to reversal of impairment loss on loans receivable amounted to HK$1.0 million (2015: HK$10.1 million). Non-cash accounting loss of HK$40.3 million on early repayment of promissory note with maturity in October 2019 improved the gearing ratio of the Group for the year ended 31 March 2015. The Group incurred a loss of HK$2.5 million for the year ended 31 March 2016 (2015: gain of HK$3.0 million) resulting from the change on fair value of the listed securities that the Group had invested in.

The following table sets forth the composition of other gains and losses, net.

(HK$'000)	**31.3.2016**	31.3.2015	Change
Write back of long outstanding other payables	**469**	-	*100%*
Reversal of impairment loss on loans receivable	**957**	10,088	*-90.5%*
Fair value change on financial assets at FVTPL	**(2,500)**	3,017	*-182.9%*
Loss on early repayment of promissory note	**-**	(40,318)	*-100%*
Exchange gain /(loss)	**67**	(1)	*-6800%*
	(1,007)	(27,214)	*-96.3%*

Discontinued operation

During the year, the Group disposed of its properties leasing business. These divestures were strategic undertakings by the Management to concentrate on financial services business. Revenue generated from discontinued operation of approximately HK$19.5 million (2015: HK$6.9 million). Profit was HK$11.1 million (2015: HK$8.9 million) reflecting the profit from the properties leasing business and sale gain.

PROSPECTS

With the downturn in economic activity in PRC, the environment in PRC remains challenging. We are likely to maintain conservative approach for our credit strategy under current economic conditions. Even though the revenue generated from the provision of financing service recorded a decrease, the Group would continue providing resources and supports by maintaining balance of yield relative to risk.

Besides risk control measures, the Group has always been trying to decide and offer more loan products and to explore new markets and customer base. In December 2015, the Group announced the subscription of new shares by Swiree Capital Limited ("Swiree") and other subscribers ("Subscription"). Pursuant to the subscription agreement and upon completion of the Subscription, Swiree will become the controlling shareholder of the Group. Swiree is wholly-owned by Ms. Du Juan, the spouse of Mr. Wong Kwong Yu (who is the controlling shareholder of GOME Electrical Appliances Holding Limited ("GOME")). The net proceeds raised by the subscription will be expected to be used by the Group for expansion of the Group's existing financial services, for general working capital, and the development and promotion of the Group's third party payment service business, including a potential acquisition of an entity engaging in this business.

Through the Subscription, the Group plans to establish a strategic relationship with GOME which in turn may enable the Group to:

(a) expand the clientele of its commercial factoring segment by tapping into the strong sourcing supplier network of GOME and by developing and rolling out a series of supplier-oriented factoring finance and credit services with the proceeds from the Subscriptions;

(b) develop its financial leasing segment by capitalizing on the PRC government's economic reform policy and GOME's strong customer network across the PRC (covering both retail and wholesale corporate customers) by designing appropriate products to different groups of customers and promoting its financial service products and solutions to selected customers of GOME; and

(c) enter the third party payment business by first working with GOME on retail sale settlement.

Working with GOME represents a major step of the Group in significantly expanding its existing financial service business. The Group expects that it will then be able to leverage its experience gained from its cooperation with GOME and target other supply and distribution chain financing opportunities in the PRC.

LIQUIDITY AND FINANCIAL RESOURCES

The Group's financial position was strengthened with the sale proceeds from the Best Volume Group transaction. As at 31 March 2016, the Group had total assets of approximately HK$559.7 million (2015: HK$932.1 million) and total liabilities of approximately HK$61.0 million (2015: HK$432.7 million). Equity attributable to owners of the Company was approximately HK$498.7 million (2015: HK$499.4 million). The Group's gearing ratio, expressed as a percentage of total liabilities except deferred tax liabilities and tax payable over owner's equity was 11.3% (2015: 64.2%). At 31 March 2016, the cash and cash equivalents of the Group amounted to approximately HK$24.0 million (2015: HK$26.4 million) and without any borrowings (2015: HK$287.6 million). The Group's current ratio was 18.4 (2015: 2.1).

