Easy One Financial Group Limited
易易壹金融集團有限公司

(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)

(Stock Code: 221)

ANNOUNCEMENT OF FINAL RESULTS FOR THE YEAR ENDED 31 MARCH 2019

The board of directors (the "**Board**" or the "**Director(s)**") of Easy One Financial Group Limited (the "**Company**") is pleased to announce the audited consolidated results of the Company and its subsidiaries (collectively referred to the "**Group**") for the year ended 31 March 2019, together with the comparative figures for the previous financial year, as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 March 2019

	Notes	**2019** **_HK$'000_**	2018 *HK$'000*
Revenue	*4*	**130,761**	200,774
Cost of sales		**(626)**	(51,505)
Gross profit		**130,135**	149,269
Other revenue and gain	*4*	**39,292**	53,500
Selling and distribution expenses		**(6,984)**	(15,190)
Net impairment losses	*5*	**(16,550)**	(20,412)
Administrative expenses		**(78,558)**	(111,922)
Operating profit		**67,335**	55,245
Finance costs	*6*	**(26,571)**	(24,727)
Net gain/(loss) on financial assets at fair value through profit or loss	*7*	**4,430**	(103,332)
Gain on disposal of subsidiaries		**72,694**	—
Loss on deemed disposal of interest in an associate		**—**	(15,982)
Share of results of an associate		**(42,881)**	(76,738)
Profit/(loss) before taxation	*8*	**75,007**	(165,534)

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME *(Continued)*

For the year ended 31 March 2019

	Notes	2019 HK$'000	2018 HK$'000
Taxation	9	**(4,628)**	(9,762)
Profit/(loss) for the year		**70,379**	(175,296)
Other comprehensive (loss)/income, net of tax			
Items that may be reclassified subsequently to profit or loss:			
Share of changes in other comprehensive (loss)/income in an associate		**(33,365)**	52,139
Exchange fluctuation reserve reclassified to profit or loss upon disposal of subsidiaries		**(52,322)**	—
Exchange differences on translation of financial statements of overseas subsidiaries		**(17,702)**	29,426
Change in fair value of available-for-sale financial assets		**—**	17,329
		(103,389)	98,894
Items that may not be reclassified subsequently to profit or loss:			
Change in financial assets at fair value through other comprehensive income		**(14,636)**	—
Other comprehensive (loss)/income for the year, net of tax		**(118,025)**	98,894
Total comprehensive loss for the year		**(47,646)**	(76,402)
Profit/(loss) for the year attributable to:			
— Owners of the Company		**70,379**	(175,743)
— Non-controlling interests		**—**	447
		70,379	(175,296)
Total comprehensive (loss)/income for the year attributable to:			
— Owners of the Company		**(47,646)**	(76,849)
— Non-controlling interests		**—**	447
		(47,646)	(76,402)
Earnings/(loss) per share attributable to owners of the Company for the year			
— Basic and diluted	10	**HK12.65 cents**	HK(35.82) cents

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2019

	Notes	**2019 HK$'000**	2018 HK$'000
Non-current assets			
Property, plant and equipment		**1,557**	5,946
Interest in an associate		**243,849**	320,362
Loan receivables	*12*	**100,163**	143,823
Available-for-sale financial assets		**—**	55,224
Financial assets at fair value through profit or loss		**100,477**	96,484
Financial assets at fair value through other comprehensive income		**49,383**	—
Intangible assets		**95**	653
Deposit paid		**1,000**	500
		496,524	622,992
Current assets			
Stock of properties		**372,218**	548,049
Loan receivables	*12*	**548,314**	289,274
Account receivables	*13*	**106,965**	114,256
Prepayments, deposits and other receivables		**23,362**	54,523
Financial assets at fair value through profit or loss		**4,180**	35,333
Financial assets at fair value through other comprehensive income		**19,191**	—
Cash and bank balances held in segregated accounts		**13,261**	25,294
Time deposits		**1,070**	1,024
Cash and bank balances		**72,740**	281,747
		1,161,301	1,349,500
Less: Current liabilities			
Account payables	*14*	**22,249**	42,291
Deposits received, accruals and other payables		**91,604**	199,276
Receipts in advance		**2,485**	151,209
Tax payable		**69,353**	72,839
Bank and other loans		**287,980**	163,493
Loans from related company		**—**	100,000
		473,671	729,108
Net current assets		**687,630**	620,392
Total assets less current liabilities		**1,184,154**	1,243,384

CONSOLIDATED STATEMENT OF FINANCIAL POSITION *(Continued)*

As at 31 March 2019

	2019	2018
	HK$'000	*HK$'000*
Less: Non-current liabilities		
Bank and other loans	—	80,343
Loans from related company	**70,000**	—
	70,000	80,343
Net assets	**1,114,154**	1,163,041
Capital and reserves		
Share capital	**5,564**	5,564
Reserves	**1,108,590**	1,157,477
Total equity	**1,114,154**	1,163,041

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 March 2019

1. GENERAL INFORMATION

Easy One Financial Group Limited (the "**Company**") was incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Law of the Cayman Islands. On 31 July 2014, the Company was deregistered in the Cayman Islands and continued in Bermuda as an exempted company with limited liability under the laws of Bermuda.

The Company has its primary listing on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**").

The principal activity of the Company is investment holding and its subsidiaries (the "**Group**") are principally engaged in the provision of finance, provision of securities brokerage services in Hong Kong and property development in the People's Republic of China (the "**PRC**").

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

2.1 Statement of compliance

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**") and the accounting principles generally accepted in Hong Kong. In addition, the consolidated financial statements include applicable disclosures required by The Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**") and the applicable disclosure requirements of the Hong Kong Companies Ordinance (Cap. 622) relating to the preparation of consolidated financial statements. These consolidated financial statements are presented in Hong Kong dollars and all values are rounded to the nearest thousand ("**HK$'000**") except when otherwise indicated.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.1 Statement of compliance *(Continued)*

The preparation of consolidated financial statements in conformity with HKFRSs requires management to make judgements, estimates and assumption that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. The estimates and assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

2.2 Application of new and revised HKFRSs

In the current year, the Group has applied, for the first time, the following new and revised standards, amendments and interpretations (collectively referred to as the "**new and revised HKFRSs**") issued by the HKICPA, which are effective for the Group's financial year beginning from 1 April 2018. A summary of the new and revised HKFRSs applied by the Group is set out as follows:

HKAS 28 (Amendments)	As part of the Annual Improvements to HKFRSs 2014-2016 Cycle
HKAS 40 (Amendments)	Transfers of Investment Property
HKFRS 2 (Amendments)	Classification and Measurement of Share-based Payment Transactions
HKFRS 4 (Amendments)	Applying HKFRS 9 Financial Instruments with HKFRS 4 Insurance Contracts
HKFRS 9	Financial Instruments
HKFRS 15	Revenue from Contracts with Customers and the related Amendments
HK(IFRIC) — Int 22	Foreign Currency Transactions and Advance Consideration

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.2 Application of new and revised HKFRSs *(Continued)*

HKFRS 9 Financial Instruments

(a) Impact of adoption

In the current year, the Group has applied HKFRS 9 Financial Instruments and the related consequential amendments to other HKFRSs. HKFRS 9 introduces new requirements for 1) the classification and measurement of financial assets and financial liabilities, 2) expected credit losses ("**ECL**") for financial assets and 3) general hedge accounting.

