



Oi Wah Pawnshop Credit Holdings Limited

靄華押業信貸控股有限公司

(Incorporated in the Cayman Islands with limited liability)
(於開曼群島註冊成立之有限公司)

Stock Code 股份代號 : 01319



ANNUAL REPORT 年報

2019

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Company Information

公司資料

BOARD OF DIRECTORS

Executive Directors

Mr. Chan Chart Man (陳策文)
Mr. Chan Kai Ho Edward (陳啟豪) (*Chairman and Chief Executive Officer*)
Ms. Chan Mei Fong (陳美芳)
Ms. Chan Ying Yu (陳英瑜)

Non-executive Director

Mr. Chan Kai Kow Mackston (陳啟球)

Independent Non-executive Directors

Dr. Leung Shiu Ki Albert (梁兆棋)
Dr. Yip Ngai (葉毅)
Mr. Lam On Tai (林安泰)

BOARD COMMITTEES

Audit Committee

Dr. Yip Ngai (葉毅) (*Chairman*)
Dr. Leung Shiu Ki Albert (梁兆棋)
Mr. Lam On Tai (林安泰)

Remuneration Committee

Mr. Lam On Tai (林安泰) (*Chairman*)
Mr. Chan Kai Ho Edward (陳啟豪)
Dr. Leung Shiu Ki Albert (梁兆棋)

Nomination Committee

Dr. Leung Shiu Ki Albert (梁兆棋) (*Chairman*)
Mr. Chan Kai Ho Edward (陳啟豪)
Mr. Lam On Tai (林安泰)

COMPANY SECRETARY

Mr. Cheng Yiu Hang (鄭耀衡) HKICPA

AUTHORISED REPRESENTATIVES

Mr. Chan Kai Ho Edward (陳啟豪)
Ms. Chan Ying Yu (陳英瑜)

REGISTERED OFFICE

Clifton House, 75 Fort Street,
P.O. Box 1350
Grand Cayman, KY1-1108
Cayman Islands

董事會

執行董事

陳策文先生
陳啟豪先生 (主席兼行政總裁)
陳美芳女士
陳英瑜女士

非執行董事

陳啟球先生

獨立非執行董事

梁兆棋博士
葉毅博士
林安泰先生

董事委員會

審核委員會

葉毅博士 (主席)
梁兆棋博士
林安泰先生

薪酬委員會

林安泰先生 (主席)
陳啟豪先生
梁兆棋博士

提名委員會

梁兆棋博士 (主席)
陳啟豪先生
林安泰先生

公司秘書

鄭耀衡先生 HKICPA

授權代表

陳啟豪先生
陳英瑜女士

註冊辦事處

Clifton House, 75 Fort Street,
P.O. Box 1350
Grand Cayman, KY1-1108
Cayman Islands

HEADQUARTERS AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Rooms 2302–2303
Kwan Chart Tower
No. 6 Tonnochy Road, Wanchai
Hong Kong

STOCK CODE

01319

CAYMAN ISLANDS SHARE REGISTRAR AND TRANSFER OFFICE

Estera Trust (Cayman) Ltd.
Clifton House, 75 Fort Street
P.O. Box 1350
Grand Cayman KY1-1108
Cayman Islands

HONG KONG SHARE REGISTRAR

Boardroom Share Registrars (HK) Limited
2103B, 21/F, 148 Electric Road
North Point
Hong Kong

AUDITORS

KPMG
Certified Public Accountants

LEGAL ADVISERS

As to Hong Kong law:

Keith Lam Lau & Chan

As to Cayman Islands law:

Appleby

PRINCIPAL BANKERS

CMB Wing Lung Bank Limited
The Bank of East Asia, Limited
Fubon Bank (Hong Kong) Limited
O-Bank Co., Ltd, Hong Kong Branch

COMPANY WEBSITE

www.pawnshop.com.hk

香港總部及主要營業地點

香港
灣仔杜老誌道6號
羣策大廈
2302–2303室

股份代號

01319

開曼群島股份過戶登記處

Estera Trust (Cayman) Ltd.
Clifton House, 75 Fort Street
P.O. Box 1350
Grand Cayman KY1-1108
Cayman Islands

香港股份過戶登記處

寶德隆證券登記有限公司
香港
北角
電氣道148號21樓2103B室

核數師

畢馬威會計師事務所
執業會計師

法律顧問

香港法律方面：

劉林陳律師行

開曼群島法律方面：

Appleby

主要往來銀行

招商永隆銀行有限公司
東亞銀行有限公司
富邦銀行(香港)有限公司
王道商業銀行股份有限公司香港分行

公司網站

www.pawnshop.com.hk

Financial Highlight

財務摘要

3.4%

Revenue increased by **3.4%**
to approximately **HK\$224.8 million**

收益增加**3.4%**至
約**224,800,000**港元

4.1%

Revenue from mortgage loan
receivables increased by **4.1%**
to approximately **HK\$158.7 million**

應收按揭抵押貸款之收益增加
4.1%至約**158,700,000**港元

FINANCIAL PERFORMANCE

- Revenue increased by 3.4% to approximately HK\$224.8 million
- Revenue from mortgage loan receivables increased by 4.1% to approximately HK\$158.7 million
- Profit attributable to the equity shareholders decreased by 0.1% to approximately HK\$100.8 million
- Net profit margin decreased by 1.5 percentage points to 44.9%
- Basic earnings per share is HK\$5.1 cents
- Gross pawn loan receivables increased by 8.1% to approximately HK\$141.5 million
- Gross mortgage loan receivables decreased by 2.3% to approximately HK\$1,223.3 million

財務表現

- 收益增加3.4%至約224,800,000港元
- 應收按揭抵押貸款之收益增加4.1%至約158,700,000港元
- 權益股東應佔溢利減少0.1%至約100,800,000港元
- 純利率減少1.5個百分點至44.9%
- 每股基本盈利為5.1港仙
- 應收典當貸款總額增加8.1%至約141,500,000港元
- 應收按揭抵押貸款總額減少2.3%至約1,223,300,000港元

increased by 25.7% to
approximately HK\$685.4 million
增加25.7%至約
685,400,000港元



Total amount of new pawn
loans granted increased by
25.7% to approximately
HK\$685.4 million

已發放新典當貸款總額增加
25.7%至約
685,400,000港元

increased by 10.0% to
419 cases
增加10.0%至419項



Number of new pawn loans
(larger than HK\$100,000)
granted increased by 10.0% to
419 cases

已發放新典當貸款（大於
100,000港元）數目增加10.0%
至**419項**

increased by 15.6% to
approximately HK\$3.7 million
增加15.6%至約
3,700,000港元



Average amount of mortgage
loans granted increased
by 15.6% to approximately
HK\$3.7 million

已發放按揭抵押貸款平均
金額增加15.6%至約
3,700,000港元

BUSINESS PERFORMANCE

- Total amount of new pawn loans granted increased by 25.7% to approximately HK\$685.4 million
- Average amount of pawn loans granted increased by 30.6% to approximately HK\$8,200 per transaction
- Number of new pawn loans (larger than HK\$100,000) granted increased by 10.0% to 419 cases
- Total amount of new mortgage loans granted decreased by 2.9% to approximately HK\$785.5 million
- Average amount of mortgage loans granted increased by 15.6% to approximately HK\$3.7 million
- Number of new mortgage loans granted decreased by 17.3% to 206 cases
- Net interest margin for pawn loans increased by 0.2 percentage points to 40.6%
- Net interest margin for mortgage loans decreased by 0.6 percentage points to 9.2%
- As at 28 February, 2019, the average loan-to-value ratio of the mortgage loan portfolio was kept at around 51%

業務表現

- 已發放新典當貸款總額增加25.7%至約685,400,000港元
- 已發放典當貸款平均金額增加30.6%至每筆交易約8,200港元
- 已發放新典當貸款（大於100,000港元）數目增加10.0%至419項
- 已發放新按揭抵押貸款總額減少2.9%至約785,500,000港元
- 已發放按揭抵押貸款平均金額增加15.6%至約3,700,000港元
- 已發放新按揭抵押貸款數目減少17.3%至206項
- 典當貸款之淨息差增加0.2個百分點至40.6%
- 按揭抵押貸款之淨息差減少0.6個百分點至9.2%
- 於二零一九年二月二十八日，按揭抵押貸款組合之平均貸款對估值比率維持在51%上下

Five-year Financial Summary

五年財務概要

		2019 二零一九年	2018 二零一八年	2017 二零一七年	2016 二零一六年	2015 二零一五年
Profitability data (HK\$'000)	盈利能力數據 (千港元)					
Revenue from pawn loan business	典當貸款業務之收益					
– Interest income from pawn loans	– 典當貸款之利息收入	7,843	58,754	61,808	61,877	57,656
– Interest income from pawn loan receivables at fair value through profit or loss	– 按公平值計入損益之應收典當貸款之利息收入	51,351	–	–	–	–
– Gain on disposal of repossessed assets	– 出售經收回資產之收益	6,914	6,107	4,801	(814)	3,383
Total revenue from pawn loan business	典當貸款業務之總收益	66,108	64,861	66,609	61,063	61,039
Revenue from mortgage loan business	按揭抵押貸款業務之收益					
– Interest income from mortgage loans	– 按揭抵押貸款之利息收入	158,655	152,415	148,541	125,595	85,478
Total revenue	總收益	224,763	217,276	215,150	186,658	146,517
Operating profit	經營溢利	163,572	158,162	157,647	132,027	107,652
Profit attributable to equity shareholders	權益股東應佔溢利	100,820	100,908	103,230	91,366	80,091
Earnings per share – basic (HK\$ cents)	每股盈利 – 基本 (港仙)	5.1	4.8	4.9	4.4	*3.9
Profitability ratios (%)	盈利比率(%)					
Operating profit margin	經營溢利率	72.8	72.8	73.3	70.7	73.5
Net profit margin	純利率	44.9	46.4	48.0	48.9	54.7
Effective tax rate (Note 1)	實際稅率 (附註1)	17.1	16.4	16.4	16.5	16.7
Return on total assets (Note 2)	資產總額回報 (附註2)	7.0	6.9	7.6	8.1	10.6
Return on shareholders' equity (Note 3)	股東權益回報 (附註3)	12.3	12.8	14.0	13.7	17.7
Net interest margin (Note 4)	淨息差 (附註4)	12.4	13.1	14.5	17.5	18.3
– pawn loans	– 典當貸款	40.6	40.4	40.3	40.5	43.1
– mortgage loans	– 按揭抵押貸款	9.2	9.8	10.8	13.1	15.9

Note 1 Effective income tax rate is equal to the current tax divided by the profit before taxation for the respective year

Note 2 Return on total assets is calculated by dividing profit for the year by the total assets as at the respective year

Note 3 Return on total equity is calculated by dividing profit for the year by the total equity as at the respective year

Note 4 Net interest margin during the year refers to our interest income in respect of our pawn loans and mortgage loans less our finance costs, divided by the average of month-end gross loan receivables balances of the corresponding loans during the year

附註1 實際所得稅率等於各年度之即期稅項除以除稅前溢利

附註2 資產總額回報乃按年內溢利除以各年度的資產總額計算

附註3 權益總額回報乃按年內溢利除以各年度之權益總額計算

附註4 年內之淨息差指本集團有關典當貸款及按揭抵押貸款之利息收入減融資成本，除以年內相關貸款之月終應收貸款結餘總額平均數

* Amounts for the year ended 28 February 2015 was adjusted for the bonus issued on 18 August 2016.

* 截至二零一五年二月二十八日止年度之金額已就二零一六年八月十八日發行之紅股予以調整。

Five-year Financial Summary

五年財務概要

		2019 二零一九年	2018 二零一八年	2017 二零一七年	2016 二零一六年	2015 二零一五年
Operating ratios (as a percentage of revenue) (%)	經營比率 (佔收益百分比) (%)					
Staff costs	員工成本	13.0	12.9	12.6	13.6	15.0
Rental expenses	租金開支	6.2	6.2	6.0	6.8	7.2
Advertising and promotions	廣告及宣傳	4.4	5.2	5.4	5.3	4.3
Assets and liabilities data (HK\$'000)	資產及負債數據 (千港元)					
Non-current assets	非流動資產	84,131	89,242	94,665	82,243	79,146
Current assets	流動資產	1,357,172	1,376,892	1,269,878	1,042,906	675,515
Current liabilities	流動負債	455,909	515,477	489,334	333,589	227,405
Non-current liabilities	非流動負債	162,565	162,528	136,773	124,966	75,365
Capital and reserves	資本及儲備	822,829	788,129	738,436	666,594	451,891
Gross loan receivables	應收貸款總額	1,364,806	1,382,962	1,294,193	1,032,784	670,197
– Gross pawn loan receivables	– 應收典當貸款總額	141,511	130,866	143,140	141,755	124,240
– Gross mortgage loan receivables	– 應收按揭抵押貸款總額	1,223,295	1,252,096	1,151,053	890,779	543,189
– Gross unsecured loan receivables	– 應收無抵押貸款總額	–	–	–	250	2,768
Assets and working capital data	資產及營運資金數據					
Current ratios (Note 5)	流動比率 (附註5)	3.0	2.7	2.6	3.1	3.0
Gearing ratios (%) (Note 6)	借貸比率 (%) (附註6)	73.6	84.4	80.8	63.7	63.7
Net assets value per share (HK\$) (Note 7)	每股資產淨值 (港元) (附註7)	0.424	0.377	0.345	0.314	1.0

Note 5 Current ratio is calculated by dividing current assets by current liabilities as at the respective year end

附註5 流動比率乃按各年末之流動資產除以流動負債計算

Note 6 Gearing ratio is calculated by dividing total borrowings (summation of bank loans, overdrafts, obligations under finance leases, other loans, loans from immediate holding company and debt securities issued) by total equity as at the respective year end

附註6 借貸比率乃按各年末之總借貸 (銀行貸款、透支、融資租賃承擔、其他貸款、直屬控股公司之貸款及已發行債務證券之總額) 除以權益總額計算

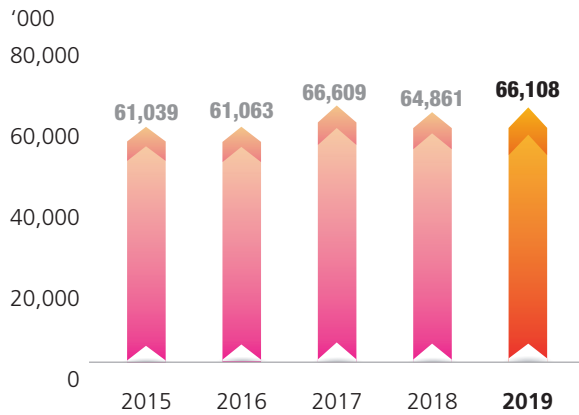
Note 7 Net assets value per share is calculated by dividing net assets by the total number of shares as at the respective year end

附註7 每股資產淨值乃按各年末的資產淨額除以股份總數計算

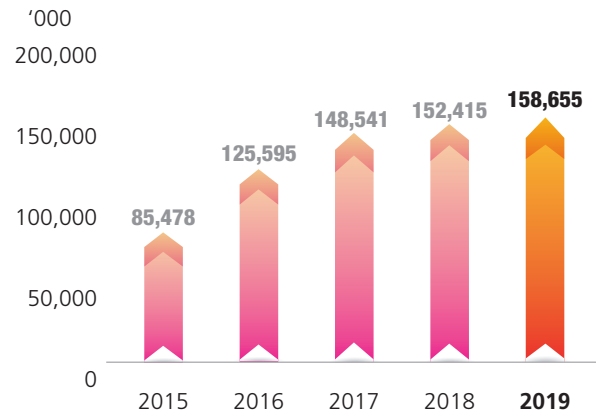
Five-year Financial Summary

五年財務概要

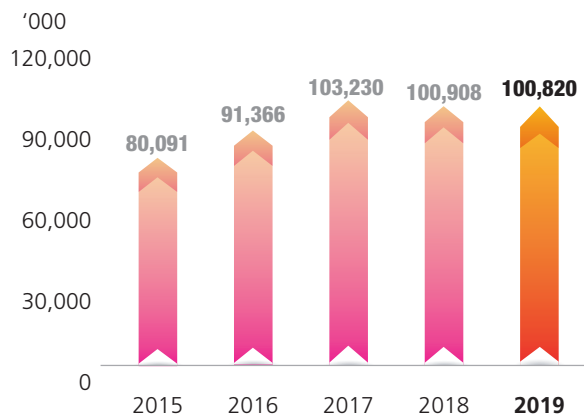
Total revenue from pawn loan business 典當貸款業務之總收益