The Group has issued 8-year corporate bond with principal of HK$35.0 million, which is due on 2023 and carry interest at fixed rate of 7.0% per annum with interest payable semi-annually in arrears. The corporate bond is unsecured.

CAPITAL STRUCTURE

During the year ended 31 March 2016, there is no change of the share capital of the Company. As at 31 March 2016, the Company has outstanding share capital of 634,780,780 shares.

MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES AND ASSOCIATES

During the year, the Group disposed all the issued shares of Best Volume Investments Limited and its subsidiaries for a total consideration of HK$400 million. The Group completed the disposal of property leasing business on 12 November 2015 and recorded a profit on disposal of HK$11.1 million. Details of the transaction were disclosed in the Company's announcement dated 7 September 2015 and the Company's circular dated 15 October 2015.

Save as disclosed above, the Group did not have any material acquisitions and disposals of subsidiaries and associates during the year ended 31 March 2016.

CHARGES ON GROUP ASSETS

As at 31 March 2016, none of the Group's assets were pledged to any financial institution for facilities (2015: RMB172.4 million).

CONTINGENT LIABILITIES

As at 31 March 2016, the Group had no significant contingent liabilities (2015: Nil).

COMMITMENTS

As at 31 March 2016, the Group did not have any significant capital expenditure commitments (2015: HK$1.9 million). Rental payment under non-cancellable operating leases amounted to approximately HK$4.7 million (2015: HK$5.2 million).

FOREIGN EXCHANGE EXPOSURE

The Group is mainly exposed to the fluctuation of Hong Kong dollars ("HK$") against Renminbi ("RMB") as its reporting currency is HK$ which is not the functional currency of the business operation of the Group. The Group has not adopted any hedging policy or entered into any derivative products. However, the Board and management will continue to monitor the foreign currency exchange exposure and will consider adopting certain hedging measures against the currency risk when necessary.

TREASURY POLICIES

The Group continues to adopt a conservative treasury policy with all bank deposits in HK$ and RMB. The Board and the management had been closely monitoring the Group's liquidity position and performing ongoing credit evaluation and financial conditions of its customers in order to ensure the healthy cash position of the Group.

STAFF AND REMUNERATION

As at 31 March 2016, the Group had a total of 35 staff (2015: 39). Total staff costs during the year amounted to approximately HK$10.1 million (2015: HK$36.3 million included share-based compensation of HK$23.4 million). Employees were remunerated on the basis of their performance, experience and prevailing industry practices. The Group's remuneration policies and packages were reviewed by the Remuneration Committee and the Board on a regular basis. As an incentive for the employees, bonuses and share options may also be given to employees based on individual performance evaluation.

EVENTS AFTER THE REPORTING PERIOD

On 29 November 2015, the Group entered into three Subscription agreements with Swiree Capital Limited ("Swiree"), Richlane Ventures Limited ("Richlane") and Best Global Ventures Limited ("Best Global") for Subscription of 1,653,073,872 new shares, 275,512,312 new shares and 137,756,156 new shares of the Group respectively at HK0.77 per subscription share. On 18 February 2016, the Group entered into first supplemental agreement with each of Swiree, Richlane and Best Global respectively to amend and clarify certain terms in the Subscription agreements. As at the date of this results announcement, the Group and each of Swiree, Richlane and Best Global respectively have preliminarily agreed to extend the Long Stop Date as set out in the Subscription agreements, however the relevant formal supplemental agreements have not been entered into as the parties are in the process of discussing the date of the extended Long Stop Date. The Group and each of Swiree, Richlane and Best Global will enter into formal supplemental agreements in this respect once the parties have agreed on the date of the extended Long Stop Date. The Group has also conditionally agreed to acquire entire equity interest in GOME Xinda which is a commercial factoring company wholly-owned by Gome Finance Holding Investment Co., Ltd.