The Group has applied HKFRS 9 in accordance with the transition provisions set out in HKFRS 9, i.e. applied the classification and measurement requirements (including impairment under ECL model) retrospectively to instruments that have not been derecognised at 1 April 2018 (date of initial application) and has not applied the requirements to instruments that have already been derecognised at 1 April 2018. The difference between carrying amounts at 31 March 2018 and the carrying amounts at 1 April 2018 are recognised in the opening retained earnings and other components of equity, without restating comparative information.

Accordingly, certain comparative information may not be comparable as comparative information was prepared under HKAS 39 *Financial Instruments: Recognition and Measurement*.

The following tables show the adjustments recognised for each individual line item. Line items that were not affected by the application of new HKFRSs have not been included. As a result, the sub-totals and totals disclosed cannot be recalculated from the numbers provided. The adjustments are explained in more detail by standard below.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.2 Application of new and revised HKFRSs *(Continued)*

HKFRS 9 Financial Instruments *(Continued)*

(a) Impact of adoption (Continued)

Consolidated statement of financial position (extract)	**At 31 March 2018**	**Reclassification**	**Remeasurement**	**At 1 April 2018**
	HK$'000	***HK$'000***	***HK$'000***	***HK$'000***
Non-current assets				
Available-for-sale ("**AFS**") financial assets *(note ii)*	55,224	(55,224)	—	—
Financial assets at fair value through other comprehensive income ("**FVTOCI**") *(note ii)*	—	55,224	—	55,224
Interest in associate	320,362	—	(202)	320,160
Loan receivables	143,823	—	(62)	143,761
Current assets				
Financial assets at FVTOCI *(note i)*	—	27,986	—	27,986
Financial assets at fair value through profit or loss ("**FVTPL**") *(note i)*	35,333	(27,986)	—	7,347
Account receivables	114,256	—	(230)	114,026
Loan receivables	289,274	—	115	289,389
Prepayments, deposits and other receivables	54,523	—	(797)	53,726
Net current assets	620,392	—	(1,176)	619,216
Total assets less current liabilities	1,243,384	—	(1,176)	1,242,208
Net assets	1,163,041	—	(1,176)	1,161,865
Capital and reserves				
Reserves	1,157,477	—	(1,176)	1,156,301
Total equity	1,163,041	—	(1,176)	1,161,865

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.2 Application of new and revised HKFRSs *(Continued)*

HKFRS 9 Financial Instruments *(Continued)*

(a) Impact of adoption (Continued)

The following table summarises the impact of transition to HKFRS 9 on retained profits and reserves at 1 April 2018.

	HK$'000
Retained profits	
Transferred to revaluation reserve relating to available-for-sale financial assets now measured at financial assets at FVTOCI *(Note ii)*	22,515
Transferred to revaluation reserve relating to financial assets at FVTPL now measured at financial assets at FVTOCI *(Note i)*	(8,445)
Decrease in interest in associate	(202)
Increase in impairment losses of loan receivables (non-current assets)	(62)
Decrease in impairment losses of loan receivables (currents assets)	115
Increase in impairment losses of account receivables	(230)
Increase in impairment losses of prepayment, deposits and other receivables	(797)
Net increase in retained profits	12,894
Revaluation reserve	
Transferred from retained profits relating to available-for-sale financial assets now measured at financial assets at FVTOCI *(Note ii)*	(22,515)
Transferred from retained profits relating to financial assets at FVTPL now measured at financial assets at FVTOCI *(Note i)*	8,445
Net decrease in revaluation reserve	(14,070)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.2 Application of new and revised HKFRSs *(Continued)*

HKFRS 9 Financial Instruments *(Continued)*

(a) Impact of adoption (Continued)

Notes

(i) Financial assets previously classified as FVTPL

The Group has reassessed its investments in equity securities classified as financial assets at FVTPL under HKAS 39 as if the Group had purchased these investments at the date of initial application. Based on the facts and circumstances as at the date of initial application, approximately HK$7,347,000 of the Group's investments were continued to be measured at FVTPL. Approximately HK$27,986,000 of the Group's investments were designated and reclassified to financial assets at FVTOCI and the fair value gains of approximately HK$8,445,000 relating to those investments previously recognised in profit and loss were transferred from retained profits to revaluation reserve.

(ii) Financial assets previously classified as AFS

From AFS investments to FVTOCI, the Group elected to present in FVTOCI for the fair value changes of all its investments previously classified as AFS. These investments are not held for trading and not expected to be sold in the foreseeable future. At the date of initial application of HKFRS 9, approximately HK$55,224,000 of the Group's investments were reclassified from AFS investments to FVTOCI. These investments were previously measured at cost less impairment under HKAS 39. Approximately HK$22,515,000 impairment losses previously charged to profit and loss were transferred from retained profits to revaluation reserve as at 1 April 2018.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.2 Application of new and revised HKFRSs *(Continued)*

HKFRS 9 Financial Instruments *(Continued)*

(b) Impairment under ECL model

The Group has three types of financial assets that are subject to HKFRS 9's new ECL model, which are account receivables, loan receivables and interest receivables. The Group was required to revise its impairment methodology under HKFRS 9 for each of these types of assets. The impact of the change in impairment methodology on the Group's retained earnings and equity is disclosed above.

While cash and bank balances is also subject to the impairment requirement of HKFRS 9, the identified impairment loss was immaterial.

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of the relevant instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events that are possible within 12 months after the reporting date. Assessments are done based on the Group's historical credit loss exposure, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current conditions at the reporting date as well as the forecast of future conditions.

The Group measures the loss allowance equal to 12-month ECL, unless when there has been a significant increase in credit risk since initial recognition, the Group recognises lifetime ECL. The assessment on whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition.

<u>Significant increase in credit risk</u>

In assessing whether the credit risk has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.2 Application of new and revised HKFRSs *(Continued)*

HKFRS 9 Financial Instruments *(Continued)*

(b) Impairment under ECL model (Continued)

Significant increase in credit risk *(Continued)*

In particular, the following information is taken into account when assessing whether credit risk has increased significantly:

- significant deterioration in external market indicators of credit risk, e.g. a significant decrease in credit rating of the debtor;
- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- an actual or expected significant deterioration in the operating results of the debtor; and
- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtors' ability to meet its debt obligations.

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.2 Application of new and revised HKFRSs *(Continued)*

HKFRS 9 Financial Instruments *(Continued)*

(b) Impairment under ECL model (Continued)

Measurement and recognition of ECL

The measure of ECL is a function of the probability of default, loss given default (i.e., the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information.

Generally, the ECL is estimated as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the effective interest rate determined at initial recognition.