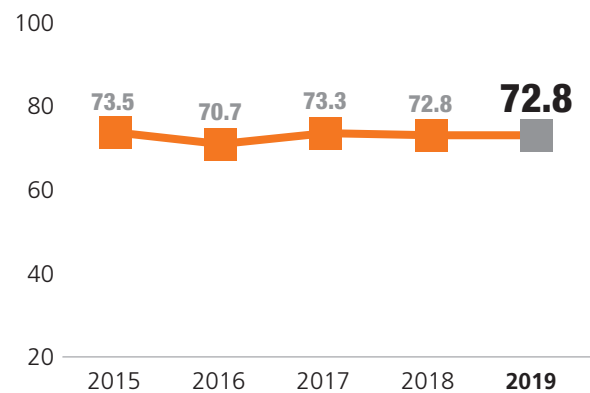
Revenue from mortgage loan business 按揭抵押貸款業務之收益



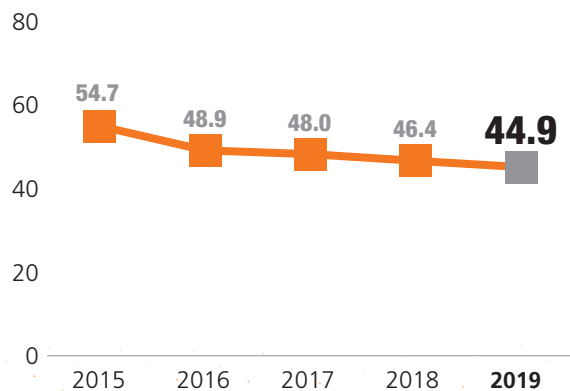
Profit attributable to equity shareholders 權益股東應佔溢利



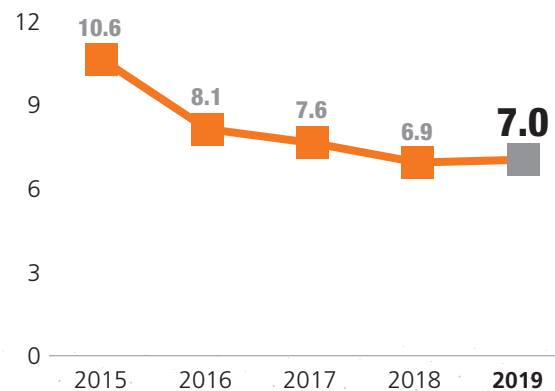
Operating profit margin 經營溢利率



Net profit margin 純利率



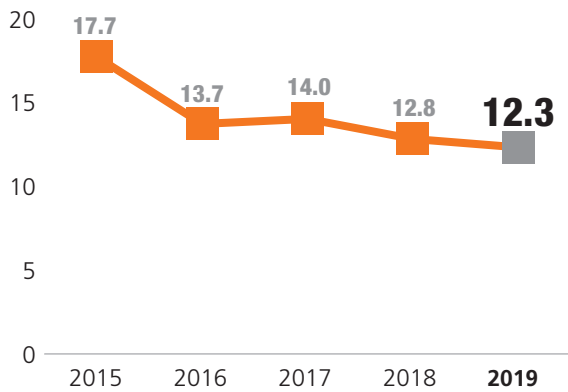
Return on total assets 資產總額回報



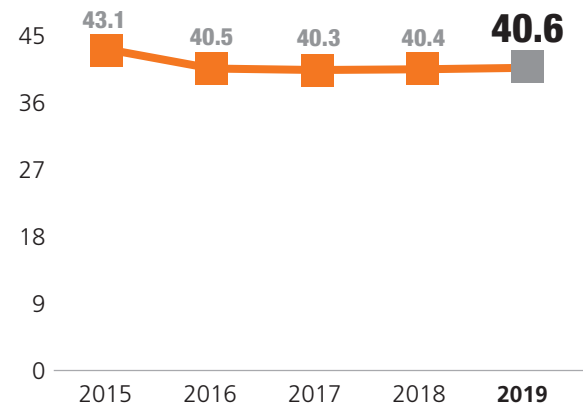
Five-year Financial Summary

五年財務概要

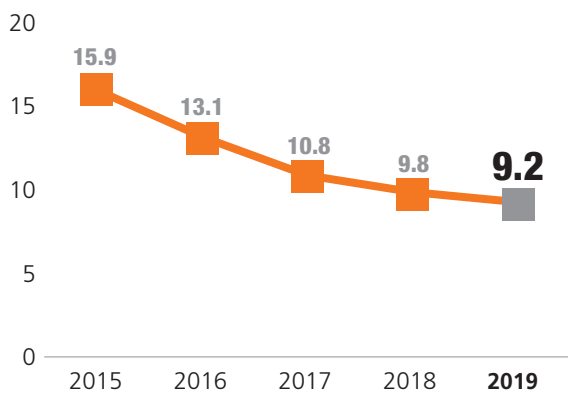
Return on shareholders' equity
股東權益回報



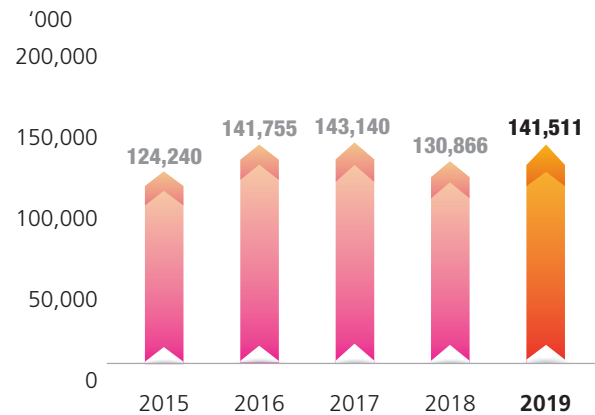
Net interest margin - pawn loans
淨息差－典當貸款



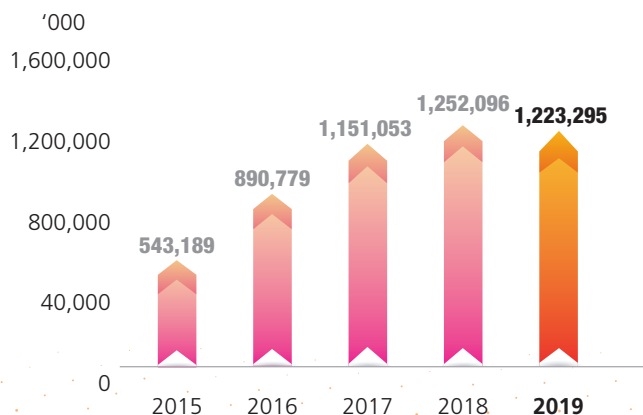
Net interest margin - mortgage loans
淨息差－按揭抵押貸款



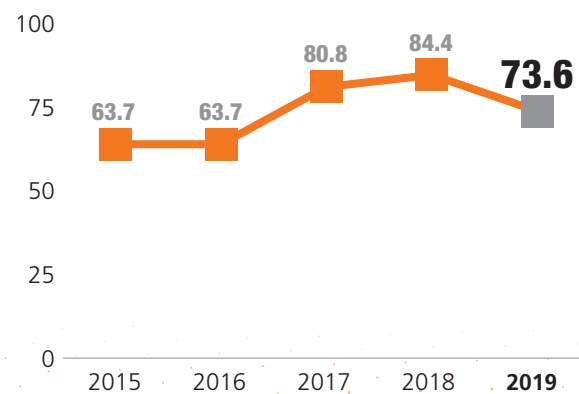
Gross pawn loan receivables
應收典當貸款總額



Gross mortgage loan receivables
應收按揭抵押貸款總額



Gearing ratios (%)
借貸比率(%)



Chairman Statement

主席報告

On behalf of the board of directors (the “**Board**”) of Oi Wah Pawnshop Credit Holdings Limited (the “**Company**” or “**our Company**”), and its subsidiaries (together with the Company collectively referred to as the “**Group**” or “**our Group**”), I am delighted to present the annual report of the Group for the year ended 28 February 2019 (“**FY2019**”).

In FY2019, the local property market had experienced a downturn but rebounded subsequently. Although the mortgage loan business of the Group has continued to achieve satisfactory and healthy growth, the Board considers that the future market is still unpredictable amid the uncertainties of the global economy and the ongoing trade conflict between China and the United States. Therefore, the Group tends to continue to focus on reinforcing its risk management policy and to be proactive in adopting timely measures to balance its risk and return in the long run.

In regard to the pawn loan business, the Group is actively exploring the possibility of developing an online pawn loan service, which aims to make the pawning process simpler and more accessible for everyone, everywhere. It is believed that such 24/7 service allows the Group to cater to the needs of the busy generation, and also helps to promote our pawn loan business. Pawn shops are a traditional industry, it is important to keep abreast with technology and innovation.

On behalf of the Board, I would like to express my sincere gratitude to the unremitting efforts of our management team and employees. We will continue to seize opportunities and strive to create the best interests for our shareholders and the Company.

Chan Kai Ho, Edward
Chairman and Executive Director

28 May 2019

本人謹代表靄華押業信貸控股有限公司（「**本公司**」）及其附屬公司（連同本公司統稱「**本集團**」）董事會（「**董事會**」）欣然提呈本集團截至二零一九年二月二十八日止年度（「**二零一九年財政年度**」）之年報。

於二零一九年財政年度，本港樓市經歷下行後轉勢回升。儘管本集團之按揭抵押貸款業務持續錄得穩健可觀的增長，惟董事會認為，全球經濟陰晴不定，加上中美貿易紛爭持續不休，故未來市場仍難以預測。因此，本集團傾向繼續專注加強其風險管理政策，並積極採取適時措施以平衡長遠風險與回報。

至於典當貸款業務方面，本集團現正積極探討發展網上典當貸款服務之可能性，銳意簡化典當程序，讓大眾不論身處何地亦能輕易享用典當貸款服務。本集團相信，透過這項24小時無休止服務，本集團可迎合現今繁忙世代客戶所需，亦可藉此推動典當貸款業務。典當店屬於傳統行業，因而必需配合科技及創新，與時並進。

本人謹代表董事會衷心感謝管理層團隊及僱員之不懈奮鬥。我們將繼續把握機遇，並致力為股東及本公司締造最佳利益。

主席兼執行董事
陳啟豪

二零一九年五月二十八日



BUSINESS REVIEW

Our Group is a financing service provider in Hong Kong operating under the brand name of "Oi Wah", which is principally engaged in providing secured financing, including mortgage loans and pawn loans.

MORTGAGE LOAN BUSINESS

During FY2019, the mortgage loan business remained as a major source of income of the Group. Revenue generated from the mortgage loan business in FY2019 accounted for approximately 70.6% of the Group's total revenue during the year. During the year, the mortgage loan business maintained a stable growth with interest income increased from approximately HK\$152.4 million for the year ended 28 February 2018 ("FY2018") to HK\$158.7 million in FY2019, representing an increase of 4.1% or HK\$6.3 million. The mortgage loan receivables reached HK\$1,223.3 million as at 28 February 2019. During the year, there were 206 new cases of mortgage loan transactions, with an average loan size of HK\$3.7 million.

During the year, the average loan-to-value ratio for the first mortgage was around 51.0%, while the average of overall loan-to-value ratio for subordinate mortgage was around 51.9%, in which the average loan-to-value ratio of subordinate mortgage that the Group participated in was around 15.9%.

業務回顧

本集團為以「靚華」品牌名稱在香港經營之融資服務供應商，主要從事提供有抵押融資（包括按揭抵押貸款及典當貸款）業務。

按揭抵押貸款業務

於二零一九年財政年度，按揭抵押貸款業務仍為本集團之主要收入來源。二零一九年財政年度之按揭抵押貸款業務所得收益佔本集團年內總收益約70.6%。年內，按揭抵押貸款業務維持穩定增長，利息收入由截至二零一八年二月二十八日止年度（「二零一八年財政年度」）約152,400,000港元增加4.1%或6,300,000港元至二零一九年財政年度之158,700,000港元。於二零一九年二月二十八日，應收按揭抵押貸款達1,223,300,000港元。年內，本集團共錄得206宗新造按揭抵押貸款交易，平均貸款金額為3,700,000港元。

年內，第一按揭之平均貸款對估值比率約為51.0%，而次級按揭之整體貸款對估值比率則平均約為51.9%，其中本集團經手之次級按揭之平均貸款對估值比率約為15.9%。

Management Discussion and Analysis

管理層討論及分析

PAWN LOAN BUSINESS

During FY2019, the revenue generated from the pawn loan business increased from HK\$64.9 million to HK\$66.1 million, representing an increase of 1.8% or HK\$1.2 million. Also, the aggregate loan amount increased by 25.7% or HK\$140.0 million from approximately HK\$545.4 million in FY2018 to HK\$685.4 million in FY2019.

In FY2019, the Group recorded 419 transactions of pawn loan that exceeded HK\$0.1 million. The average loan amount increased from approximately HK\$6,200 to approximately HK\$8,100 per transaction. The Group will continue to diversify its collaterals to other luxurious items, such as automobiles and yachts, as well as to channel resources to advertising and promotion (especially for online channels) to enhance the Group's brand awareness.

INDUSTRY OVERVIEW

During the year, the luxurious goods market has experienced a positive growth owing to rising demand from various sectors. The Group is optimistic about the prospects of the pawn loan segment and anticipates to achieve a steady growth.

In FY2019, the local property market experienced a correction and thus turned active and energetic again. Although the Group maintained a stable growth in the mortgage loan business, the Directors considered that a prudent and cautious approach was still necessary amid the unstable and uncertain economic environment.

FINANCIAL REVIEW

Revenue

Our Group's revenue increased from approximately HK\$217.3 million for FY2018 to approximately HK\$224.8 million for FY2019, representing an increase of approximately HK\$7.5 million or 3.4%.

The increase was attributable to an increase in our interest income from the mortgage loan business by approximately HK\$6.3 million or 4.1% from approximately HK\$152.4 million in FY2018 to approximately HK\$158.7 million in FY2019. The increase was mainly due to the continuous expansion of our mortgage loan portfolio in FY2019. The average month-end balance for the gross mortgage loan receivables for the year increased from approximately HK\$1,178.7 million in FY2018 to approximately HK\$1,273.3 million in FY2019, where the total amount of new mortgage loans granted was approximately HK\$765.5 million during FY2019.