The total number of the Subscription Shares is 2,066,342,340 which will represent 75% of the entire issued share capital of the Company as enlarged by the allotment and issue of the Subscription Shares and new Shares upon the exercise of the Share Options in full. The Group intends to apply the net proceeds mainly for the expansion of the Group's financial service business.

The transaction has not yet been completed at the date of this results announcement. The completion is conditional upon certain conditions including approvals by regulatory bodies. Details of the transaction were disclosed in the Company's announcement dated 8 December 2015 and 19 February 2016.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

In the opinion of the Board, the Company had complied with all code provisions set out in the Corporate Governance Code (the "CG Code") in Appendix 14 of the Listing Rules throughout the year ended 31 March 2016, except for the following deviations:

i. Code provision A.1.3

According to code provision A.1.3 of the CG Code, notice of at least 14 days should be given of a regular board meeting to give all directors an opportunity to attend.

During the year, certain regular Board meetings were convened with less than 14 days' notice to enable the Directors to react timely and carry out expeditious decision making in respect of transactions which were of significance to the Group's business. As a result, the Board meetings were held with a shorter notice period than required with the consent of all Directors for that time being. The Board will do its best endeavor to meet the requirement of code provision A.1.3 of the CG Code in the future.

ii. Code provision A.4.1

According to code provision A.4.1 of the CG Code, the non-executive Directors should be appointed for a specific term, subject to re-election.

Ms. Lee Shiow Yue, Mr. Poon Wai Hoi, Percy and Mr. Tang Chi Ho, Francis being the Independent Non-executive Directors, were not appointed for a specific term but were subject to retirement by rotation and re-election at least once every three years at the annual general meeting of the Company in accordance with the provisions of the Bye-laws of the Company and their appointment would be reviewed when they were due for re-election.

MODEL CODE FOR DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules (the "Model Code") as its own code of conduct regarding directors'securities transactions. Having made specific enquiry of all Directors, the Directors confirmed that they had complied with the required standard set out in the Model Code throughout the year ended 31 March 2016.

MAJOR LITIGATION AND ARBITRATION PROCEEDINGS

The Group had no major litigation or arbitration during the year ended 31 March 2016.

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

Neither the Company, nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities during the year ended 31 March 2016.

AUDIT COMMITTEE

The Company has an Audit Committee, which was established in accordance with Rule 3.21 of the Listing Rules with primary duties of reviewing and providing supervision over the Group's financial reporting process and internal controls. The Audit Committee of the Company comprises three Independent Non-executive Directors, namely Mr. Poon Wai Hoi, Percy (Chairman), Ms. Lee Shiow Yue and Mr. Tang Chi Ho, Francis.

The Audit Committee has reviewed the audited consolidated financial results of the Company for the year ended 31 March 2016 and agreed to the accounting principles and practices adopted by the Company.

PUBLICATION OF FINANCIAL INFORMATION

This announcement is published on the websites of the Stock Exchange (www.hkexnews.com.hk) and the Company (www.sinocreditgp.com). The Company's annual report for 2016 containing all information required by the Listing Rules will be dispatched to the shareholders of the Company and available on the above websites in due course.

By Order of the Board
Sino Credit Holdings Limited
Chung Tat Fun
Chairman

Hong Kong, 30 June 2016

As at the date of this announcement, the executive Directors are Mr. Chung Tat Fun, Mr. Chung Ho Chun, Mr. Fu Ear Ly and Mr. Huang Weibo; the non-executive Directors are Mr. So Chak Fai, Francis and Ms. Wong Yee Shuen, Regina; and the independent non-executive Directors are Mr. Poon Wai Hoi, Percy, Mr. Tang Chi Ho, Francis and Ms. Lee Shiow Yue.