Interest income is calculated based on the gross carrying amount of the financial asset unless the financial assets is credit impaired, in which case interest income is calculated based on amortised cost of the financial asset.

On April 2018, associate group has adjusted its allowance account for expected credit loss, the Group has shared its opening adjustments of HK$202,000 to opening retained earnings upon adoption of HKFRS9.

The loss allowances for account receivables, loan receivables and interest receivables as at 31 March 2018 reconcile to the opening loss allowances on 1 April 2018 are as follows:

	Account receivables *HK$'000*	**Loan receivables** *HK$'000*	**Interest receivables** *HK$'000*
At 31 March 2018 – HKAS 39	—	5,885	2,021
Increase/(decrease) in provision provided through opening retained earnings on adoption of HKFRS 9	230	(53)	797
Opening loss allowance as at 1 April 2018 – HKFRS 9	230	5,832	2,818

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.2 Application of new and revised HKFRSs *(Continued)*

HKFRS 15 Revenue from Contracts with Customers

HKFRS 15 supersedes HKAS 11 Construction Contracts, HKAS 18 Revenue and related Interpretations and it applies to all revenue arising from contracts with customers, unless those contracts are in the scope of other standards. The new standard establishes a five-step model to account for revenue arising from contracts with customers. Under HKFRS 15, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

The standard requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers. The standard also specifies the accounting for the incremental costs of obtaining a contract and the costs directly related to fulfilling a contract.

The Group has adopted HKFRS 15 Revenue from Contracts with Customers from 1 April 2018 which resulted in changes in accounting policies and adjustments to the amounts recognised in the financial statements. In accordance with the transitional provisions in HKFRS 15, prior period comparative figures have not been restated. In summary, the following adjustments were made to the amounts recognised in the balance sheet at the date of initial application (1 April 2018):

	HKAS 18 carrying amount at 31 March 2018	**Reclassification**	**HKFRS 15 carrying amount at 1 April 2018**
	HK$'000	*HK$'000*	*HK$'000*
Receipts in advance	151,209	(149,831)	1,378
Contract liabilities	—	149,831	149,831
	151,209	—	151,209

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.2 Application of new and revised HKFRSs *(Continued)*

HKFRS 15 Revenue from Contracts with Customers *(Continued)*

Note:

For contracts where the period between the payment by the customer and transfer of the promised goods exceeds one year, the transaction price should be adjusted for the effects of a financing component, if significant. The Group has assessed that the financing component effect was insignificant.

At initial application of HKFRS 15 at 1 April 2018, contract liabilities of approximately HK$149,831,000 was reclassified from receipt in advance.

2.3 New and revised HKFRSs that have been issued but are not yet effective

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

HKAS 1 and HKAS 8 (Amendments)	Definition of Material[3]
HKAS 19 (Amendments)	Plan Amendments, Curtailment or Settlement[1]
HKAS 28 (Amendments)	Investments in associates and joint ventures[1]
HKFRS (Amendments)	Annual Improvements to HKFRSs 2015-2017 Cycle[1]
HKFRS 3 (Amendments)	Definition of a Business[2]
HKFRS 9 (Amendments)	Prepayment Features with Negative Compensation[1]
HKFRS 10 and HKAS 28 (Amendments)	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture[5]
HKFRS 16	Leases[1]
HKFRS 17	Insurance Contracts[4]
HK(IFRIC) — Int 23	Uncertainty over income tax treatments[1]

1 Effective for annual periods beginning on or after 1 January 2019.

2 Effective for business combination and asset acquisitions for which the acquisition date is on or after the beginning of the first annual period beginning on or after 1 January 2020.

3 Effective for annual periods beginning on or after 1 January 2020.

4 Effective for annual periods beginning on or after 1 January 2021.

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.3 New and revised HKFRSs that have been issued but are not yet effective *(Continued)*

HKFRS 16 – Leases

HKFRS 16 introduces a comprehensive model for the identification of lease arrangements and accounting treatments for both lessors and lessees. HKFRS 16 will supersede HKAS 17 Leases and the related interpretations when it becomes effective.

HKFRS 16 distinguishes lease and service contracts on the basis of whether an identified asset is controlled by a customer. In addition, HKFRS 16 requires sales and leaseback transactions to be determined based on the requirements of HKFRS 15 as to whether the transfer of the relevant asset should be accounted as a sale. HKFRS 16 also includes requirements relating to subleases and lease modifications.

Distinctions of operating leases and finance leases are removed for lessee accounting, and is replaced by a model where a right-of-use asset and a corresponding liability have to be recognised for all leases by lessees, except for short-term leases and leases of low value assets.

The right-of-use asset is initially measured at cost and subsequently measured at cost (subject to certain exceptions) less accumulated depreciation and impairment losses, adjusted for any remeasurement of the lease liability. The lease liability is initially measured at the present value of the lease payments that are not paid at that date. Subsequently, the lease liability is adjusted for interest and lease payments, as well as the impact of lease modifications, amongst others. For the classification of cash flows, the Group currently presents upfront prepaid lease payments as investing cash flows in relation to leasehold lands for owned use while other operating lease payments are presented as operating cash flows. Upon application of HKFRS 16, lease payments in relation to lease liability will be allocated into a principal and an interest portion which will be presented as financing cash flows by the Group.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.3 New and revised HKFRSs that have been issued but are not yet effective *(Continued)*

HKFRS 16 – Leases *(Continued)*

Furthermore, extensive disclosures are required by HKFRS 16.

At 31 March 2019, the Group has non-cancellable operating lease commitments of approximately HK$2,646,000. A preliminary assessment indicates that these arrangements will meet the definition of a lease. Upon application of HKFRS 16, the Group will recognise a right-of-use asset and a corresponding liability in respect of all these leases unless they qualify for low value or short-term leases.

The application of new requirements may result in changes in measurement, presentation and disclosure as indicated above. The Group intends to elect the modified retrospective approach for the application of HKFRS 16 as lessee and will recognise the cumulative effect of initial application to opening retained earnings without restating comparative information.

Except disclosed above, the directors of the Company do not anticipate that the application of other new and revised HKFRSs will have a material impact on the Group's financial performance and financial positions.

3. SEGMENT INFORMATION

Information reported to the board of directors of the Company, being the chief operating decision maker, for the purposes of resource allocation and assessment of segment performance focuses on types of goods or services delivered or provided. The Group's operating and reportable segment under HKFRS 8 is therefore as follows:

- Provision of finance business operation
- Provision of brokerage services operation
- Property development operation

3. SEGMENT INFORMATION *(Continued)*

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

2019

	Provision of finance business operation *HK$'000*	Provision of brokerage services operation *HK$'000*	Property development operation *HK$'000*	Total *HK$'000*
Segment revenue	**100,609**	**18,879**	**11,273**	**130,761**
Segment results	**47,533**	**3,184**	**22,377**	**73,094**
Unallocated interest income and gain				**10,944**
Corporate and other unallocated expenses				**(16,703)**
Finance costs				**(26,571)**
Gain on disposal of subsidiaries				**72,694**
Net gain on financial assets at FVTPL				**4,430**
Share of results of an associate				**(42,881)**
Profit before taxation				**75,007**

3. SEGMENT INFORMATION *(Continued)*

2018

	Provision of finance business operation *HK$'000*	Provision of brokerage services operation *HK$'000*	Property development operation *HK$'000*	Total *HK$'000*
Segment revenue	79,397	19,474	101,903	200,774
Segment results	16,641	4,096	33,607	54,344
Unallocated interest income and gain				23,332
Corporate and other unallocated expenses				(22,431)
Finance costs				(24,727)
Net loss on financial assets at FVTPL				(103,332)
Loss on deemed disposal of interest in an associate				(15,982)
Share of results of an associate				(76,738)
Loss before taxation				(165,534)

Segment revenue reported above represents revenue generated from external customers. There were no inter-segment sales for the year (2018: Nil).