典當貸款業務

於二零一九年財政年度，典當貸款業務所得收益由64,900,000港元增加1.8%或1,200,000港元至66,100,000港元。此外，貸款總額由二零一八年財政年度約545,400,000港元增加25.7%或140,000,000港元至二零一九年財政年度之685,400,000港元。

於二零一九年財政年度，本集團錄得419宗典當貸款交易（超過100,000港元）。貸款平均金額由每筆交易約6,200港元增加至每筆交易約8,100港元。本集團將繼續多元化拓展其抵押品範圍至其他奢侈品（如汽車及遊艇），以及投放資源於廣告及宣傳（尤其是網上渠道）以提升本集團之品牌知名度。

行業回顧

年內，多個行業對奢侈品之需求持續上升，帶動奢侈品市場錄得正增長。本集團對典當貸款分部之前景抱持樂觀態度，料可實現穩健增長。

於二零一九年財政年度，本港樓市經歷修正後再度轉趨活躍。儘管本集團之按揭抵押貸款業務維持穩定增長，惟董事認為，在動盪不穩、陰晴不定之經濟環境下，仍須保持審慎嚴謹之態度。

財務回顧

收益

本集團收益由二零一八年財政年度約217,300,000港元增加約7,500,000港元或3.4%至二零一九年財政年度約224,800,000港元。

該增幅乃歸因於本集團按揭抵押貸款業務之利息收入由二零一八年財政年度約152,400,000港元增加約6,300,000港元或4.1%至二零一九年財政年度約158,700,000港元。該增幅乃主要由於本集團於二零一九年財政年度持續擴充按揭抵押貸款組合所致。年內之應收按揭抵押貸款總額平均月終結餘由二零一八年財政年度約1,178,700,000港元增加至二零一九年財政年度約1,273,300,000港元，而二零一九年財政年度之已發放新按揭抵押貸款總額則約為765,500,000港元。

Management Discussion and Analysis

管理層討論及分析

Our performance in the pawn loan business remained steady. Revenue generated from our pawn loan business increased by approximately HK\$1.2 million or 1.8% from approximately HK\$64.9 million in FY2018 to approximately HK\$66.1 million in FY2019. Such an increase was due to the increase in our interest income derived from our pawn loan receivables of approximately HK\$0.4 million, as well as the increase in revenue from disposal of repossessed assets of approximately HK\$0.8 million in FY2019.

The increase in our interest income generated from our pawn loan receivables was primarily attributable to the increase in the aggregate amount of pawn loans granted. The amount rose from approximately HK\$545.4 million in FY2018 to approximately HK\$685.4 million in FY2019 with the average amount of pawn loans granted increased from approximately HK\$6,200 per transaction in FY2018 to approximately HK\$8,100 per transaction in FY2019.

Revenue from disposal of repossessed assets represents the gain/(loss) of the Group as we sold the repossessed assets in the event of default in repayment of our pawn loans. The increase in our gain on disposal of repossessed assets in FY2019 was mainly due to (i) bounce back on the secondhand market in branded watches; and (ii) the gold price per ounce rose from US\$1,180 in August 2018 to US\$1,300 in February 2019. Since every pawn loan has a term of four lunar months, revenue was derived from the appreciation of gold price and branded watches in FY2019 and thus an increase in gain on disposal of repossessed assets in FY2019 was recorded.

Other revenue

Other revenue increased from approximately HK\$4.2 million in FY2018 to HK\$4.9 million in FY2019, representing an increase of approximately HK\$0.7 million or 16.7%, which was mainly due to the increase in credit-related fee income by approximately HK\$1.3 million in FY2019.

Operating expenses

Operating expenses increased by approximately HK\$2.6 million or 4.2% from approximately HK\$62.5 million in FY2018 to approximately HK\$65.1 million in FY2019.

Staff costs increased by approximately HK\$1.3 million or 4.6% from approximately HK\$28.0 million in FY2018 to approximately HK\$29.3 million in FY2019. The increase was mainly attributable to the increase in salaries and other benefits of approximately HK\$0.9 million in FY2019.

本集團之典當貸款業務表現維持穩定。本集團典當貸款業務所得收益由二零一八年財政年度約64,900,000港元增加約1,200,000港元或1.8%至二零一九年財政年度約66,100,000港元。該增幅乃由於二零一九年財政年度本集團應收典當貸款所得利息收入增加約400,000港元以及出售經收回資產之收益增加約800,000港元所致。

本集團應收典當貸款所得利息收入增加乃主要歸因於已發放典當貸款總額增加。該金額由二零一八年財政年度約545,400,000港元增加至二零一九年財政年度約685,400,000港元，而已發放典當貸款平均金額則由二零一八年財政年度每筆交易約6,200港元增加至二零一九年財政年度每筆交易約8,100港元。

出售經收回資產之收益指本集團於典當貸款出現拖欠還款之情況時出售經收回資產之收益／（虧損）。本集團於二零一九年財政年度出售經收回資產之收益增加乃主要由於(i)名牌手錶二手市場反彈回升；及(ii)每盎司金價由二零一八年八月之1,180美元上升至二零一九年二月之1,300美元所致。由於每項典當貸款之期限為四個農曆月，而二零一九年財政年度金價上升及名牌手錶升值帶動收益，故本集團於二零一九年財政年度錄得出售經收回資產收益增加。

其他收益

其他收益由二零一八年財政年度約4,200,000港元增加約700,000港元或16.7%至二零一九年財政年度之4,900,000港元，乃主要由於信貸相關費用收入於二零一九年財政年度增加約1,300,000港元所致。

經營開支

經營開支由二零一八年財政年度約62,500,000港元增加約2,600,000港元或4.2%至二零一九年財政年度約65,100,000港元。

員工成本由二零一八年財政年度約28,000,000港元增加約1,300,000港元或4.6%至二零一九年財政年度約29,300,000港元。該增幅乃主要歸因於薪金及其他福利於二零一九年財政年度增加約900,000港元。

Management Discussion and Analysis

管理層討論及分析

Rental expenses increased by approximately HK\$0.7 million or 5.7% from approximately HK\$12.3 million in FY2018 to HK\$13.0 million in FY2019. The increase was mainly due to the increase in the monthly rent for the pawnshops during the year.

Despite an increase in the staff costs and rental expenses in FY2019, other operating expenses increased from approximately HK\$22.2 million in FY2018 to approximately HK\$22.8 million in FY2019. This was mainly due to an increase in legal and professional fees by approximately HK\$1.5 million, which was offset by the decrease in advertising expenses by approximately HK\$1.4 million.

Finance costs

The finance costs increased by approximately HK\$4.5 million or 12.0% from approximately HK\$37.5 million in FY2018 to approximately HK\$42.0 million in FY2019. The increase was mainly due to the increase in average month-end balance for other loans and loans from the immediate holding company of approximately HK\$51.2 million and HK\$17.4 million in FY2019 respectively.

Charge for impairment losses on loan receivables

For FY2019

The charge for impairment losses on loan receivables of HK\$1.0 million in FY2019 was measured based on the new impairment requirement under HKFRS 9. The charge for impairment losses was attributable to a mortgage loan which had been overdue for more than 1 year as the management considered that there is an increasing possibility that the value of the collateral of the said loan cannot fully cover the outstanding amount.

For FY2018

Based on HKAS 39, the impairment losses on loan receivables charged to profit or loss in FY2018 of approximately HK\$725,000 were attributable to the net effect of (i) the subsequent reassessment on the recoverability of previously impaired loan receivables that were individually assessed and being charged to profit or loss of approximately HK\$925,000; and (ii) the impairment losses on loan receivables that were collectively assessed and being credited to profit or loss of approximately HK\$200,000.

Income tax expenses

The Group's effective tax rate increased from 16.4% for FY2018 to 17.1% for FY2019. The increase in the effective tax rate was mainly due to part of the advertising expenses amounted to approximately HK\$5.4 million may not be qualified as deductible expenses. With a view of possible outflow of resources, a tax provision of approximately HK\$0.9 million in respect of the expenses was provided in FY2019.

租金開支由二零一八年財政年度約12,300,000港元增加約700,000港元或5.7%至二零一九年財政年度之13,000,000港元。該增幅乃主要由於年內典當店月租增加所致。

儘管員工成本及租金開支於二零一九年財政年度均有所增加，其他經營開支由二零一八年財政年度約22,200,000港元增加至二零一九年財政年度約22,800,000港元。此乃主要由於法律及專業費用增加約1,500,000港元所致，並由廣告開支減少約1,400,000港元所抵銷。

融資成本

融資成本由二零一八年財政年度約37,500,000港元增加約4,500,000港元或12.0%至二零一九年財政年度約42,000,000港元。該增幅乃主要由於其他貸款及直屬控股公司之貸款平均月終結餘於二零一九年財政年度分別增加約51,200,000港元及17,400,000港元所致。

扣除應收貸款之減值虧損

二零一九年財政年度

二零一九年財政年度扣除應收貸款之減值虧損1,000,000港元乃基於香港財務報告準則第9號項下之新減值規定計量。扣除減值虧損乃源自一筆逾期1年以上之按揭抵押貸款，乃因管理層認為上述貸款抵押品之價值未能悉數抵償未償還金額之可能性增加。

二零一八年財政年度

基於香港會計準則第39號，二零一八年財政年度於損益扣除之應收貸款之減值虧損約為725,000港元，乃歸因於以下兩項之淨影響：(i)其後重估過往出現減值並於損益扣除經個別評估之應收貸款約925,000港元之可收回性；及(ii)計入損益經整體評估之應收貸款之減值虧損約200,000港元。

所得稅開支

本集團之實際稅率由二零一八年財政年度之16.4%增加至二零一九年財政年度之17.1%。實際稅率增加乃主要由於部分廣告開支約5,400,000港元或不符合條件列作可扣稅開支所致。鑒於可能出現資源外流，本集團於二零一九年財政年度就有關開支計提稅項撥備約900,000港元。

Management Discussion and Analysis

管理層討論及分析

Profit and total comprehensive income for the year

Our Group's profit for FY2019 slightly decreased to approximately HK\$100.8 million from approximately HK\$100.9 million in FY2018, representing a decrease of approximately HK\$0.1 million or 0.1%. The decrease was mainly attributable to the increase in expenses in staff costs, rental expenses and finance costs which amounted to HK\$1.3 million, HK\$0.7 million and HK\$4.5 million respectively, netting off the increase in revenue of approximately HK\$7.5 million and the decrease in advertising costs of approximately HK\$1.4 million.

Liquidity and financial resources

As at 28 February 2019, cash and cash equivalents (net of bank overdraft) amounted to approximately HK\$36.2 million, representing a net decrease of approximately HK\$3.6 million as compared to the position as at 28 February 2018. The decrease was attributable to the following items:

年內溢利及全面收入總額

本集團於二零一九年財政年度之溢利由二零一八年財政年度約100,900,000港元輕微減少約100,000港元或0.1%至約100,800,000港元。該減幅乃主要歸因於經扣除收益增加約7,500,000港元及廣告費用減少約1,400,000港元後之員工成本開支、租金開支及融資成本分別增加1,300,000港元、700,000港元及4,500,000港元。

流動資金及財務資源

於二零一九年二月二十八日，現金及現金等價物（經扣除銀行透支）約為36,200,000港元，較二零一八年二月二十八日淨減少約3,600,000港元。該減幅乃歸因於下列各項：

		For the year ended 28 February 2019 截至 二零一九年 二月二十八日 年度 HK\$'000 千港元	For the year ended 28 February 2018 截至 二零一八年 二月二十八日 年度 HK\$'000 千港元
Net cash generated from operating activities	經營業務所得現金淨額	166,520	37,114
Payment for the purchase of property, plant and equipment	購買物業、廠房及設備之款項	(1,884)	(12)
Repayment of other loans	其他貸款之還款	(26,391)	(17,016)
Proceeds from debt securities issued, net of issuing expenses	已發行債務證券之所得款項 (已扣除發行開支)	-	25,875
(Repayment of)/proceeds from bank loans	銀行貸款之(還款)/所得款項	(1,417)	47,843
(Decrease)/increase in loans from the immediate holding company	直屬控股公司之貸款(減少)/ 增加	(32,000)	12,500
Payment for repurchase of shares	購回股份之款項	(50,367)	(20,064)
Dividend paid	已付股息	(15,840)	(31,151)
Finance costs paid	已付融資成本	(42,145)	(37,065)
Other net outflow	其他流出淨額	(161)	(228)
Net (decrease)/increase in cash and cash equivalents	現金及現金等價物(減少)/ 增加淨額	(3,685)	17,796

Management Discussion and Analysis

管理層討論及分析

Pledge of assets

As at 28 February 2019, the Group had pledged its mortgage loan receivables with net book value of HK\$597.8 million (28 February 2018: HK\$498.5 million) for the purpose of obtaining facilities from banks and other independent third parties.

Contingent liabilities

There were no significant contingent liabilities for the Group as at 28 February 2019.

Key financial ratios

資產抵押

於二零一九年二月二十八日，本集團已抵押其賬面淨值為597,800,000港元（二零一八年二月二十八日：498,500,000港元）之應收按揭抵押貸款，以獲取銀行及其他獨立第三方融資。

或然負債

於二零一九年二月二十八日，本集團並無任何重大或然負債。

主要財務比率

		As at 28 February 2019 於二零一九年 二月二十八日	As at 28 February 2018 於二零一八年 二月二十八日
Current ratio ⁽¹⁾	流動比率 ⁽¹⁾	3.0x	2.7x
Gearing ratio ⁽²⁾	借貸比率 ⁽²⁾	73.6%	84.4%

		For the year ended 28 February 2019 截至 二零一九年 二月二十八日止 年度	For the year ended 28 February 2018 截至 二零一八年 二月二十八日止 年度
Return on total assets ⁽³⁾	資產總額回報 ⁽³⁾	7.0%	6.9%
Return on equity ⁽⁴⁾	權益回報 ⁽⁴⁾	12.3%	12.8%
Net profit margin ⁽⁵⁾	純利率 ⁽⁵⁾	44.9%	46.4%
Net interest margin ⁽⁶⁾	淨息差 ⁽⁶⁾	12.4%	13.1%
– pawn loan services	– 典當貸款服務	40.6%	40.4%
– mortgage loan services	– 按揭抵押貸款服務	9.2%	9.8%

Notes:

附註：

- (1) Current ratio is calculated by dividing current assets by current liabilities as at the respective year end. (1) 流動比率乃按各年末之流動資產除以流動負債計算。
- (2) Gearing ratio is calculated by dividing total borrowings (summation of bank loans, overdrafts, obligations under finance leases, loans from the immediate holding company, other loans and debt securities issued) by total equity as at the respective year end. (2) 借貸比率乃按各年末之總借貸（銀行貸款、透支、融資租賃承擔、直屬控股公司之貸款、其他貸款及已發行債務證券之總額）除以權益總額計算。
- (3) Return on total assets is calculated by dividing profit for the year by the total assets as at the respective year end. (3) 資產總額回報乃按年內溢利除以各年末之資產總額計算。

Management Discussion and Analysis

管理層討論及分析

- (4) Return on equity is calculated by dividing profit for the year by the total equity as at the respective year end. (4) 權益回報乃按年內溢利除以各年末之權益總額計算。
- (5) Net profit margin is calculated by dividing profit for the year by the turnover for the respective year. (5) 純利率乃按年內溢利除以各年度之營業額計算。
- (6) Net interest margin during the year refers to our interest income in respect of our pawn loans and mortgage loans less our finance costs, divided by the average of month-end gross loan receivables balances of the corresponding loans during the year. (6) 年內之淨息差指年內本集團有關典當貸款及按揭抵押貸款之利息收入減融資成本，除以相關貸款之月終應收貸款結餘總額平均數。

Current ratio

Our Group's current ratio slightly increased from approximately 2.7 times as at 28 February 2018 to 3.0 times as at 28 February 2019, as the amount of other loans and loans from immediate holding company decreased from approximately HK\$291.6 million and HK\$126.0 million as at 28 February 2018 to approximately HK\$265.2 million and HK\$94.0 million as at 28 February 2019 respectively.

Gearing ratio

Our Group's gearing ratio decreased from approximately 84.4% as at 28 February 2018 to approximately 73.6% as at 28 February 2019, which was mainly due to the decrease in other loans and loans from immediate holding company of approximately HK\$26.4 million and HK\$32 million respectively.

Return on total assets and return on equity

Our return on total assets slightly increased from approximately 6.9% in FY2018 to 7.0% in FY2019. Our return on equity slightly decreased from approximately 12.8% in FY2018 to 12.3% in FY2019. No material change was noted as the Group's overall performance remained stable during FY2019.

Net profit margin

The Group recorded a slight decrease in the net profit margin from approximately 46.4% in FY2018 to approximately 44.9% in FY2019. This was mainly due to a higher concentration of first mortgage in our mortgage loans during FY2019.

Net interest margin

The net interest margin decreased from approximately 13.1% in FY2018 to approximately 12.4% in FY2019. The decrease was due to an increase in the percentage of first mortgage in our mortgage loan portfolio from approximately 80.5% in FY2018 to approximately 86.5% in FY2019.

流動比率

本集團流動比率由二零一八年二月二十八日約2.7倍輕微上升至二零一九年二月二十八日之3.0倍，乃由於其他貸款及直屬控股公司之貸款金額分別由二零一八年二月二十八日約291,600,000港元及126,000,000港元減少至二零一九年二月二十八日約265,200,000港元及94,000,000港元所致。

借貸比率

本集團借貸比率由二零一八年二月二十八日約84.4%下降至二零一九年二月二十八日約73.6%，乃主要由於其他貸款及直屬控股公司之貸款分別減少約26,400,000港元及32,000,000港元所致。

資產總額回報及權益回報

本集團資產總額回報由二零一八年財政年度約6.9%輕微增加至二零一九年財政年度之7.0%。本集團權益回報由二零一八年財政年度約12.8%輕微減少至二零一九年財政年度之12.3%。鑒於本集團於二零一九年財政年度之整體表現維持穩定，故上述回報概無出現任何重大變動。

純利率

本集團錄得純利率由二零一八年財政年度約46.4%輕微減少至二零一九年財政年度約44.9%。此乃主要由於二零一九年財政年度按揭抵押貸款中第一按揭之比例增加所致。

淨息差

淨息差由二零一八年財政年度約13.1%減少至二零一九年財政年度約12.4%。該減幅乃由於本集團按揭抵押貸款組合內第一按揭之佔比由二零一八年財政年度約80.5%增加至二零一九年財政年度約86.5%所致。

Management Discussion and Analysis

管理層討論及分析

HUMAN RESOURCES

As at 28 February 2019, our Group had a total of 50 staff (28 February 2018: 52). Total staff costs (including Directors' emoluments) were approximately HK\$29.3 million for FY2019 (FY2018: approximately HK\$28.0 million). Remuneration is determined with reference to market conditions and the performance, qualifications and experience of each individual employee. Bonus based on individual performance will be paid to employees as recognition of and reward for their contributions. Other benefits include a share option scheme and contributions to statutory mandatory provident fund scheme to our Group's employees in Hong Kong.

MATERIAL ACQUISITION AND DISPOSAL

Our Group did not engage in any material acquisition or disposal during FY2019.

FUTURE PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

Save as disclosed in this annual report, the Group does not have any present plans for material investments and capital assets.

人力資源

於二零一九年二月二十八日，本集團共有50名員工（二零一八年二月二十八日：52名）。二零一九年財政年度之員工成本總額（包括董事酬金）約為29,300,000港元（二零一八年財政年度：約28,000,000港元）。薪酬乃經參考市場狀況以及各個別僱員之表現、資格及經驗後釐定。本集團將根據僱員之個人表現向其發放花紅，作為對彼等所作貢獻之認可及獎勵。其他福利包括購股權計劃及為本集團之香港僱員作出法定強制性公積金計劃之供款。

重大收購及出售

於二零一九年財政年度，本集團並無進行任何重大收購或出售。

重大投資及資本資產之未來計劃

除本年報所披露者外，本集團現時並無任何重大投資及資本資產之計劃。

PROSPECTS

In response to the fast-paced development of financial technology, the Group will actively explore the possibility of developing online pawn loan service. The pawnshop business has been fully computerized since 2011, which facilitates better internal control and provides a solid foundation for online pawn loan business. In Europe and the United States (“U.S.”), well-established and reputable online pawnshops have developed mature operating mechanisms to meet the short-term financial needs of customers in a discreet, simple and efficient manner. It is believed that online pawnshops will be attractive for the new generation, and will enable the Group to promote its pawn loan business at a lower cost.

During the period under review, Hong Kong’s financial market is facing various risk factors that cast uncertainties over its future development. The Group will keep an eye on the on-going trade conflict between U.S. and China and its potential impact on the Hong Kong property market. Whilst the Group strives to sustain its business growth, the management will continue to run the business in a prudent manner through enhancing risk control to cope with the possible economic fluctuations. The Group will continue to adopt a cautious approach when granting loans, such as increasing the proportion of first mortgage loans and high net-worth customers, as well as tightening the loan-to-value ratio.

前景

有見及金融科技之發展一日千里，本集團將乘此趨勢積極探討發展網上典當貸款服務之可能性。典當店業務自二零一一年起已全面電腦化，助網上典當貸款業務提高內部監控之成效及奠定堅實基礎。於歐洲及美國（「美國」），業務歷史悠久及聲譽良好的網上典當店之運行機制發展成熟，能夠審慎而簡便高效地滿足客戶之短期財務需要。本集團相信，網上典當店將可吸引新一代客戶，並有助本集團以較低成本推動其典當貸款業務。

於回顧期間，香港金融市場面對各種風險因素，為其未來發展帶來不確定性。本集團將密切關注中美之間持續不休的貿易紛爭及其對香港樓市之潛在影響。本集團將致力實現業務持續增長，與此同時，管理層將透過加強風險控制應對潛在經濟波動，繼續審慎經營業務。本集團於發放貸款時將繼續保持謹慎態度，如提高第一按揭貸款及高資產淨值客戶之比例以及收緊貸款對估值比率。

Report of the Directors

董事會報告

The Board has pleasure in submitting this report of the Directors together with the audited financial statements of the Group for the year ended 28 February 2019.

PRINCIPAL ACTIVITIES

The Company is an investment holding company. The principal activities of the Group are providing secured financing business in Hong Kong, including pawn loans and mortgage loans.

FINANCIAL RESULTS

The results of the Group for the year ended 28 February 2019 and the state of the Company's and the Group's affairs as at that date are set out in the financial statements on pages 67 to 160 of this annual report.

CASH FLOW POSITION

The cash flow position of the Group for the year ended 28 February 2019 is set out and analysed in the consolidated cash flow statement set out on pages 71 to 72 of this annual report.

DIVIDEND

At our Board meeting held on 28 May 2019, our Directors decided to recommend the payment of final dividend of HK\$0.73 cents per share for FY2019. Taking into account the interim dividend of HK\$0.83 cents per share and the final dividends of HK\$0.73 cents per share declared and paid during FY2019, the Company has paid 30.1% of the profit attributable to the shareholders of FY2019 as dividend to the Shareholders.

董事會欣然提呈本董事會報告連同本集團截至二零一九年二月二十八日止年度之經審核財務報表。

主要業務

本公司為一間投資控股公司。本集團之主要業務為於香港提供有抵押融資（包括典當貸款及按揭抵押貸款）業務。

財務業績

本集團截至二零一九年二月二十八日止年度之業績以及本公司及本集團於該日之事務狀況載於本年報第67至160頁之財務報表。

現金流量狀況

本集團截至二零一九年二月二十八日止年度之現金流量狀況及分析載於本年報第71至72頁之綜合現金流量表。

股息

於二零一九年五月二十八日舉行之董事會會議上，董事決定建議派付二零一九年財政年度之末期股息每股0.73港仙。經計及於二零一九年財政年度宣派及派付之中期股息每股0.83港仙及末期股息每股0.73港仙，本公司已向股東派付二零一九年財政年度股東應佔溢利之30.1%作為股息。

CLOSURE OF REGISTER OF MEMBERS

In order to determine the identity of our Shareholders who are entitled to attend and vote at the AGM, all duly completed transfer forms accompanied by the relevant share certificates must be lodged with our Company's Hong Kong branch share registrar, Boardroom Share Registrars (HK) Limited at 2103B, 21/F, 148 Electric Road, North Point, Hong Kong, no later than 4:30p.m. on Tuesday, 23 July 2019. The register of members of our Company will be closed from Wednesday, 24 July 2019 to Monday, 29 July 2019, both days inclusive, during which period no transfer of shares will be registered.

FIVE-YEAR FINANCIAL SUMMARY

A summary of the results, assets and liabilities of the Group for the past five financial years is set out on pages 6 to 9 of this annual report.

TRANSFER TO RESERVES

Profit attributable to shareholders, before dividends, of HK\$100.8 million (2018: HK\$100.9 million) has been transferred to reserves.

DISTRIBUTABLE RESERVES

As at 28 February 2019, the aggregate amount of the distributable reserves of the Company was approximately HK\$142.3 million (2018: approximately HK\$208.5 million).

Movements in the reserves of the Group during the year are set out in the consolidated statement of changes in equity and note 24 to the financial statements.

PROPERTY, PLANT AND EQUIPMENT

Details of the movements of property, plant and equipment of the Group for the year ended 28 February 2019 are set out in note 12 to the consolidated financial statements.

暫停辦理股份過戶登記手續

為確定有權出席股東週年大會並於會上投票之股東身份，所有已正式填妥之過戶表格連同有關股票，最遲必須於二零一九年七月二十三日（星期二）下午四時三十分前送達本公司之香港股份過戶登記分處寶德隆證券登記有限公司，地址為香港北角電氣道148號21樓2103B室。本公司將於二零一九年七月二十四日（星期三）至二零一九年七月二十九日（星期一）（首尾兩日包括在內）暫停辦理股份過戶登記手續，期間將不會辦理股份過戶登記手續。

五年財務概要

本集團於過去五個財政年度之業績、資產及負債概要載於本年報第6至9頁。

轉撥至儲備

扣除股息前股東應佔溢利100,800,000港元（二零一八年：100,900,000港元）已轉撥至儲備。

可分派儲備

於二零一九年二月二十八日，本公司之可分派儲備總額為約142,300,000港元（二零一八年：約208,500,000港元）。

本集團之年內儲備變動情況載於綜合權益變動表及財務報表附註24內。

物業、廠房及設備

本集團截至二零一九年二月二十八日止年度之物業、廠房及設備變動詳情載於綜合財務報表附註12。

Report of the Directors

董事會報告

SHARE CAPITAL

Details of the movements in Company's share capital for the year ended 28 February 2019 are set out in note 24(a) to the financial statements.

SHARE OPTION SCHEME

A share option scheme (the "Share Option Scheme") was adopted pursuant to a written resolution of the then sole shareholder on 19 February 2013 (the "Adoption Date").

The purpose of the Share Option Scheme is to attract and retain the best available personnel, to provide additional incentive to them to promote the success of the business of the Group. The Board may, at its discretion, grant options pursuant to the Share Option Scheme to any employee (full-time and part-time), consultant, adviser, Director (including executive, non-executive or independent non-executive Director), Substantial Shareholder (as defined in the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules")), distributor, contractor, supplier, agent, customer, business partner or service provider of any member of the Group whom the Board determines have contribution or potential contribution to the development and growth of the Group.

As at 28 February 2019, being the end of FY2019 for the Group:

- i) a total of 40,000,000 options to subscribe for shares were available for issue under the Share Option Scheme, representing approximately 2.1% of the total issued shares of the Company as at 28 February 2019;
- ii) an option granted under the Share Option Scheme may be exercised in accordance with the terms of the Share Option Scheme at any time during a period as the Board may determine which shall not exceed ten years from the date of grant subject to the provisions of early termination thereof; and
- iii) the Share Option Scheme will remain in force until 18 February 2023.

股本

本公司截至二零一九年二月二十八日止年度之股本變動詳情載於財務報表附註24(a)。

購股權計劃

本公司於二零一三年二月十九日（「採納日期」）根據當時唯一股東之書面決議案採納一項購股權計劃（「購股權計劃」）。

購股權計劃旨在吸引及挽留最優秀的人員，並向彼等提供額外激勵，促進本集團業務邁向成功。董事會可酌情根據購股權計劃向董事會認為對本集團之發展及增長有所貢獻或可能有貢獻之本集團任何成員公司之任何僱員（全職及兼職）、諮詢顧問、顧問、董事（包括執行、非執行或獨立非執行董事）、主要股東（定義見聯交所證券上市規則（「上市規則」））、分銷商、承包商、供應商、代理、客戶、業務夥伴或服務供應商授出購股權。

於二零一九年二月二十八日（即本集團二零一九年財政年度之結算日）：

- i) 根據購股權計劃，合共40,000,000份可認購股份之購股權可供發行，相當於本公司於二零一九年二月二十八日之已發行股份總數約2.1%；
- ii) 購股權計劃項下所授出之購股權可根據購股權計劃之條款於董事會可能釐定之期間內隨時行使，惟有關期間自授出日期起計不得超過十年，且受有關計劃之提前終止條文所規限；及
- iii) 購股權計劃將維持有效，直至二零二三年二月十八日為止。

The aggregate number of shares of the Company which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other share option schemes of the Company must not exceed 30% of the shares of the Company in issue from time to time. No option may be granted under the Share Option Scheme or any other share option schemes of the Company if this will result in the limit being exceeded.

The maximum number of shares of the Company issuable upon exercise of all options to be granted under the Share Option Scheme and any other share option schemes of the Company as from the Adoption Date (excluding, for this purpose, shares of the Company issuable upon exercise of options which have been granted but which have lapsed in accordance with the Share Option Scheme or any other share option schemes of the Company) must not in aggregate exceed 10% of all shares of the Company in issue upon 12 March 2013 (the “**Listing Date**”) (i.e. 40,000,000 shares). The limit of 10% may be refreshed at any time by approval of the shareholders of the Company in general meeting provided that the total number of the shares of the Company which may be issued upon exercise of all options to be granted under the Share Option Scheme and any other share option schemes of the Company must not exceed 10% of the shares of the Company in issue as at the date of approval of the refreshed limit.

Unless approved by shareholders of the Company in general meeting, the maximum number of shares underlying the options granted to each eligible participant (including both exercised and outstanding options) in any 12-month period shall not exceed 1.0% of the shares of the Company in issue for the time being.

A consideration of HK\$1.0 is payable on acceptance of the grant of an option.

Pursuant to the Share Option Scheme, the participants may subscribe for the shares of the Company on the exercise of an option at the price determined by the Board provided that it shall be at least the highest of (a) the closing price of the shares of the Company as stated in the Stock Exchange’s daily quotations sheet on the date on which an option is offered to a participant, which must be a business date (the “**Offer Date**”); (b) the average of the closing prices of the shares of the Company as stated in the Stock Exchange’s daily quotations sheets for the five business days immediately preceding the Offer Date; and (c) the nominal value of a share of the Company on the Offer Date.

因根據購股權計劃及本公司任何其他購股權計劃已授出但尚未行使之所有尚未行使購股權獲行使而可能發行之本公司股份總數，不得超過本公司不時已發行股份之30%。倘此舉將導致股份總數超逾該限額，則不得根據購股權計劃或本公司任何其他購股權計劃授出購股權。

自採納日期因根據購股權計劃及本公司任何其他購股權計劃將予授出之所有購股權獲行使而可予發行之本公司股份數目（就此而言，不包括因根據購股權計劃或本公司任何其他購股權計劃已授出但已失效之購股權獲行使而可予發行之本公司股份），合共最多不得超過本公司於二零一三年三月十二日（「**上市日期**」）所有已發行股份之10%（即40,000,000股股份）。10%限額可隨時由本公司股東於股東大會上批准而更新，惟因根據購股權計劃及本公司任何其他購股權計劃將予授出之所有購股權獲行使而可能發行之本公司股份總數，不得超過本公司於批准經更新限額日期已發行股份之10%。

除非本公司股東於股東大會上批准，否則於任何12個月期間各合資格參與者獲授之購股權（包括已行使及尚未行使之購股權）之相關股份數目，最多不得超過本公司當時已發行股份之1.0%。

於接納所授出之購股權時須支付1.0港元之代價。

根據購股權計劃，參與者可於行使購股權時按董事會釐定之價格認購本公司股份，惟該價格不得低於下列最高者：(a)本公司股份於向參與者提呈授出購股權之日（必須為營業日，「**要約日期**」）在聯交所每日報價表所報之收市價；(b)本公司股份於緊接要約日期前五個營業日在聯交所每日報價表所報之平均收市價；及(c)本公司股份於要約日期之面值。

Report of the Directors

董事會報告

An option may be exercised in accordance with the terms of the Share Option Scheme at any time during a period as the Board may determine which shall not exceed 10 years from the date of grant subject to the provisions of early termination thereof. The Share Option Scheme will remain in force until 18 February 2023.