Segment results represents the profit earned/(loss incurred) by each segment without allocation of corporate expenses including directors' salaries, finance costs, share of results of an associate, loss on deemed disposal of interest in an associate, gain on disposal of subsidiaries and net gain/(loss) on financial assets at FVTPL. This is the measure reported to the chief operating decision maker for the purposes of resource allocation and assessment of segment performance.

3. SEGMENT INFORMATION *(Continued)*

Segment assets and liabilities

	2019	2018
	HK$'000	*HK$'000*
Segment assets		
Provision of finance business operation	**692,348**	523,506
Provision of brokerage services operation	**139,684**	179,606
Property development operation	**392,876**	679,147
Total segment assets	**1,224,908**	1,382,259
Unallocated	**432,917**	590,233
Consolidated assets	**1,657,825**	1,972,492
Segment liabilities		
Provision of finance business operation	**180,712**	34,979
Provision of brokerage services operation	**25,943**	44,964
Property development operation	**197,475**	615,256
Total segment liabilities	**404,130**	695,199
Unallocated	**139,541**	114,252
Consolidated liabilities	**543,671**	809,451

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

- all assets are allocated to reportable segments other than interest in an associate, financial assets at FVTPL, financial assets at FVTOCI and corporate assets.

- all liabilities are allocated to reportable segments other than corporate liabilities.

3. SEGMENT INFORMATION *(Continued)*

Other segment information

	Provision of finance business operation		Provision of brokerage services operation		Property development operation		Unallocated		Total	
	2019	2018	**2019**	2018	**2019**	2018	**2019**	2018	**2019**	2018
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
Depreciation of owned property, plant and equipment	**2,386**	2,012	**1,303**	1,366	**313**	1,716	**—**	—	**4,002**	5,094
Additions to non-current assets	**37**	2,313	**259**	196	**3**	578	**—**	—	**299**	3,087
Loss on disposal of property, plant and equipment	**84**	—	**47**	—	**—**	—	**—**	3	**131**	3
Net (gain)/loss on financial assets at FVTPL	**—**	—	**—**	—	**—**	—	**(4,430)**	103,332	**(4,430)**	103,332
Reversal of impairment loss on loan receivables	**(137)**	(407)	**—**	—	**—**	—	**—**	—	**(137)**	(407)
Impairment loss on account receivables	—	—	**310**	—	**—**	—	**—**	—	**310**	—
Impairment loss on loan receivables	**15,110**	19,299	**—**	—	**—**	—	**—**	—	**15,110**	19,299
Impairment loss on interest receivables	**1,131**	1,113	**—**	—	**—**	—	**(1)**	—	**1,130**	1,113
Gain on early redemption of unlisted bonds	**—**	—	**—**	—	**—**	—	**—**	(1,250)	**—**	(1,250)
Loss on deemed disposal of interest in an associate	**—**	—	**—**	—	**—**	—	**—**	15,982	**—**	15,982
Equity-settled share-based payments expenses	**—**	—	**—**	—	**—**	—	**—**	3,341	**—**	3,341

3. SEGMENT INFORMATION *(Continued)*

Revenue from major products and services

The Group's revenue from its major products and services was as follows:

	2019	2018
	HK$'000	*HK$'000*
Segment revenue		
Interest income from loan financing	**100,609**	79,397
Interest income from brokerage financing	**11,833**	5,115
Commission and fee income from brokerage services	**4,230**	3,866
Placing and underwriting commission	**1,966**	10,493
Consultancy fee income	**850**	—
Sales of stock of properties	**11,273**	101,903
	130,761	200,774

Geographical information

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

The Group's revenue from external customers and information about its non-current assets by geographical location are detailed below:

	Revenue from external customers Year ended		Non-current assets* As at	
	31 March 2019	31 March 2018	**31 March 2019**	31 March 2018
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
PRC	**11,273**	101,903	**250**	930
Hong Kong	**119,488**	98,871	**2,307**	5,516
	130,761	200,774	**2,557**	6,446

* Non-current assets exclude those relating to the interest in an associate, AFS financial assets, financial assets at FVTPL, financial assets at FVTOCI, loan receivables and intangible assets at 31 March 2019 and 2018.

3. SEGMENT INFORMATION *(Continued)*

Information about major customers

For the year ended 31 March 2019, no single customer of the Group contributed 10% or more to the total revenue of the Group (2018: Nil).

4. REVENUE AND OTHER REVENUE AND GAIN

Revenue represents interest income earned, commission and fee income from brokerage services and sales of stock of properties. All significant intra-group transactions have been eliminated on consolidation.

An analysis of the Group's revenue and other revenue and gain for the year is as follows:

	2019	2018
	HK$'000	*HK$'000*
Revenue from contracts with customers within the scope of HKFRS 15		
Recognised at a point in time		
Commission and fee income from brokerage services	**4,230**	3,866
Placing and underwriting commission	**1,966**	10,493
Consultancy fee income	**850**	—
Sales of stock of properties	**11,273**	101,903
	18,319	116,262
Revenue from other sources		
Interest income from loan financing	**100,609**	79,397
Interest income from brokerage financing	**11,833**	5,115
	112,442	84,512
	130,761	200,774
Other revenue and gain		
Rental income	**22,213**	19,361
Interest income on bank deposits	**114**	1,713
Interest income on convertible notes	**7,725**	9,720
Interest income on unlisted bonds	—	8,836
Interest income from cash clients	**3,063**	4,513
Dividend income on listed securities	**3,186**	3,361
Handling fee	**73**	249
Gain on early redemption of unlisted bonds	—	1,250
Reversal of impairment loss on loan receivables	**137**	407
Sundry income	**2,781**	4,090
	39,292	53,500

5. NET IMPAIRMENT LOSSES

	2019	2018
	HK$'000	*HK$'000*
Net impairment losses on loan receivables	**15,110**	19,299
Net impairment losses on account receivables	**310**	—
Net impairment losses on interest receivables	**1,130**	1,113
	16,550	20,412

6. FINANCE COSTS

	2019	2018
	HK$'000	*HK$'000*
Interest on interest-bearing bank loans wholly repayable within five years	**8,334**	9,286
Interest on interest-bearing loans wholly repayable within five years	**18,237**	15,441
	26,571	24,727

No interest was capitalised for the year ended 31 March 2019 and 2018.