As at the date of this annual report, no options had been granted or agreed to be granted pursuant to the Share Option Scheme.

DIRECTORS

The Directors who held office during the year ended 28 February 2019 and up to the date of this annual report are:

Executive Directors:

Mr. Chan Kai Ho Edward (*Chairman and Chief Executive Officer*)
Mr. Chan Chart Man
Ms. Chan Mei Fong
Ms. Chan Ying Yu

Non-executive Director:

Mr. Chan Kai Kow Macksion

Independent non-executive Directors:

Mr. Lam On Tai
Dr. Leung Shiu Ki Albert
Dr. Yip Ngai

Pursuant to Article 108 of the articles of association of the Company ("**Articles of Association**") and code provision A.4.2 of the Corporate Governance Code set out in Appendix 14 to the Listing Rules, one-third of the Directors will retire by rotation at the annual general meeting of the Company and will be eligible for re-election at that meeting. Accordingly, Mr. Chan Kai Ho Edward, Mr. Chan Kai Kow Macksion and Mr. Lam On Tai will retire at the forthcoming annual general meeting and, being eligible, offer themselves for re-election.

Details of the Directors standing for re-election at the AGM are set out in the circular sent to the shareholders of the Company together with this annual report.

The Company has received, from each of the independent non-executive Directors, an annual confirmation of his independence pursuant to Rule 3.13 of the Listing Rules. The Company considers all of the independent non-executive Directors are independent.

購股權可根據購股權計劃之條款於董事會可能釐定之期間內隨時行使，惟有關期間自授出日期起計不得超過10年，且受有關計劃之提前終止條文所規限。購股權計劃將維持有效，直至二零二三年二月十八日為止。

於本年報日期，本公司並無根據購股權計劃授出或同意授出購股權。

董事

於截至二零一九年二月二十八日止年度及截至本年報日期止在任之董事如下：

執行董事：

陳啟豪先生 (*主席兼行政總裁*)
陳策文先生
陳美芳女士
陳英瑜女士

非執行董事：

陳啟球先生

獨立非執行董事：

林安泰先生
梁兆棋博士
葉毅博士

根據本公司組織章程細則（「**組織章程細則**」）第108條及上市規則附錄十四所載企業管治守則之守則條文第A.4.2條，三分之一董事將於本公司股東週年大會上輪值退任並合資格於大會上重選連任。因此，陳啟豪先生、陳啟球先生及林安泰先生將於應屆股東週年大會上退任，並符合資格及願意重選連任。

於股東週年大會上接受重選之董事之詳情載於連同本年報一併寄發予本公司股東之通函。

本公司已接獲各獨立非執行董事根據上市規則第3.13條發出之年度獨立性確認書。本公司認為所有獨立非執行董事均為獨立人士。

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

As at 28 February 2019, so far as is known to the Directors or chief executives of the Company, the following persons other than a Director or chief executive of the Company had an interest or a short position in the shares and underlying shares of the Company as recorded in the register required to be kept by the Company under section 336 of the Securities and Futures Ordinance (the "SFO"):

主要股東於股份及相關股份之權益及淡倉

於二零一九年二月二十八日，據董事或本公司主要行政人員所知，誠如本公司根據證券及期貨條例（「證券及期貨條例」）第336條須予存置之登記冊所記錄，以下人士（董事或本公司主要行政人員除外）於本公司股份及相關股份中擁有權益或淡倉：

Name of Shareholder	Capacity	Number of ordinary shares	Approximate percentage of shareholding (Note 2)
股東名稱／姓名	身份	普通股數目	概約持股百分比 (附註2)
Kwan Lik Holding Limited (Note 1) (附註1)	Beneficial interest 實益權益	1,295,823,024	66.85%
Kwan Lik (BVI) Limited (Note 1) (附註1)	Interest in a controlled corporation 於受控法團之權益	1,295,823,024	66.85%
TMF (Cayman) Limited (Note 1) (附註1) (Note 3) (附註3)	Trustee 受託人	1,295,823,024	66.85%
Ms. Chan Nga Yu (Note 3) 陳雅瑜女士 (附註3)	Discretionary trust interests 酌情信託權益	1,295,823,024	66.85%
	Interest held jointly with another person 與他人共同持有之權益	53,477,564	2.76%
Ms. Chan Kit Yu (Note 3) 陳潔瑜女士 (附註3)	Discretionary trust interests 酌情信託權益	1,295,823,024	66.85%
	Interest held jointly with another person 與他人共同持有之權益	53,477,564	2.76%
Ms. Mui Hang Sin (Note 3) 梅杏仙女士 (附註3)	Discretionary trust interests 酌情信託權益	1,295,823,024	66.85%
	Interest held jointly with another person 與他人共同持有之權益	53,477,564	2.76%
Great Roc Capital Limited (Note 4) (附註4)	Beneficial interest 實益權益	235,042,029	12.13%
Mr. Yan Kam Cheong (Note 4) 殷鑑昌先生 (附註4)	Interest in a controlled corporation 於受控法團之權益	235,042,029	12.13%
	Beneficial interest 實益權益	4,112,000	0.21%

Report of the Directors

董事會報告

Notes:

1. The 1,295,823,024 shares is held by Kwan Lik Holding Limited, which is a wholly-owned subsidiary of Kwan Lik (BVI) Limited, a wholly-owned subsidiary of TMF (Cayman) Limited.
2. There were 1,938,468,406 shares of the Company in issue as at 28 February 2019.
3. These 1,295,823,024 shares were owned by a discretionary trust whose trustee, TMF (Cayman) Limited, indirectly owns the entire issued share capital of Kwan Lik Holding Limited. Ms. Chan Nga Yu, Ms. Chan Kit Yu, Ms. Mui Hang Sin, Mr. Chan Kai Ho Edward, Mr. Chan Chart Man, Ms. Chan Mei Fong, Ms. Chan Ying Yu and Mr. Chan Kai Kow Mackson are the discretionary beneficiaries of the trust.
4. Great Roc Capital Limited is wholly-owned by Mr. Yan Kam Cheong who is the substantial Shareholder of the Company.

Save as disclosed herein, as at 28 February 2019, there was no other person so far known to the Directors or chief executives of the Company, other than the Directors or chief executives of the Company as having an interest or a short position in the shares or underlying shares of the Company as recorded in the register required to be kept by the Company under section 336 of the SFO.

DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 28 February 2019, the interests and short positions of each Director and chief executive of the Company and their respective associates in the shares, underlying shares and debentures of the Company or any associated corporation (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he was taken or deemed to have under such provisions of the SFO); or were required pursuant to Section 352 of the SFO to be entered in the register referred to therein; or were required pursuant to the Model Code for Securities Transactions by Directors of Listed Companies to be notified to the Company and the Stock Exchange, are set out below:

附註:

1. Kwan Lik Holding Limited持有1,295,823,024股股份。Kwan Lik Holding Limited為Kwan Lik (BVI) Limited之全資附屬公司，而Kwan Lik (BVI) Limited則為TMF (Cayman) Limited之全資附屬公司。
2. 於二零一九年二月二十八日，本公司已發行1,938,468,406股股份。
3. 一項酌情信託擁有該等1,295,823,024股股份。該信託之受託人為TMF (Cayman) Limited，其間接擁有Kwan Lik Holding Limited之全部已發行股本。陳雅瑜女士、陳潔瑜女士、梅杏仙女士、陳啟豪先生、陳策文先生、陳美芳女士、陳英瑜女士及陳啟球先生為該信託之酌情受益人。
4. Great Roc Capital Limited由殷鑑昌先生全資擁有，而殷鑑昌先生為本公司之主要股東。

除本節所披露者外，於二零一九年二月二十八日，據董事或本公司主要行政人員所知，按本公司根據證券及期貨條例第336條須予存置之登記冊所記錄，並無其他人士（董事或本公司主要行政人員除外）於本公司股份或相關股份中擁有權益或淡倉。

董事於股份及相關股份之權益及淡倉

於二零一九年二月二十八日，各董事及本公司主要行政人員以及彼等各自之聯繫人於本公司或任何相聯法團（定義見證券及期貨條例第XV部）之股份、相關股份及債券中擁有根據證券及期貨條例第XV部第7及第8分部須知會本公司及聯交所之權益及淡倉（包括根據證券及期貨條例有關條文彼被當作或視為擁有之權益及淡倉）；或根據證券及期貨條例第352條須載入該條所指登記冊內之權益及淡倉；或根據上市公司董事進行證券交易之標準守則須知會本公司及聯交所之權益及淡倉載列如下：

Interest in the shares of the Company

於本公司股份之權益

Name of Director	Nature of interest	Number of ordinary shares	Approximate percentage of shareholding (Note 2)
董事姓名	權益性質	普通股數目	概約持股百分比 (附註2)
Mr. Chan Kai Ho Edward (Note 1) 陳啟豪先生 (附註1)	Discretionary trust interests 酌情信託權益	1,295,823,024	66.85%
	Beneficial interest 實益權益	53,477,564	2.76%
Mr. Chan Chart Man (Note 1) 陳策文先生 (附註1)	Discretionary trust interests 酌情信託權益	1,295,823,024	66.85%
	Interest held jointly with another person 與他人共同持有之權益	53,477,564	2.76%
Ms. Chan Mei Fong (Note 1) 陳美芳女士 (附註1)	Discretionary trust interests 酌情信託權益	1,295,823,024	66.85%
	Interest held jointly with another person 與他人共同持有之權益	53,477,564	2.76%
Ms. Chan Ying Yu (Note 1) 陳英瑜女士 (附註1)	Discretionary trust interests 酌情信託權益	1,295,823,024	66.85%
	Interest held jointly with another person 與他人共同持有之權益	53,477,564	2.76%

Notes:

- These 1,295,823,024 shares were owned by a discretionary trust whose trustee, TMF (Cayman) Limited, indirectly owns the entire issued share capital of Kwan Lik Holding Limited. Ms. Chan Nga Yu, Ms. Chan Kit Yu, Ms. Mui Hang Sin, Mr. Chan Kai Ho Edward, Mr. Chan Chart Man, Ms. Chan Mei Fong, Ms. Chan Ying Yu and Mr. Chan Kai Kow Macksion are the discretionary beneficiaries of the trust.
- There were 1,938,468,406 shares of the Company in issue as at 28 February 2019.

Save as disclosed above, as at 28 February 2019, none of the Directors and chief executives of the Company or their respective associates had any interests and short positions in the shares, underlying shares and debentures of the Company or any associated corporation (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he was taken or deemed to have under such provisions of the SFO); or were required pursuant to Section 352 of the SFO to be entered in the register referred to therein; or were required pursuant to the Model Code for Securities Transactions by Directors of Listed Companies to be notified to the Company and the Stock Exchange.

附註：

- 一項酌情信託擁有該等1,295,823,024股股份。該信託之受託人為TMF (Cayman) Limited，其間接擁有Kwan Lik Holding Limited之全部已發行股本。陳雅瑜女士、陳潔瑜女士、梅杏仙女士、陳啟豪先生、陳策文先生、陳美芳女士、陳英瑜女士及陳啟球先生為該信託之酌情受益人。
- 於二零一九年二月二十八日，本公司已發行1,938,468,406股股份。

除上文所披露者外，於二零一九年二月二十八日，董事及本公司主要行政人員或彼等各自之聯繫人概無於本公司或任何相聯法團（定義見證券及期貨條例第XV部）之股份、相關股份及債券中擁有根據證券及期貨條例第XV部第7及第8分部須知會本公司及聯交所之任何權益及淡倉（包括根據證券及期貨條例有關條文彼被當作或視為擁有之權益及淡倉）；或根據證券及期貨條例第352條須載入該條所指登記冊內之任何權益及淡倉；或根據上市公司董事進行證券交易之標準守則須知會本公司及聯交所之任何權益及淡倉。

Report of the Directors

董事會報告

DIRECTORS' RIGHT TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed above, at no time during the year ended 28 February 2019 was the Company or any of its subsidiaries a party to any arrangements to enable the Directors to acquire benefits by means of the acquisition of shares or debentures of the Company or any other body corporate; and none of the Directors, or their spouses or children under the age of 18, had any right to subscribe for the securities of the Company, or had exercised any such right during the year.

DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS AND CONTRACTS

Save as disclosed in the section "Continuing Connected Transactions" below, no other transactions, arrangements and contracts of significance in relation to the Group's business to which the Company or any of its subsidiaries or associates was a party and in which any director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

DIRECTORS' INTERESTS IN COMPETING BUSINESS

During the year under review, no Directors have interests in any business which directly or indirectly competes, or is likely to compete with the business of the Group.

DIRECTORS' REMUNERATION

The Board has the general power of determining the Directors' remuneration, subject to authorisation of the Shareholders at the annual general meeting each year. The remuneration of the executive Directors is subject to review by the remuneration committee, and their remuneration is determined with reference including but not limited to salaries paid by comparable companies, time commitment and responsibilities of the Directors. As for the non-executive Director and the independent non-executive Directors, their remuneration is determined by the Board upon recommendation from the remuneration committee. Details of the emoluments of the Directors are set out in note 9 and the five highest paid individuals are set out in note 10 to the consolidated financial statements.

DIRECTORS' SERVICE CONTRACTS

Each of the executive Directors entered into a service agreement with the Company for a term of three years and shall continue thereafter unless terminated in accordance with the terms of the service agreements.

董事購買股份或債券之權利

除上文所披露者外，截至二零一九年二月二十八日止年度內任何時間，本公司或其任何附屬公司概無訂立任何安排，致令董事可藉購買本公司或任何其他法人團體之股份或債券而獲益；亦概無董事或彼等之配偶或18歲以下子女擁有任何可認購本公司證券之權利，或已於年內行使任何該等權利。

董事於交易、安排及合約之權益

除下文「持續關連交易」一節所披露者外，概無本公司或其任何附屬公司或聯營公司所訂立而本公司任何董事於當中直接或間接擁有重大權益且對本集團業務而言屬重大之其他交易、安排及合約於年末或年內任何時間仍然生效。

董事於競爭業務之權益

於回顧年度，董事概無在與本集團業務直接或間接構成競爭或可能構成競爭之任何業務中擁有權益。

董事薪酬

根據股東每年於股東週年大會之授權，董事會擁有一般權力釐定董事薪酬。執行董事之薪酬須由薪酬委員會審閱，而彼等之薪酬乃經參考（包括但不限於）可資比較公司所付薪酬以及董事所付出之時間及職責而釐定。就非執行董事及獨立非執行董事而言，彼等之薪酬乃由董事會按照薪酬委員會之推薦意見而釐定。董事及五名最高薪酬人士之薪酬詳情分別載於綜合財務報表附註9及附註10。

董事之服務合約

各執行董事已與本公司訂立服務協議，為期三年，其後將繼續有效，直至根據服務協議之條款予以終止為止。

Each of the non-executive Director and independent non-executive Directors entered into a letter of appointment with the Company for a term of three years and shall continue thereafter unless terminated in accordance with the terms of the letters of appointment.

Saved as disclosed herein, no Director proposed for re-election at the AGM has a service contract with members of the Group that is not determinable by the Group within one year without payment of compensation, other than statutory compensation.

PURCHASE, SALE OR REDEMPTION OF SECURITIES

During FY2019, the Company repurchased a total of 149,728,000 shares of the Company on the Stock Exchange at the aggregate consideration of approximately HK\$50.4 million (before expenses). All the repurchased shares were cancelled during FY2019.

Particulars of the repurchases are as follows:

各非執行董事及獨立非執行董事已與本公司訂立委任書，為期三年，其後將繼續有效，直至根據委任書之條款予以終止為止。

除本節所披露者外，建議於股東週年大會上重選連任之董事概無與本集團成員公司訂立任何本集團不可於一年內終止而毋須作出賠償（法定賠償除外）之服務合約。

購買、出售或贖回證券

於二零一九年財政年度，本公司以總代價約50,400,000港元（扣除開支前）於聯交所購回本公司合共149,728,000股股份。所有已購回股份已於二零一九年財政年度內註銷。

有關購回之詳情如下：

Month	月份	Number of shares repurchased 已購回股份數目	Purchase price per share		Aggregate Consideration (before expenses) 總代價（扣除開支前） (HK\$) (港元)
			Highest 每股購買價 最高 (HK\$) (港元)	Lowest 最低 (HK\$) (港元)	
March 2018	二零一八年三月	62,232,000	0.345	0.315	21,421,560.00
April 2018	二零一八年四月	2,104,000	0.345	0.330	716,320.00
May 2018	二零一八年五月	30,000,000	0.345	0.335	10,217,120.00
June 2018	二零一八年六月	25,000,000	0.335	0.325	8,186,480.00
July 2018	二零一八年七月	9,544,000	0.330	0.315	3,055,120.00
August 2018	二零一八年八月	7,688,000	0.330	0.305	2,439,520.00
September 2018	二零一八年九月	5,440,000	0.335	0.320	1,759,160.00
October 2018	二零一八年十月	6,064,000	0.335	0.325	2,027,440.00
November 2018	二零一八年十一月	1,656,000	0.335	0.325	544,000.00
Total	總計	149,728,000			50,366,720.00

The above share repurchases were made with a view to stabilizing the price per share of the Company, as the management of the Company considered that the market price of the share might not be able to truly reflect the value of the Company's shares and the Company's prospects.

Saved as disclosed above, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's securities during FY2019.

由於本公司管理層認為股份之市場價格未必能真確反映本公司之股份價值及本公司前景，故上述股份購回乃為穩定本公司每股股份價格而作出。

除上文所披露者外，本公司或其任何附屬公司於二零一九年財政年度概無購買、出售或贖回任何本公司之證券。

Report of the Directors

董事會報告

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company's Articles of Association or the laws of Cayman Islands which oblige the Company to offer new shares on a pro-rata basis to existing shareholders.

MAJOR CUSTOMERS

The information in respect of the revenue from rendering of services attributable to the major customers of the Group during the financial year is as follows:

		2019 二零一九年
The largest customer	最大客戶	8.3%
Five largest customers in aggregate	五大客戶總計	19.2%

At no time during the year ended 28 February 2019 had the Directors, their associates or any shareholder of the Company (to the best of the knowledge of the Directors, owns more than 5% of the Company's issued share capital) had any interest in these major customers.

PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors, as at 28 May 2019, the Company maintains the prescribed percentage of public float under the Listing Rules.

NON-COMPETITION UNDERTAKING

Kwan Lik Holding Limited, Mr. Chan Kai Ho Edward, Mr. Chan Chart Man, Ms. Chan Ying Yu, Ms. Chan Mei Fong, Ms. Chan Nga Yu, Ms. Chan Kit Yu and Ms. Mui Hang Sin entered into a deed of non-competition (the **"Deed of Non-competition"**) in favour of the Company on 21 February 2013 pursuant to which they have undertaken to the Company (for itself and for the benefit of its subsidiaries) that it or he or she would not, and would procure that its or his or her associates (other than any member of our Group) would not, directly or indirectly, carry on, participate or be interested or engaged in or acquire or hold (in each case whether as a shareholder, partner, principal, agent, director, employee or otherwise) any business which is or may be in competition with the current businesses of the Group during the restricted period.

Ms. Chan Nga Yu, Ms. Chan Kit Yu, Ms. Mui Hang Sin, Mr. Chan Kai Ho Edward, Mr. Chan Chart Man, Ms. Chan Mei Fong, Ms. Chan Ying Yu and Mr. Chan Kai Kow Mackson are the beneficiaries of a discretionary trust whose trustee, TMF (Cayman) Limited, indirectly owns the entire issued share capital of Kwan Lik Holding Limited, the controlling shareholder of the Company.

優先購買權

本公司組織章程細則或開曼群島法例均無訂明有關本公司必須按現有股東之持股比例向彼等提呈發售新股份之優先購買權規定。

主要客戶

於本財政年度，有關本集團主要客戶應佔提供服務所得收益的資料如下：

截至二零一九年二月二十八日止年度，董事、彼等之聯繫人或本公司任何股東（據董事所深知，擁有本公司已發行股本5%以上）概無於該等主要客戶中擁有任何權益。

公眾持股量

基於本公司所得公開資料及據董事所知，於二零一九年五月二十八日，本公司保持上市規則所規定之公眾持股量百分比。

不競爭承諾

Kwan Lik Holding Limited、陳啟豪先生、陳策文先生、陳英瑜女士、陳美芳女士、陳雅瑜女士、陳潔瑜女士及梅杏仙女士已於二零一三年二月二十一日以本公司為受益人訂立不競爭契據（「**不競爭契據**」），據此，彼等已向本公司承諾（為其本身及為其附屬公司之利益）於受限制期間內，其不會並促使其聯繫人（本集團任何成員公司除外）不會直接或間接經營、參與或於其中擁有權益或從事或收購或持有（於各情況下不論以股東、合夥人、主事人、代理、董事、僱員或其他身份）任何與本集團目前業務構成或可能構成競爭之業務。

一項酌情信託之受託人為TMF (Cayman) Limited，其間接擁有本公司控股股東Kwan Lik Holding Limited之全部已發行股本。陳雅瑜女士、陳潔瑜女士、梅杏仙女士、陳啟豪先生、陳策文先生、陳美芳女士、陳英瑜女士及陳啟球先生為該信託之受益人。

An annual confirmation has been received from each of the parties to the Deed of Non-competition on compliance with each of their respective undertaking thereunder.

The independent non-executive Directors have reviewed the compliance with the Deed of Non-competition by the parties to the Deed of Non-competition and confirmed that the Deed of Non-competition is fully complied with and duly enforced during the year ended 28 February 2019 and up to the date of this report.

CONTINUING CONNECTED TRANSACTIONS

The following transactions of the Group constituted continuing connected transactions (the “**Continuing Connected Transactions**”) for the Group for the year ended 28 February 2019:

Tenancy agreements

- (i) On 7 June 2018, for the purpose of operating one of our pawnshops, Hing Wah Pawnshop Credit Limited (“**Hing Wah HK**”), an indirectly wholly-owned subsidiary of the Company entered into a tenancy agreement (“**Hing Wah Tenancy Agreement**”) with Kwan Chart (Holding) Company Limited (“**Kwan Chart Holding**”), which is owned as to 90% and 10% by Mr. Chan Chart Man, an executive Director and by his spouse, Ms. Mui Hang Sin, a substantial shareholder of the Company, respectively. Pursuant to the Hing Wah Tenancy Agreement, Kwan Chart Holding shall lease a premises to Hing Wah HK for a term of two years from 8 June 2018 to 7 June 2020 at a monthly rent of HK\$80,000.
- (ii) On 7 June 2018, for the purpose of operating one of our pawnshops, Wai Wah Pawnshop Credit Limited (“**Wai Wah HK**”), an indirectly wholly-owned subsidiary of the Company entered into a tenancy agreement (“**Wai Wah Tenancy Agreement**”) with Mr. Chan Chart Man, an executive Director. Pursuant to the Wai Wah Tenancy Agreement, Mr. Chan Chart Man shall lease a premises to Wai Wah HK for a term of two years from 8 June 2018 to 7 June 2020 at a monthly rent of HK\$90,000.
- (iii) On 7 June 2018, for the purpose of operating our head office, Oi Wah HK entered into a tenancy agreement (“**Oi Wah Tenancy Agreement**”) with Kwan Chart Estate Company Limited (“**Kwan Chart Estate**”), which is owned as to 95% and 5% by Mr. Chan Chart Man, an executive Director and by his spouse, Ms. Mui Hang Sin, a substantial shareholder of the Company, respectively. Pursuant to the Oi Wah Tenancy Agreement, Kwan Chart Estate shall lease a premises to Oi Wah HK for a term of two years from 31 May 2018 to 30 May 2020 at a monthly rent of HK\$55,000.

本公司已接獲各不競爭契據訂約方就遵守彼等各自在該契據中之承諾發出之年度確認書。

獨立非執行董事已審視不競爭契據訂約方遵守不競爭契據之情況，並確認彼等於截至二零一九年二月二十八日止年度及截至本報告日期止已全面遵守及妥善執行不競爭契據。

持續關連交易

截至二零一九年二月二十八日止年度，本集團下列交易構成本集團之持續關連交易（「**持續關連交易**」）：

租賃協議

- (i) 於二零一八年六月七日，為經營本集團一間典當店，本公司間接全資附屬公司興華押業信貸有限公司（「**興華香港**」）與羣策集團有限公司（「**羣策集團**」，由執行董事陳策文先生及其配偶梅杏仙女士（本公司主要股東）分別擁有90%及10%之權益）訂立一份租賃協議（「**興華租賃協議**」）。根據興華租賃協議，羣策集團將一項物業租賃予興華香港，租期由二零一八年六月八日至二零二零年六月七日為期兩年，每月租金為80,000港元。
- (ii) 於二零一八年六月七日，為經營本集團一間典當店，本公司間接全資附屬公司偉華押業信貸有限公司（「**偉華香港**」）與執行董事陳策文先生訂立一份租賃協議（「**偉華租賃協議**」）。根據偉華租賃協議，陳策文先生將一項物業租賃予偉華香港，租期由二零一八年六月八日至二零二零年六月七日為期兩年，每月租金為90,000港元。
- (iii) 於二零一八年六月七日，為經營本集團之總辦事處，靄華香港與群策置業有限公司（「**群策置業**」，由執行董事陳策文先生及其配偶梅杏仙女士（本公司主要股東）分別擁有95%及5%之權益）訂立一份租賃協議（「**靄華租賃協議**」）。根據靄華租賃協議，群策置業將一項物業租賃予靄華香港，租期由二零一八年五月三十一日至二零二零年五月三十日為期兩年，每月租金為55,000港元。

Report of the Directors

董事會報告

Annual review of the Continuing Connected Transactions

Although all the Continuing Connected Transactions are fully exempt from shareholders' approval, annual review and all disclosure requirements under Rule 14A.76 of the Listing Rules, these transactions have been reviewed by the independent non-executive Directors who have confirmed that the Continuing Connected Transactions have been entered into (i) in the ordinary and usual course of business of the Group; (ii) either on normal commercial terms or on terms no less favourable to the Group than terms available to (or from) independent third parties; and (iii) in accordance with the relevant agreements governing them on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole.

Save as disclosed above, the significant related party transactions that did not constitute connected transactions under the Listing Rules made during the year were disclosed in note 27 to the consolidated financial statements.

PERMITTED INDEMNITY PROVISION

Appropriate Directors' liability insurance has been arranged to indemnify the Directors for liabilities arising out of corporate activities. The coverage and the sum insured under the policy are reviewed annually. Further, the Company's Articles of Association provide that Directors are entitled to be indemnified out of the Company's assets against claims from third parties in respect of certain liabilities.

The Company has taken out and maintained appropriate insurance cover in respect of potential legal actions against its Directors and officers.

BUSINESS REVIEW

Additional information of business review is set out on pages 11 to 19 under the section headed "Management Discussion and Analysis" of this annual report, which forms part of this report of the Directors.

持續關連交易之年度審閱

儘管所有持續關連交易均獲全面豁免遵守上市規則第14A.76條項下之股東批准、年度審閱及所有披露規定，惟獨立非執行董事已審閱該等交易，並確認持續關連交易均已(i)於本集團一般及日常業務過程中；(ii)按一般商業條款或對本集團而言不遜於向獨立第三方提供（或獲獨立第三方提供）之條款；及(iii)根據規管有關交易之相關協議按公平合理並符合本公司股東整體利益之條款訂立。

除上文所披露者外，於年內進行但並不構成上市規則項下關連交易之重大關連方交易於綜合財務報表附註27披露。

獲准許之彌償條文

本公司已為董事投購適當之董事責任保險，以就董事因企業活動而招致的法律責任向彼等提供彌償。有關保障範圍及投保金額會每年進行檢討。此外，本公司組織章程細則規定，倘董事就若干法律責任遭第三方提出申索，彼等有權自本公司資產中獲得彌償。

本公司已就有關其董事及高級人員的潛在法律訴訟投購及維持適當之保險。

業務回顧

業務回顧之其他資料載於本年報第11至19頁「管理層討論及分析」一節，其構成本董事會報告之一部分。

Report of the Directors

董事會報告

AUDITORS

The financial statements of the Company have been audited by KPMG, who retire and, being eligible, offer themselves for re-appointment.

By order of the Board

Chan Kai Ho Edward
Chairman

Hong Kong,
28 May 2019

核數師

畢馬威會計師事務所已審核本公司之財務報表，其將任滿告退，惟符合資格並願意應聘續任。

承董事會命

主席
陳啟豪

香港，
二零一九年五月二十八日

Corporate Governance Report

企業管治報告

CORPORATE GOVERNANCE PRACTICES

The shares of the Company have been listed on the Stock Exchange with effect from the Listing Date. The Company is committed to achieving and maintaining high standards of corporate governance consistent with the needs and requirements of its business and the Shareholders. The Company has adopted the code provisions (the “**Code Provisions**”) as set out in the Corporate Governance Code contained in Appendix 14 to the Listing Rules. The corporate governance principles of the Company emphasise a quality board, sound internal controls, and transparency and accountability to all Shareholders.

Throughout the year ended 28 February 2019 and up to the date of this annual report, the Company has complied with the Code Provisions, except Code Provision A.2.1 which requires the roles of the chairman and the chief executive should be separate and should not be performed by the same individual. Mr. Chan Kai Ho Edward, an executive Director, currently holds both positions. Mr. Chan Kai Ho Edward has been the key leadership figure of the Group, who has been primarily involved in formulation of business strategies and determination of the overall direction of the Group. He has also been chiefly responsible for the Group’s operations as he directly supervises other executive Directors and senior management of the Group. Taking into account the continuation of the implementation of the Group’s business plans, the Directors (including the independent non-executive Directors) consider that Mr. Chan Kai Ho Edward is the best candidate for both positions and the present arrangements are beneficial and in the interests of the Company and the Shareholders as a whole.

In addition, to demonstrate the Company’s continued commitment to high standards of corporate governance, the Board adopted a board diversity policy in September 2013 to comply with a new Code Provisions on board diversity. With the adoption of our board diversity policy, the Company has expanded the duty scope of the Nomination Committee to include the monitoring of the implementation of the policy.

The Directors will review the Company’s corporate governance policies and compliance with the Code Provisions from time to time.

企業管治常規

本公司股份自上市日期起於聯交所上市。本公司致力達致及維持符合其業務及股東需要及要求之高水平企業管治。本公司已採納載於上市規則附錄十四之企業管治守則所載之守則條文（「**守則條文**」）。本公司之企業管治原則著重高質素之董事會、有效之內部監控，以及對全體股東具透明度及問責。

截至二零一九年二月二十八日止年度及截至本年報日期止，本公司一直遵守守則條文，惟守則條文第A.2.1條除外，該條文規定主席及行政總裁之角色應有區分，且不應由同一人士兼任。執行董事陳啟豪先生現時兼任該兩個職位。陳啟豪先生一直為本集團之主要領導人，主要負責制訂本集團之業務策略及釐定本集團之整體方針。由於彼直接監督其他執行董事及本集團高級管理層，故彼亦一直為本集團之最高營運負責人。考慮到實施本集團業務計劃之連續性，董事（包括獨立非執行董事）認為，陳啟豪先生為該兩個職位之最佳人選，而現行安排對本公司及股東整體有利，並符合彼等之整體利益。

此外，為表明本公司繼續致力於高水平之企業管治，董事會於二零一三年九月採納董事會成員多元化政策，以遵守有關董事會成員多元化之新守則條文。由於採納董事會成員多元化政策，本公司已擴大提名委員會之職責範圍，以包括監督政策之執行。

董事將不時檢討本公司之企業管治政策及其遵守守則條文之情況。

DIRECTORS

The Board

The Board, led by the chairman of the Company, is responsible for leadership and control of the Company and overseeing the Group's businesses, strategic decisions and performance. The Board has delegated to the senior management of the Company the authority and responsibility for the day-to-day management and operation of the Group. In addition, the Board has established Board committees and has delegated to these Board committees various responsibilities as set out in their respective terms of reference.