7. NET GAIN/(LOSS) ON FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	2019	2018
	HK$'000	*HK$'000*
Unrealised gain/(loss) on financial assets at FVTPL	**4,388**	(103,332)
Realised gain on financial assets at FVTPL	**42**	—
	4,430	(103,332)

8. PROFIT/(LOSS) BEFORE TAXATION

Profit/(loss) before taxation is stated at after charging/(crediting):

	2019	2018
	HK$'000	*HK$'000*
Cost of completed properties sold	**—**	31,004
Business taxes and other levies	**3,131**	5,755
Commission paid to brokers and others	**3,354**	8,758
Auditors' remuneration		
— audit services	**1,450**	1,450
— other services	**480**	818
Depreciation of owned property, plant and equipment	**4,002**	5,094
Exchange gain	**(8)**	(745)
Minimum lease payments under operating leases for land and buildings	**7,494**	6,761
Net loss on disposal of property, plant and equipment	**131**	3
Salaries and other short-term employee benefits (excluding directors' remuneration)	**31,912**	44,430
Equity-settled share-based payments expenses (excluding directors' equity-settled share-based payments expenses)	**—**	602
Retirement benefits scheme contributions (excluding directors' retirement benefits scheme contributions)	**1,160**	1,997
	33,072	47,029

9. TAXATION

For the year ended 31 March 2019, Hong Kong Profits Tax was calculated at 16.5% on the estimated assessable profits. Under the two-tiered profits tax rate regime which was introduced by the Inland Revenue (Amendment) (No.7) Bill 2017 ("**Bill**"), the first HK$2,000,000 of profits of the qualifying group entity will be taxed at 8.25%, and profits above HK$2,000,000 will be taxed at 16.5% (2018: 16.5%).

The PRC corporate income tax had been provided at the rate of 25% (2018: 25%) on the estimated assessable profits arising in the PRC during the year.

	2019	2018
	HK$'000	*HK$'000*
Current taxation:		
Hong Kong profits tax	**4,628**	2,156
PRC corporate income tax	**—**	7,606
Total tax charge for the year	**4,628**	9,762

10. EARNINGS/(LOSS) PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY FOR THE YEAR

Basic earnings/(loss) per share

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

	2019	2018
	HK$'000	*HK$'000*
Profit/(loss)		
Profit/(loss) for the purpose of basic earnings/(loss) per share (profit/(loss) for the year attributable to owners of the Company)	**70,379**	(175,743)

	2019	2018
Number of shares		
Weighted average number of ordinary shares for the purpose of basic loss per share	**556,432,500**	490,646,199

The basic earnings/(loss) per share and diluted earnings/(loss) per share were the same for the years ended 31 March 2019 and 2018 respectively. The effect of any assumed exercised of Company's share option outstanding as at 31 March 2019 and 31 March 2018 would be anti-dilutive and was not included in the calculation of diluted earnings/(loss) per share.

11. DIVIDEND

The Directors do not recommend the payment of any dividend for the year ended 31 March 2019 and 2018.

12. LOAN RECEIVABLES

The maturity profile of the loan receivables at the end of the reporting period, analysed by the maturity date, is as follows:

	2019	2018
	HK$'000	*HK$'000*
Loan receivables:		
Within one year	**552,117**	291,092
Two to five years	**57,475**	90,641
Over five years	**44,842**	57,249
	654,434	438,982
Less: Provision for impairment assessment of loan receivables	**(5,957)**	(5,885)
	648,477	433,097
Carrying amount analysed for reporting purpose:		
Current assets	**548,314**	289,274
Non-current assets	**100,163**	143,823
	648,477	433,097

The Group's loan receivables which arise from the money lending business of providing property mortgage loans, personal loans and corporate loans in Hong Kong are denominated in Hong Kong dollars.

Before approving any loans to new borrowers, the Group has assessed the potential borrower's credit quality and defined credit limits individually. The Group has policy for allowance of doubtful debts which is based on the evaluation of collectability and ageing analysis of accounts and on management's judgment, including the current creditworthiness, collaterals and the past collection history of each client.

13. ACCOUNT RECEIVABLES

	2019	2018
	HK$'000	*HK$'000*
Account receivables arising from the ordinary course of business of dealing in securities:		
Cash clients	**13,198**	46,470
Margin clients	**89,660**	65,345
Clearing houses	**4,647**	2,056
Brokers	**—**	385
	107,505	114,256
Less: Provision for impairment assessment of account receivables	**(540)**	—
	106,965	114,256

The settlement terms of account receivables arising from the business of dealing in securities are two days after trade date. The Group seeks to maintain strict control over its outstanding receivables to minimise credit risk. Cash clients overdue balances are reviewed regularly by senior management. The Group does not hold any collateral over these balances.

No ageing analysis of margin clients is disclosed as in the opinion of the executive directors of the Company, the ageing analysis does not give additional value in view of the nature of this business.

The ageing analysis of the remaining account receivables as at the end of the reporting period, based on settlement or invoices date is as follows:

	2019	2018
	HK$'000	*HK$'000*
Current	**5,941**	12,957
Within 30 days	**2,521**	15,880
31 to 90 days	**650**	18,793
Over 90 days	**8,733**	1,281
	17,845	48,911

14. ACCOUNT PAYABLES

	2019	2018
	HK$'000	*HK$'000*
Clients	**22,012**	37,119
Brokers, dealers and clearing houses	**237**	5,172
	22,249	42,291

The settlement terms of account payables arising from the business of dealing in securities are two days after trade date. No ageing analysis is disclosed as in the opinion of the executive directors of the Company, the ageing analysis does not give additional value in view of the nature of this business.

Included in account payables as at 31 March 2019, amounts of approximately HK$13,381,000 (2018: approximately HK$25,294,000) were payable to clients and other institutions in respect of the trust and segregated bank and other balances received and held for clients and other institutions in the course of conducting the regulated activities. However, the Group currently does not have an enforceable right to offset these account payables with the deposits placed.

15. COMPARATIVE FIGURES

The Group has initially applied HKFRS 9 and HKFRS 15 at 1 April 2018. Under the transition methods design, comparative information is not restated. Further details of the changes in accounting policies are disclosed in Note 2.

Certain comparative amounts have been reclassified to conform with the current period presentation.

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL RESULTS

For the financial year ended 31 March 2019 (the "**Financial Year**"), the Group recorded a revenue of approximately HK$130.8 million (2018: approximately HK$200.8 million), representing a decrease of approximately HK$70 million, of which the revenue generated from provision of finance business in Hong Kong amounted to approximately HK$100.6 million (2018: approximately HK$79.4 million), the revenue generated from securities brokerage services in Hong Kong amounted to approximately HK$18.9 million (2018: approximately HK$19.5 million) and the revenue generated from property sales in the People's Republic of China (the "**PRC**") amounted to approximately HK$11.3 million (2018: approximately HK$101.9 million). The drop in the revenue was mainly due to the disposal of the property development project in Fuzhou, Jiangxi Province, the PRC (the "**Fuzhou Project**") which aligned with the Group's overall strategy to focus on the development of the finance and securities brokerage businesses.

The Group reported net profit after tax attributable to owners of the Company for the Financial Year of approximately HK$70.4 million (2018: net loss after tax attributable to owners of the Company of approximately HK$175.7 million). The Group turned loss into gain for the Financial Year which was primarily due to (i) the recognition of a gain on disposal of subsidiaries; (ii) a reduction in net loss on financial assets at fair value through profit or loss; and (iii) a reduction of loss on deemed disposal of interest in an associate and a reduction in share of loss of an associate; offsetting by (iv) a reduction in interest income on unlisted bonds and convertible notes.

For the Financial Year, the Group continued to focus on expanding the financing and securities brokerage businesses in Hong Kong. The total loan portfolio from financing business net of impairment losses increased to approximately HK$648.5 million (2018: approximately HK$433.1 million), representing a growth of approximately 49.7%. Benefitting from the continuously active and diversified investment market in Hong Kong, the Group's interest income from margin financing increased significantly, leading to a rise in revenue. For the Financial Year, the Group's interest income from brokerage financing was approximately HK$11.8 million (2018: approximately HK$5.1 million), representing a growth of approximately 131.4%.

The Group will continue to position itself as a one-stop financial service hub which provides multi-facets solution to its customers.

CLOSURE OF REGISTER

The register of members of the Company will be closed for the following period for determining the eligibility to attend and vote at the 2019 annual general meeting of the Company:

Latest time to lodge transfer documents for registration: 4:30 p.m., 23 August 2019

Closure of register of members: 26 August 2019 to 30 August 2019 (both dates inclusive)

Record date: 23 August 2019

In order to be eligible to attend and vote at the 2019 annual general meeting of the Company, all transfer of share(s), accompanied by the relevant share certificate(s) with the properly completed transfer form(s) either overleaf or separately, must be lodged with the branch share registrar and transfer office of the Company in Hong Kong, Tricor Tengis Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong, for registration no later than the latest time set out above.

DIVIDEND

The Board adopted a dividend policy in order to promote greater dividend policy transparency. In deciding whether to recommend the payment of dividend to the shareholders of the Company (the "**Shareholder(s)**"), the Board will take into account of a number of factors, including but not limited to the Company's operation and financial performance, liquidity condition, capital requirements, future funding needs, contractual restrictions, availability of reserves and prevailing economic climate, subject to the applicable rules of Bermuda and the bye-laws of the Company. Based on these factors, the determination of dividend distribution, the amount and frequency, will be made at the discretion of the Board.

No interim dividend was paid to the Shareholders during the Financial Year (2018: Nil). The Directors did not recommend the payment of any dividend for the Financial Year (2018: Nil).

OPERATION AND BUSINESS REVIEW

During the Financial Year, the Group was principally engaged in the provision of finance and securities brokerage services in Hong Kong and property development in the PRC. The Group has continued to explore different potential business opportunities and strived to strengthen its market participation in the financial sector so as to deliver long-term benefits to the Shareholders.

Provision of Finance

Despite the interest rate hike in the United States (the "**US**") in the first half of the Financial Year and the market instability as a result of the on-going US-China trade war, the money lending business recorded a tremendous growth in the Financial Year. The revenue from money lending business reached approximately HK$100.6 million (2018: approximately HK$79.4 million), representing an increase of approximately 26.7%. As at 31 March 2019, the net balance of loan book was approximately HK$648.5 million which represents an increase of approximately 49.7% as compared to approximately HK$433.1 million as at 31 March 2018. The average annual interest yield on loans as at 31 March 2019 was approximately 16.9% (2018: approximately 16.7%).

During the Financial Year, the Group closed down its branch network and centralised its resources back to the head quarters in order to enhance the operation efficiency and strengthen the online lending platform as our strategic focus. The Group has developed an online platform for loan application processing to increase the accessibility and facilitate the provision of services to its customers. The Group will continue its brand building via advertising and promotion activities and expand its product portfolio as well as customer base to develop its "Easy Access" and "Easy Apply" services.

Though the Group recorded a notable growth in loan portfolio during the Financial Year, a series of challenges impeded on this growth — including keen market competition, intense price war on interest margin and the on-going US-China trade war. The above factors have created uncertainties to the loan financing business. To prepare itself in facing these challenges, the Group will continue to adopt prudent credit policy and risk management approach, instantly and effectively review and tighten the credit policy.

Securities Brokerage Services

Easy One Securities Limited ("**Easy One Securities**"), a wholly-owned subsidiary of the Company, is licensed by the Securities and Futures Commission (the "**SFC**") to carry out securities brokerage and related services. In addition to Type 1 (dealing in securities) and Type 4 (advising on securities) regulated activities, the SFC has further approved Easy One Securities to carry out Type 2 (dealing in futures contracts) regulated activity in April 2018. This marks an important milestone to Easy One Securities as it enables the Group to provide a one-stop service to its customers covering cash equities, futures contracts dealing and margin financing.

The securities brokerage market in Hong Kong remains highly competitive. The intensified trade tension between the US and China is now spilling from the export and manufacturing sectors to the whole economy. Not only does the trade war impact investors' sentiment but it also casts a shadow over the economic outlook of China and Hong Kong. Despite these economic headwinds, the Group's securities brokerage business remained profitable and generated revenue of approximately HK$18.9 million (2018: approximately HK$19.5 million). The brokerage financing interest revenue recorded a significant increase to approximately HK$11.8 million (2018: approximately HK$5.1 million).

Property Development

During the Financial Year, the Group disposed all of its interest in the Fuzhou Project at an aggregate consideration of RMB1.0 million. The Group recorded a gain in the consolidated statement of profit or loss of approximately HK$72.8 million arising from the disposal of the Fuzhou Project. After the disposal, the remaining property project held by the Group is the commercial complex in Dongguan, Guangdong Province, the PRC (the "**Dongguan Project**"), details of which are as follows:

Address	**Percentage ownership/ interest**	**Approximate site area** *(square feet)*	**Approximate saleable area** *(square feet)*	**Existing use**
Ling Shang Tian Di, North of National Highway No. 107 Ai Ling Kan Village, Dalingshan Town, Dongguan City, Guangdong Province, the PRC	100%	0.2 million	0.4 million	Commercial complex

Over 98% of the leasable area of the Dongguan Project was leased as at 31 March 2019. The Group's income from property leasing for the Financial Year was approximately HK$22.2 million (2018: approximately HK$19.4 million).

During the Financial Year, the Group's revenue from property sales was approximately HK$11.3 million (2018: approximately HK$101.9 million).

LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

The Group's total assets as at 31 March 2019 were approximately HK$1,658 million (2018: approximately HK$1,972 million) which were financed by total liabilities and total equity of approximately HK$544 million (2018: approximately HK$809 million) and approximately HK$1,114 million (2018: approximately HK$1,163 million), respectively. The current ratio as at 31 March 2019 was approximately 2.5 times (2018: approximately 1.8 times).