The Board reserved its decision for all major matters of the Company, including: approving and monitoring all policy matters, overall strategies and budgets, internal control and risk management systems, material transactions (in particular those that may involve conflict of interests), financial information, appointment of Directors and other significant financial and operational matters.

Daily management and administration functions are delegated to the management. The Board delegated various responsibilities to the senior management of the Company. These responsibilities include implementing decisions of the Board, directing and coordinating day-to-day operation and management of the Company in accordance with the management strategies and plans approved by the Board, formulating and monitoring the operation and production plans and budgets, and supervising and monitoring the control systems.

董事

董事會

董事會由本公司主席領導，負責領導及控制本公司並監控本集團之業務、策略決策及表現。董事會授予本公司高級管理層權力及責任進行本集團之日常管理及營運。此外，董事會已成立董事委員會，並授予此等董事委員會不同責任，詳情載於其各自之職權範圍。

董事會保留本公司所有重要事項之決策權，包括批准及監察所有政策事宜、整體策略及預算、內部監控及風險管理系統、重大交易（特別是可能會涉及利益衝突之交易）、財務資料、委任董事及其他重要財務及營運事宜。

管理層已獲指派負責日常管理及行政工作。董事會授予本公司高級管理層各項責任，此等責任包括執行董事會之決定；根據董事會批准之管理策略及計劃指示及協調本公司之日常營運和管理；制訂及監察營運及生產計劃及預算；以及監督和監察監控系統。

Corporate Governance Report

企業管治報告

For the year ended 28 February 2019, the Board held four formal meetings. Attendance of individual Directors at the Board meeting for the year ended 28 February 2019 is as follows:

截至二零一九年二月二十八日止年度，董事會已舉行四次正式會議。截至二零一九年二月二十八日止年度，個別董事出席董事會會議之情況如下：

Name of Director	董事姓名	Board Meeting 董事會會議	Annual General Meeting 股東週年大會
<i>Executive Directors:</i> 執行董事：			
Mr. Chan Kai Ho Edward (Note 1) (Chairman and Chief Executive Officer)	陳啟豪先生 (附註1) (主席兼行政總裁)	4/4	1/1
Mr. Chan Chart Man (Note 1)	陳策文先生 (附註1)	4/4	1/1
Ms. Chan Ying Yu (Note 1)	陳英瑜女士 (附註1)	4/4	1/1
Ms. Chan Mei Fong (Note 1)	陳美芳女士 (附註1)	4/4	1/1
<i>Non-executive Director:</i> 非執行董事：			
Mr. Chan Kai Kow Macksion (Note 1)	陳啟球先生 (附註1)	4/4	1/1
<i>Independent non-executive Directors:</i> 獨立非執行董事：			
Dr. Leung Shiu Ki Albert	梁兆棋博士	4/4	1/1
Dr. Yip Ngai	葉毅博士	4/4	1/1
Mr. Lam On Tai	林安泰先生	4/4	1/1

Note:

1. Mr. Chan Kai Ho Edward, Ms. Chan Ying Yu, Ms. Chan Mei Fong and Mr. Chan Kai Kow Macksion are siblings. Mr. Chan Chart Man is their father.

附註：

1. 陳啟豪先生、陳英瑜女士、陳美芳女士及陳啟球先生為兄弟姐妹。陳策文先生為彼等之父親。

For the year ended 28 February 2019, apart from the meetings of the Board, consent/approval from the Board had also been obtained by written resolutions on a number of matters.

截至二零一九年二月二十八日止年度，除董事會會議外，董事會亦已透過書面決議案同意／批准多項事項。

The Company was incorporated in the Cayman Islands on 5 June 2012. For the year ended 28 February 2019, one general meeting of the Company was held.

本公司於二零一二年六月五日在開曼群島註冊成立。截至二零一九年二月二十八日止年度，本公司已舉行一次股東大會。

Chairman and Chief Executive Officer

Code Provision A.2.1 stipulates that the roles of chairman and chief executive officer should be separate and should not be performed by the same individual.

主席及行政總裁

守則條文第A.2.1條規定主席及行政總裁之角色應有區分，且不應由同一人士兼任。

Mr. Chan Kai Ho Edward, an executive Director, currently holds both the positions of chairman and chief executive officer. Mr. Chan Kai Ho Edward has been the key leadership figure of the Group, who has been primarily involved in formulation of business

執行董事陳啟豪先生現時兼任主席及行政總裁職位。陳啟豪先生一直為本集團之主要領導人，主要負責制訂本集團之業務策略及釐定本集團之整體方針。由於彼直接監督其他執行董事及本集團高級管理層，故彼

strategies and determination of the overall direction of the Group. He has also been chiefly responsible for the Group's operations as he directly supervises other executive Directors and senior management of the Group. Taking into account the continuation of the implementation of the Group's business plans, the Directors (including the independent non-executive Directors) consider that Mr. Chan Kai Ho Edward is the best candidate for both positions and the present arrangements are beneficial and in the interests of the Company and the Shareholders as a whole.

Board Composition

Currently, the Board comprises eight Directors, including four executive Directors, one non-executive Director and three independent non-executive Directors. The current composition of the Board is as follows:

Executive Directors:

執行董事：

Mr. Chan Kai Ho Edward (*Chairman and Chief Executive Officer*)
陳啟豪先生 (主席兼行政總裁)

Mr. Chan Chart Man

陳策文先生

Ms. Chan Ying Yu

陳英瑜女士

Ms. Chan Mei Fong

陳美芳女士

Non-executive Director:

非執行董事：

Mr. Chan Kai Kow Macksion

陳啟球先生

Independent non-executive Directors:

獨立非執行董事：

Mr. Lam On Tai

林安泰先生

Dr. Leung Shiu Ki Albert

梁兆棋博士

Dr. Yip Ngai

葉毅博士

亦一直為本集團之最高營運負責人。考慮到實施本集團業務計劃之連續性，董事（包括獨立非執行董事）認為，陳啟豪先生為該兩個職位之最佳人選，而現行安排對本公司及股東整體有利，並符合彼等之整體利益。

董事會之組成

董事會現時由八名董事組成，包括四名執行董事、一名非執行董事及三名獨立非執行董事。董事會現時之組成如下：

Membership of Board Committee(s)

董事委員會成員

Member of Remuneration Committee

薪酬委員會成員

Member of Nomination Committee

提名委員會成員

Chairman of Remuneration Committee

薪酬委員會主席

Member of Audit Committee

審核委員會成員

Member of Nomination Committee

提名委員會成員

Chairman of Nomination Committee

提名委員會主席

Member of Audit Committee

審核委員會成員

Member of Remuneration Committee

薪酬委員會成員

Chairman of Audit Committee

審核委員會主席

Corporate Governance Report

企業管治報告

Pursuant to Rule 3.10(1) of the Listing Rules, every board of directors of a listed issuer must include at least three independent non-executive directors. In addition, pursuant to Rules 3.10A and 3.10(2) of the Listing Rules, every listed issuer is required to have such number of independent non-executive directors representing at least one-third of the Board, and at least one of whom must have appropriate professional qualifications, or accounting or related financial management expertise. Dr. Leung Shiu Ki Albert was admitted as an associate of The Chartered Association of Certified Accountants (currently known as Association of Chartered Certified Accountants) in February 1987 and became an associate of the Hong Kong Society of Accountants (currently known as HKICPA) in September 1988.

The Company has received from each of the independent non-executive Directors an annual confirmation of his independence pursuant to Rule 3.13 of the Listing Rules. The Board has assessed the independence of all the independent non-executive Directors and considered that all the independent non-executive Directors are independent.

The biographies of the Directors are set out on pages 54 to 57 of this annual report. Save as disclosed on pages 54 to 57 of this annual report, the Board members do not have any family, financial or business relationship with each other.

The list of Directors has been published on the website of the Company and the website of the Stock Exchange, and is disclosed in all corporate communications issued by the Company pursuant to the Listing Rules from time to time.

Appointment, Re-election and Removal of Directors

Each of the executive Directors has entered into a service contract with the Company, and each of the non-executive Director and independent non-executive Directors has signed a letter of appointment with the Company. Such term is for an initial term of three years commencing from the Listing Date and is subject to the re-appointment of each of the Directors by the Company at an annual general meeting upon retirement.

The Articles of Association of the Company provide that any Director appointed by the Board (i) to fill a casual vacancy in the Board shall hold office only until the next following general meeting of the Company and shall be subject to re-election at such meeting; and (ii) as an addition to the Board shall hold office until the next annual general meeting of the Company and shall then be eligible for re-election.

上市規則第3.10(1)條規定，每間上市發行人之董事會必須包括至少三名獨立非執行董事。此外，上市規則第3.10A及3.10(2)條規定，每間上市發行人之獨立非執行董事必須佔董事會成員人數至少三分之一，以及其中最少一名獨立非執行董事必須具備適當之專業資格，或具備適當之會計或相關之財務管理專長。梁兆棋博士於一九八七年二月獲接納為特許公認會計師公會會員，並於一九八八年九月成為香港會計師公會會員。

本公司已接獲各獨立非執行董事根據上市規則第3.13條發出之年度獨立身份確認書。董事會已評估全體獨立非執行董事之獨立性，並認為全體獨立非執行董事均為獨立人士。

董事履歷詳情載於本年報第54至57頁。除本年報第54至57頁所披露者外，董事會成員之間概無存有任何家屬、財務或業務關係。

董事名單已刊載於本公司及聯交所之網站上，亦會於本公司不時按照上市規則刊發之所有公司通訊中披露。

委任、重選及罷免董事

各執行董事已與本公司訂立服務合約，而各非執行董事及獨立非執行董事已與本公司簽署委任書。初步任期由上市日期起計為期三年，而各董事須於退任時在股東週年大會上由本公司重新委任。

本公司組織章程細則規定，任何由董事會委任(i)以填補董事會臨時空缺之董事任期僅至本公司下屆股東大會，並須於該大會上接受重選；及(ii)作為新增成員加入董事會之董事任期至本公司下屆股東週年大會時屆滿，屆時將合資格接受重選。

In addition, every Director should be subject to retirement by rotation at least once every three years. At every annual general meeting, one-third of the Directors for the time being, or if their number is not three or a multiple of three, the number nearest to but not less than one-third, shall retire from office by rotation according to Article 108(a) of the Articles of Association of the Company.

Responsibilities of Directors

All the Directors received an induction on appointment to ensure appropriate understanding of the business and operation of the Group and full awareness of director's responsibilities and obligations under the Listing Rules and relevant regulatory requirements. The Directors will also be updated from time to time on the business development and operation plans of the Company.

In compliance with Code Provision A.6.5, the Company will arrange for, and provide funds for, all the Directors to participate in continuous professional development organised in the form of in-house training, seminars or other appropriate courses to keep them refresh of their knowledge, skill and understanding of the Group and its business or to update their skills and knowledge on the latest development or changes in the relevant statutes, the Listing Rules and corporate governance practices. The Company will also update the Directors of any material changes in the Listing Rules and corporate governance practices from time to time.

Non-executive Directors

Pursuant to Code Provision A.4.1, a non-executive director should be appointed for a specific term and subject to re-election. Our non-executive Director has entered into a letter of appointment with the Company for a term of three years and shall continue thereafter unless terminated in accordance with the terms of the letters of appointment.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the standard set out in Appendix 10 (Model Code for Securities Transactions by Directors of Listed Issuers) (the "Model Code") to the Listing Rules, in relation to the dealings in securities of the Company by the Directors.

Having made specific enquiries with all Directors, each Director has confirmed that he/she has complied with the standard set out in the Model Code throughout the year ended 28 February 2019 and up to the date of this annual report.

此外，各董事須至少每三年輪值退任一次。根據本公司組織章程細則第108(a)條，於每屆股東週年大會上，當時董事人數之三分之一（或當人數非三或三之倍數時，則最接近三分之一但不少於三分之一）須輪值退任。

董事之職責

全體董事於獲委任時均會接受就職介紹，確保彼等對本集團業務及營運有適當瞭解，且充份明白其於上市規則及有關監管規定項下之職責及責任。董事亦會不時獲告知有關本公司業務發展及營運計劃之最新情況。

為遵守守則條文第A.6.5條，本公司將安排及撥資讓全體董事參加持續專業發展，形式可為內部培訓、研討會或其他適當之課程，使彼等可重溫其知識、技能及對本集團及其業務之理解，或因應相關法規、上市規則及企業管治常規之最新發展或變動向彼等提供相關方面之最新技能及知識。本公司亦會不時向董事提供有關上市規則及企業管治常規之任何重大變動之最新資料。

非執行董事

根據守則條文第A.4.1條，非執行董事之委任應有指定任期，並須接受重選。非執行董事已與本公司訂立為期三年之委任書，期滿後將繼續有效，除非根據委任書之條款予以終止。

董事進行證券交易

本公司已就董事買賣本公司證券採納上市規則附錄十（上市發行人董事進行證券交易之標準守則）（「標準守則」）所載之標準。

經向全體董事作出特定查詢後，截至二零一九年二月二十八日止年度及截至本年報日期止，各董事已確認其一直遵守標準守則所載之標準。

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BOARD COMMITTEES

Nomination Committee

The Nomination Committee of the Company was established on 19 February 2013 with effect from the Listing Date with specific written terms of reference in compliance with the Listing Rules. With the adoption of the board diversity policy (the “**Board Diversity Policy**”) to comply with the Code Provisions, the terms of reference of the Nomination Committee were revised on 23 May 2014. According to the Board Diversity Policy, the Board should be composed of directors with diversified skills, knowledge, gender, age, cultural and educational background or professional experience. The Board will review such measurable objectives from time to time to ensure their appropriateness and assess the progress made towards achieving those objectives. The Nomination Committee considered the Board composition was in compliance with the Board Diversity Policy.

The primary duties of the Nomination Committee are to make recommendations to the Board regarding candidates to fill vacancies on the Board and senior management. The existing members of the Nomination Committee include Dr. Leung Shiu Ki Albert and Mr. Lam On Tai, both are independent non-executive Directors, and Mr. Chan Kai Ho Edward, an executive Director. Dr. Leung Shiu Ki Albert is the chairman of the Nomination Committee.

The terms of reference of the Nomination Committee are available on the website of the Company and the website of the Stock Exchange.