As at 31 March 2019, the Group's aggregate bank and other borrowings amounted to approximately HK$288 million (2018: approximately HK$244 million), which were denominated in Hong Kong Dollars and Renminbi ("**RMB**"). Approximately HK$60 million (2018: Nil) of the bank and other borrowings are at fixed interest rates. The gearing ratio was calculated by reference to the Group's total borrowings net of cash and cash equivalents and the total equity of the Group. As of 31 March 2019, the gearing ratio was approximately 25.5% (2018: approximately 5.3%).

EXPOSURE TO FLUCTUATION IN EXCHANGE RATES

The revenue, bank deposits and operating costs of the Group are mainly denominated in Hong Kong Dollars and RMB. The Group did not enter or have any outstanding foreign exchange contracts, interest or currency swaps or other financial derivatives as at 31 March 2019. Due to the currency fluctuation of RMB, the Group had been considering alternative risk hedging tools to mitigate RMB currency exchange risk.

RISK FACTORS RELATING TO OUR INDUSTRIES AND BUSINESS OPERATIONS

The Group's principal businesses are provision of finance and securities brokerage services in Hong Kong and property development in the PRC. It is considered that the major risks and challenges which might have significant impact to the Group's financial performance and conditions include, among others: (i) credit risk of loan portfolios; (ii) fluctuation in the exchange rate of RMB against Hong Kong Dollars; (iii) obtaining adequate financing, whether equity or debt, to support its business funding needs; (iv) market risk of the Group's investment in financial assets; (v) financial performance of an associate in which the Group has interest; and (vi) impact from change in laws and regulations, in particular those laws and regulations relating to property development and property market sectors in the PRC and financing sector and securities sector in Hong Kong.

Credit risk refers to the risk of default by our customers on loans, whether secured or unsecured, advanced. The Group has well established credit policy, collection procedures and post-loan credit review for credit risk control and monitoring.

Market risk refers to changes in market conditions which affect the valuation and financial performance of the Group's investment in listed and unlisted financial instruments. Listed investments are monitored on daily basis while unlisted investments are reviewed regularly through either valuation report from fund manager or independent third party valuation. Management and/or executive Directors evaluate investment performance and, where necessary, make appropriate investment decision in the interest of the Company.

For the Group's interest in an associate, the Group considered it as a long term strategic investment. While the associate's financial results may fluctuate, the Directors assess this investment and make investment decision according to its perceived long-term value.

Financing risk refers to the Group's ability to obtain funding to meet its operation and investment obligations. Management and the Board identify funding needs through corporate strategic and financial planning and then devise action plans to obtain debt and/or equity funding. Cash flow forecast is carried out from time to time to facilitate early identification of funding needs and any liquidity issue.

Exchange rate risk of RMB refers to the impact of exchange rate fluctuation on financial performance due to the Group's holding of RMB denominated assets and liabilities. Although its impact to the Group is not significant in the recent years, the management does review the Group's exchange rate risk from time to time to determine whether protective, such as hedging, and/or corrective action is required.

DEPENDENCE OF EMPLOYEES, CUSTOMERS AND SUPPLIERS

The Group adopts market remuneration practices by reference to market terms, company performance, as well as individual qualifications and performance, with a well and organised management structure, so that no key and specific employee would materially and significantly impact the Group's businesses.

The income of the Group attributable to the largest customer accounted for approximately 5% of the Group's total income, and the aggregate amount of income of the Group attributable to the five largest customers accounted for approximately 17% of the Group's total income. No major supplier is accounted for more than 5% of the Group's total purchase. None of the Directors, their close associates or any Shareholders (which to the best knowledge of the Directors owned more than 5% of the issued shares of the Company) owned or held any interests in the five largest customers. No customers or suppliers would have any material impact on the Group's business performance.

ENVIRONMENTAL POLICIES AND PERFORMANCE

The Group is subject to various environmental laws and regulations set by the PRC government for its property development business. Compliance procedures are in place to ensure adherence to applicable laws and regulations. During the Financial Year, the Group was in compliance, in all material respects, with the relevant laws and regulations. There is no environmental laws or regulations applicable to our financing business and securities business. The Group also provides updates to its employees in respect of any changes in applicable laws and regulations. Details of the environmental policies and performance of the Group are disclosed in the Environmental, Social and Governance Report in our annual report for the year ended 31 March 2019 to be published in compliance with the requirements under the Listing Rules.

EMPLOYEES AND REMUNERATION POLICY

The Group aims to recruit, retain and develop competent individuals who are committed to the Group's long-term success and growth. Remunerations and other benefits of employees are reviewed annually in response to both market conditions and trends, and are based on qualifications, experience, responsibilities, competence, skills and performance of the relevant employees.

As at 31 March 2019, the Group had a total of 104 employees (2018: 133), in which 59 employees were based in Hong Kong and 45 employees were based in the PRC (2018: 68 employees were based in Hong Kong and 65 employees were based in the PRC).

The Group provides medical insurance and participates in the Mandatory Provident Fund Scheme for employees in Hong Kong, who are eligible to participate, and provides retirement contributions in accordance with the statutory requirements for employees in the PRC. The Group also adopts a performance-based reward system to motivate its staff and such system is reviewed on a regular basis by the management team. On 21 August 2012, the Company adopted a share option scheme (the "**Share Option Scheme**") which became effective on 21 August 2012 in compliance with Chapter 17 of the Listing Rules. As at 31 March 2019, there were 17,800,000 outstanding share options under the Share Option Scheme. Details of the employee and remuneration policy of the Group are disclosed in the Environmental, Social and Governance Report in our annual report for the year ended 31 March 2019 to be published in compliance with the requirements under the Listing Rules.

CONTINGENT LIABILITIES AND CHARGE ON ASSETS

As at 31 March 2019, the Group had no significant contingent liability (2018: Nil).

As at 31 March 2019, (i) stock of properties with a carrying value of approximately HK$271 million (2018: approximately HK$292 million); (ii) shares of several subsidiaries; and (iii) loan receivable with carrying value of approximately HK$200 million (2018: approximately HK$37 million) were pledged to secure the Group's banking facilities.

CAPITAL COMMITMENT

The Group has no capital commitment as at 31 March 2019 (2018: approximately HK$27.5 million).

DEBT PROFILES AND FINANCIAL PLANNING

The interest-bearing debt profile of the Group as at 31 March 2019 was analysed as follows:

	Outstanding amount *(HK$ million)*	**Approximate annual effective interest rate** *(per annum)*	**Interest charging basis**	**Maturity date**
Loans from financial institution	128.3	3.0% to 6.2%	Floating	From July 2019 to February 2020
Loan from non-financial institution	159.7	6.5% to 7.3%	Fixed/ Floating	From August 2019 to November 2019
Loans from related company	70.0	6.5%	Fixed	April 2020
Total	358.0			

In order to meet borrowing obligation and business operation funding needs, the Group had from time to time been considering various financing alternatives including but not limited to equity fund raising, borrowings from financial institution or non-financial institution, bonds issuance, convertible notes, and other debt financial instruments.

FINANCIAL ASSETS INVESTMENT HELD

As at 31 March 2019, the Group had financial assets at fair value through profit or loss investment of approximately HK$104.7 million, details of which are set out as follows:

	As at 31 March 2019				For the financial year ended 31 March 2019		Fair value/ carrying amount		Investment cost
Nature of Investments	**Number of shares/ units held**	**Amount**	**Percentage of shareholding in such stock**	**Percentage to the Group's net assets**	**Net loss on financial assets at fair value through profit or loss**	**Dividends received**	**As at 31 March 2019**	**As at 31 March 2018**	**As at 31 March 2019**
	'000	*(HK$'million)*	*%*	*%*	*(HK$'million)*	*(HK$'million)*	*(HK$'million)*	*(HK$'million)*	*(HK$'million)*
A. Listed Investments									
Town Health International Medical Group Limited (stock code:3886)*	N/A	N/A	N/A	N/A	N/A	—	N/A	28.0	N/A
Others	125	0.0	0.004	0.001	0.0	—	0.0	0.0	1.0
B. Mutual Funds									
Manulife Investment International Bond Fund	N/A	—	N/A	—	—	—	—	3.6	—
HongHe Venture Fund I.L.P.	N/A	4.2	N/A	0.374	0.4	—	4.2	3.7	3.9
C. Unlisted Convertible Notes									
China Agri-Products Exchange Limited (stock code:149)	N/A	100.5	N/A	9.018	4.0	—	100.5	96.5	103.0
		104.7		9.393	4.4	—	104.7	131.8	107.9

* Item has been reclassified to financial assets at FVTOCI due to the impact of transition of HKFRS9.

SIGNIFICANT INVESTMENTS HELD, MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, AND FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

During the Financial Year, the Group disposed the Fuzhou Project through the disposal of the entire share capital in two indirect wholly-owned subsidiaries at an aggregate consideration of RMB1.0 million. The Group recorded a gain in the consolidated statement of profit or loss of approximately HK$72.8 million. The disposal constituted a very substantial disposal under the Listing Rules which required the Shareholders' approval. Such Shareholders' approval was obtained in a special general meeting of the Company held on 18 April 2018.

As at 31 March 2019, the Group did not have a concrete plan for material investments or capital assets nor acquisition or disposal of subsidiaries.

FUTURE PLANS AND PROSPECTS

The economy of Hong Kong and China is faced with both internal and external pressures. The landscape of the financial market will continue changing rapidly. Both US and China are locked in an escalating trade battle. The ripple effect of the US-China trade war is now spilling from the export and manufacturing sectors to the whole economy. This will impact the investors' sentiment and will cast a shadow over the economic outlook of Hong Kong and China.

Notwithstanding the market volatility due to the US-China trade war, Hong Kong's financial services industry and related businesses are well-positioned to benefit from China's Belt-and-Road Initiative and the economic integration in the Greater Bay Area of China. The vision of the Greater Bay Area plan is to further integrate the nine largest cities in Guangdong Province with Hong Kong and Macau to establish an economic bloc. The removal of barriers that limit the movement of trade, capital information and people will allow the Hong Kong's financial market to flourish.

Apart from the aforementioned macro environmental factors, the Group is facing a series of challenges including keen market competition, intense price war on interest margin and increased volatility of the stock and property markets. The Group is prepared to implement regular measures so as to manage the risk prudently to prepare for possible volatility in the market. On the other hand, the Group will carefully monitor the interest rate risk and will make corresponding adjustments in its business and pricing strategy. As the US-China trade war intensified, the Hong Kong's stock and property markets were volatile during the Financial Year and is expected to remain turbulent in the coming year. In spite of these uncertainties, the Group remains cautiously optimistic about the prospect of financial services market and expects its provision of finance and the securities brokerage businesses will continue its growth in the long run.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the Financial Year.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

In the opinion of the Board, the Company had complied with the code provisions of the Corporate Governance Code (the "**CG Code**") as set out in Appendix 14 to the Listing Rules throughout the Financial Year, except for the following deviation:

Code provision A.2.1

Under code provision A.2.1 of the CG Code, the roles of chairman and chief executive should be separate and should not be performed by the same individual.

Mr. Chan Chun Hong, Thomas currently takes up the roles of both the chairman and managing Director and is responsible for overall corporate planning, strategic policy making and management of day-to-day operations of the Group. Mr. Chan has extensive experience in the industry which is of great value to overall development of the Company. The Company does not propose to comply with code provision A.2.1 of the CG Code for the time being as the Board considers that the balance of power and authority is ensured by the operation of the Board, which comprises experienced individuals with a balance of skills and experience appropriate for the requirements of the Group. The current structure also allows flexibility and enhances the efficiency of decision-making process in response to the constantly changing competitive environment.

Further details of the Company's corporate governance practices are set out in the Corporate Governance Report to be contained in the Company's 2019 annual report to be distributed by the Company in due course.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") as set out in Appendix 10 to the Listing Rules as its own code of conduct regarding securities transactions by Directors. Having made specific enquiries of all Directors, the Company confirmed that all Directors had complied with the required standard set out in the Model Code throughout the Financial Year.

AUDIT COMMITTEE

The Company has established an audit committee (the "**Audit Committee**") in accordance with the requirements of the Listing Rules, for the purposes of reviewing and providing supervision over the Group's financial reporting processes, internal controls and risk management. The Audit Committee, comprising three independent non-executive Directors, namely Mr. Sin Ka Man, Mr. Cheung Sau Wah, Joseph and Mr. Wong Hung Tak, has reviewed with the management and the Company's auditors the audited consolidated financial statements for the year ended 31 March 2019. Mr. Sin Ka Man is the chairman of the Audit Committee.

THE 2019 ANNUAL GENERAL MEETING

The 2019 annual general meeting of the Company will be held at Garden Room A-D, 2/F., New World Millennium Hong Kong Hotel, 72 Mody Road, Tsim Sha Tsui East, Kowloon, Hong Kong on Friday, 30 August 2019 at 9:30 a.m. and the notice convening such meeting will be published and despatched to the Shareholders in the manner as required by the Listing Rules in due course.

PUBLICATION OF FINAL RESULTS AND DESPATCH OF ANNUAL REPORT

This final results announcement is published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.easyonefg.com). The 2019 annual report containing all the information required by the Listing Rules will be despatched to the Shareholders and available on the above websites in due course.

By Order of the Board
EASY ONE FINANCIAL GROUP LIMITED
易易壹金融集團有限公司
Chan Chun Hong, Thomas
Chairman and Managing Director

Hong Kong, 25 June 2019

As at the date of this announcement, the Board comprises Mr. Chan Chun Hong, Thomas, Mr. Cheung Wai Kai and Ms. Stephanie as the executive Directors, and Mr. Sin Ka Man, Mr. Cheung Sau Wah, Joseph and Mr. Wong Hung Tak as the independent non-executive Directors.