The Nomination Committee held one meeting during the reporting year. During the meeting, the Nomination Committee proposed to the Board to re-elect retiring Directors and re-appointed Mr. Chan Chart Man as executive Director, Ms. Chan Mei Fong as executive Director and Dr. Leung Shiu Ki Albert as independent non-executive Director. The Nomination Committee reviewed the independence of the independent non-executive Directors and composition of the Board. Please refer to the table below for the attendance record of the meetings of the Nomination Committee during the year ended 28 February 2019:

Directors 董事	Attendance/ Number of Meetings held 出席／舉行會議次數
Dr. Leung Shiu Ki Albert (<i>Chairman of the Nomination Committee</i>) 梁兆棋博士 (提名委員會主席)	1/1
Mr. Chan Kai Ho Edward 陳啟豪先生	1/1
Mr. Lam On Tai 林安泰先生	1/1

董事委員會

提名委員會

本公司之提名委員會於二零一三年二月十九日成立，自上市日期起生效，並根據上市規則制訂特定書面職權範圍。由於採納董事會成員多元化政策（「**董事會成員多元化政策**」）以遵守守則條文，提名委員會之職權範圍已於二零一四年五月二十三日修訂。根據董事會成員多元化政策，董事會應由不同技能、知識、性別、年齡、文化及教育背景或專業經驗之董事組成。董事會將不時檢討該等可計量目標，以確保其適當性及評估達致該等目標所取得的進度。提名委員會認為董事會之組成符合董事會成員多元化政策。

提名委員會之主要職責為就填補董事會及高級管理層空缺之人選向董事會提出推薦建議。提名委員會現有成員包括梁兆棋博士及林安泰先生（兩人均為獨立非執行董事）以及陳啟豪先生（執行董事）。梁兆棋博士為提名委員會主席。

提名委員會之職權範圍可於本公司網站及聯交所網站上查閱。

提名委員會於報告年度內曾舉行一次會議。提名委員會於會上向董事會建議重選退任董事並重新委任陳策文先生為執行董事、陳美芳女士為執行董事及梁兆棋博士為獨立非執行董事。提名委員會已審閱獨立非執行董事之獨立性及董事會之組成。下表載列董事於截至二零一九年二月二十八日止年度出席提名委員會會議之記錄：

NOMINATION POLICY

The Group has adopted a nomination policy (the “**Nomination Policy**”) which specifies the procedures, process and criteria of the nomination of Directors.

Selection criteria for nomination and appointment of Directors

When making any recommendations in relation to the appointment of any proposed candidate to the Board or re-appointment of any existing member(s) of the Board, the Nomination Committee shall consider, but without limitation, the following factors when evaluating the suitability of the proposed candidate:

- competence, experience, skills, expertise, education and professional qualifications, background and other personal attributes of the candidate that can best complement and expand the skill set and expertise of the Board as a whole;
- reputation for integrity;
- availability of the candidate, as to whether the candidate can devote sufficient time and effort to properly discharge his duties as a Director; and
- other factors as the Nomination Committee or the Board may deem relevant.

If the candidate is proposed to be appointed as an independent non-executive director, he or she must comply with the independence requirements under the Listing Rules. Such candidate shall be independent in judgment and character, and shall be able to act in the best interests of the Shareholders.

Nomination procedure and process

The Nomination Policy sets out the procedure and process in relation to the nomination of Directors as follows:

- members of the Nomination Committee or the Board shall identify, nominate and invite suitable candidates;
- the Nomination Committee shall determine the suitable candidate for appointment in accordance with the selection criteria set out in the Nomination Policy and the Board Diversity Policy;
- in the context of re-appointment of retiring Directors, the Nomination Committee shall review and evaluate the

提名政策

本集團已採納一項提名政策（「**提名政策**」），當中載列提名董事之程序、過程及準則。

提名及委任董事之甄選準則

就委任任何建議候選人加入董事會或重新委任任何董事會現有成員而作出任何推薦建議時，提名委員會應考慮（但不限於）下列因素以評估建議候選人是否合適：

- 最能補足及擴大董事會之整體技能及專業知識之候選人能力、經驗、技能、專業知識、教育及專業資格、背景及其他個人特質；
- 信譽；
- 候選人可工作之時間，即候選人能否投入足夠時間及精力妥善履行其作為董事之職務；及
- 提名委員會或董事會可能認為相關之其他因素。

倘候選人獲建議委任為獨立非執行董事，其必須遵守上市規則項下之獨立性規定。該候選人應為具有獨立判斷力及個性之人士，並能以股東之最佳利益行事。

提名程序及過程

提名政策載列有關提名董事之程序及過程如下：

- 提名委員會或董事會成員將物色、提名及邀請合適候選人；
- 提名委員會將根據提名政策及董事會成員多元化政策所載甄選準則釐定委任之合適候選人；
- 於重新委任退任董事時，提名委員會將審視及評估候選人之整體表現及貢獻，並就該候選人於股

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candidate's overall performance and contributions, and make recommendations to the Board and/or Shareholders for consideration in respect of his/her re-election in general meetings; and

- for any individual that is nominated by a Shareholder for election as a director in the general meeting of the Company, the Nomination Committee and/or the Board shall evaluate such candidate with reference to the criteria stipulated above to determine whether such candidate is qualified for directorship.

The Nomination Policy is subject to review by the Board from time to time to ensure its effectiveness and compliance with good corporate governance practice and regulatory requirements.

Remuneration Committee

The Remuneration Committee of the Company was established on 19 February 2013 with effect from the Listing Date with specific written terms of reference in compliance with the Listing Rules. The primary functions of the Remuneration Committee are to make recommendations to the Board on the remuneration of the Directors and senior management, determine on behalf of the Board specific remuneration packages and conditions of employment for the Directors and senior management, assess performance of the executive Directors and approve the terms of executive Directors' service contracts. The existing members of the Remuneration Committee include Mr. Lam On Tai and Dr. Leung Shiu Ki Albert, both are independent non-executive Directors, and Mr. Chan Kai Ho Edward, an executive Director. Mr. Lam On Tai is the chairman of the Remuneration Committee.

The terms of reference of the Remuneration Committee are available on the website of the Company and the website of the Stock Exchange.

東大會上重選向董事會及／或股東作出推薦建議，以供其考慮；及

- 就任何獲股東提名於本公司股東大會上參選董事之個別人士而言，提名委員會及／或董事會將參照上文所訂準則評估該候選人，以釐定該候選人是否合資格擔任董事。

提名政策須經董事會不時檢討，以確保其行之有效以及符合良好企業管治常規及監管要求。

薪酬委員會

本公司之薪酬委員會於二零一三年二月十九日成立，自上市日期起生效，並根據上市規則制訂特定書面職權範圍。薪酬委員會之主要職能為就董事及高級管理層之薪酬向董事會提出推薦建議，代表董事會釐定有關董事及高級管理層之具體薪酬待遇及聘用條件，評估執行董事之表現以及批准執行董事服務合約之條款。薪酬委員會現有成員包括林安泰先生及梁兆棋博士（兩人均為獨立非執行董事）以及陳啟豪先生（執行董事）。林安泰先生為薪酬委員會主席。

薪酬委員會之職權範圍可於本公司網站及聯交所網站上查閱。

The Remuneration Committee held one meeting during the reporting year. During the meeting, the Remuneration Committee reviewed the Directors' salaries and other allowances and the remuneration of the senior management and assessment system. Please refer to the table below for the attendance record of the meeting of the Remuneration Committee during the year ended 28 February 2019:

薪酬委員會於報告年度內曾舉行一次會議。薪酬委員會於會上審閱董事薪酬及其他津貼以及高級管理層薪酬及考核制度。下表載列董事於截至二零一九年二月二十八日止年度出席薪酬委員會會議之記錄：

Directors 董事	Attendance/ Number of Meeting held 出席／舉行會議次數
Mr. Lam On Tai (Chairman of the Remuneration Committee) 林安泰先生 (薪酬委員會主席)	1/1
Mr. Chan Kai Ho Edward 陳啟豪先生	1/1
Dr. Leung Shiu Ki Albert 梁兆棋博士	1/1

REMUNERATION OF THE MEMBERS OF THE SENIOR MANAGEMENT BY BAND

Pursuant to paragraph B.1.5 of the Code Provisions, the remuneration of the members of the senior management (as described under the section "Directors and Senior Management") by band for the year ended 28 February 2019 is set out as follows:

高級管理層成員按範圍劃分之薪酬

根據守則條文第B.1.5段，高級管理層成員（誠如「董事及高級管理層」一節所闡述）截至二零一九年二月二十八日止年度按範圍劃分之薪酬載列如下：

Remuneration band	薪酬範圍	Number of individuals 人數
HK\$1,000,001 to HK\$1,500,000	1,000,001港元至1,500,000港元	2

Audit Committee

The Audit Committee of the Company was established on 19 February 2013 with effect from the Listing Date with specific written terms of reference in compliance with the Listing Rules. The primary duties of the Audit Committee are, amongst other things, to review and supervise the financial reporting process and the internal control systems of the Group. The existing members of the Audit Committee comprise Dr. Yip Ngai, Dr. Leung Shiu Ki Albert and Mr. Lam On Tai, all of whom are independent non-executive Directors. Dr. Yip Ngai is the chairman of the Audit Committee.

審核委員會

本公司之審核委員會於二零一三年二月十九日成立，自上市日期起生效，並根據上市規則制訂特定書面職權範圍。審核委員會之主要職責為（其中包括）檢討及監督本集團之財務報告過程及內部監控系統。審核委員會現有成員包括葉毅博士、梁兆棋博士及林安泰先生（彼等均為獨立非執行董事）。葉毅博士為審核委員會主席。

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This annual report has been reviewed by the Audit Committee.

The terms of reference of the Audit Committee are available on the website of the Company and the website of the Stock Exchange.

The Audit Committee held two meetings during the reporting year. During these meetings, the Audit Committee confirmed the appointment of KPMG and fixed its remuneration, and reviewed the procedures of internal control of the Group. The Audit Committee was of the view that the procedures of internal control of the Group were effective. The Audit Committee also reviewed the interim and annual results of the Group for the financial year and the auditors' report prepared by the external auditors in relation to accounting matters and any material findings during the audit. The Audit Committee was of the opinion that such financial statements and report complied with the applicable accounting policy standards and requirements and that adequate disclosures have been made. Please refer to the table below for the attendance record of the meetings of the Audit Committee during the year ended 28 February 2019:

本年報已由審核委員會審閱。

審核委員會之職權範圍可於本公司網站及聯交所網站上查閱。

審核委員會於報告年度內曾舉行兩次會議。審核委員會於會上確定畢馬威會計師事務所之委任及釐定其薪酬，並檢討本集團之內部監控程序。審核委員會認為本集團內部監控程序行之有效。審核委員會亦審閱本集團本財政年度之中期及年度業績，以及由外聘核數師所編製有關會計事宜及於核數過程中任何重大發現之核數師報告。審核委員會認為有關財務報表及報告符合適用會計政策標準及規定，並已作出足夠披露。下表載列董事於截至二零一九年二月二十八日止年度出席審核委員會會議之記錄：

Directors 董事	Attendance/ Number of Meetings held 出席／舉行會議次數
Dr. Yip Ngai (<i>Chairman of the Audit Committee</i>) 葉毅博士 (審核委員會主席)	2/2
Dr. Leung Shiu Ki Albert 梁兆棋博士	2/2
Mr. Lam On Tai 林安泰先生	2/2

Corporate Governance Function

The Board is responsible for, amongst other things, the development and review of the policies and practices on corporate governance of the Group and monitoring the compliance with legal and regulatory requirements, reviewing and monitoring the training and continuous professional development of Directors and senior management, and reviewing the corporate governance compliance with the Code Provisions and disclosure in the annual report.

In order to comply with the requirements of the Code Provisions A.6.5, all Directors participated in training in relation to continuous professional development to develop and refresh their knowledge and skills to ensure that their contributions to the Board remains informed. The Board has also reviewed the Company's corporate governance practices and this corporate governance report.

企業管治職能

董事會負責(其中包括)制訂及檢討本集團之企業管治政策及常規，以及監察遵守法律及監管規定之情況、檢討及監察董事及高級管理層之培訓及持續專業發展，以及檢討企業管治是否符合守則條文及於年報作出披露。

為遵守守則條文第A.6.5條之規定，全體董事已參與持續專業發展培訓，以發展及更新彼等之知識及技能，以確保彼等可繼續對董事會作出知情貢獻。董事會亦已審閱本公司之企業管治常規及本企業管治報告。

The individual training record of each Director received for the year ended 28 February 2019 is summarised below:

截至二零一九年二月二十八日止年度，各董事所接受之個別培訓記錄概述如下：

Names of Directors	Attending or participating in seminars/conferences/ corporate events or reading regulatory updates/ journals relating to director's duties 出席或參加研討會／會議／企業活動或 閱讀有關董事職責之最新監管資訊／期刊
董事姓名	
<i>Executive Directors</i>	
<i>執行董事</i>	
Mr. Chan Kai Ho Edward 陳啟豪先生	✓
Mr. Chan Chart Man 陳策文先生	✓
Ms. Chan Ying Yu 陳英瑜女士	✓
Ms. Chan Mei Fong 陳美芳女士	✓
<i>Non-executive Director</i>	
<i>非執行董事</i>	
Mr. Chan Kai Kow Macksion 陳啟球先生	✓
<i>Independent non-executive Directors</i>	
<i>獨立非執行董事</i>	
Dr. Leung Shiu Ki Albert 梁兆棋博士	✓
Dr. Yip Ngai 葉毅博士	✓
Mr. Lam On Tai 林安泰先生	✓

ACCOUNTABILITY AND AUDIT

Financial Reporting

Financial results of the Group are announced in a timely manner in accordance with all statutory requirements, particularly the timeframe stipulated in Rules 13.49(1) and (6) of the Listing Rules.

All Directors acknowledge their responsibility for preparing the financial statements of the Group for the year ended 28 February 2019. Currently, the Company's external auditors are KPMG (the "Auditors").

For the year ended 28 February 2019, the fees paid or payable by the Company to the Auditors amounted to approximately HK\$1.2 million, which was all for audit services.

The statement of the Auditors about their reporting responsibilities on the financial statements of the Group is set out in the Independent Auditor's Report on pages 58 to 66 of this annual report.

問責及審核

財務報告

本集團之財務業績乃根據所有法定規定，尤其是上市規則第13.49(1)及(6)條規定之時間表適時公佈。

全體董事確認，彼等有責任編製本集團截至二零一九年二月二十八日止年度之財務報表。本公司現時之外聘核數師為畢馬威會計師事務所（「核數師」）。

截至二零一九年二月二十八日止年度，本公司已付或應付核數師之費用約為1,200,000港元，全數費用均與核數服務有關。

核數師就彼等對本集團財務報表應負之申報責任所作出之聲明載於本年報第58至66頁之獨立核數師報告。

Corporate Governance Report

企業管治報告

Risk Management and Internal Controls

The Board recognizes its responsibility for maintaining an adequate and sound enterprise risk management and internal control system and through the Audit Committee and, if necessary, an external firm of qualified accountants to provide internal control services, conducts reviews on the effectiveness of these systems at least annually, covering material controls, including financial, operational, compliance and strategic risk control functions. The Board understands that such systems are designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable and not absolute assurance against material misstatement or loss.

During the year under review, the Board, through the Audit Committee, conducted annual review of both design and implementation effectiveness of the risk management and internal control systems of the Group, covering all material controls, including financial, operational and compliance controls, with a view to ensuring that resources, staff qualifications and experience, training programmes and budget of the Group's accounting, internal audit and financial reporting functions are adequate. In this respect, the Audit Committee communicates any material issues identified to the Board.

During the year under review, the Company also appointed an independent professional consultancy firm, Corporate Governance Professionals Limited ("CCPL", formerly known as "Baker Tilly Hong Kong Risk Assurance Limited") to:

- assist in identifying and assessing the risks of the Group through a series of workshops and interviews; and
- independently perform internal control review and assess effectiveness of the Group's risk management and internal control systems.

The results of the independent review and assessment were reported to the Audit Committee and the Board. Moreover, improvements in internal control and risk management measures as recommended by CCPL to enhance the risk management and internal control systems of the Group and mitigate risks of the Group were adopted by the Board. Based on the findings and recommendations of CCPL as well as the comments of the Audit Committee, the Board considered the internal control and risk management systems effective and adequate.

風險管理及內部監控

董事會知悉其維持合適及穩健的企業風險管理及內部監控系統的責任並透過審核委員會及(如需要)外聘合資格會計師事務所提供內部監控服務,最少每年檢討該等系統是否有效,有關檢討涵蓋重要的監控方面,包括財務監控、營運監控、合規監控及策略風險監控職能。董事會明白,該等系統旨在管理而非消除未能達成業務目標的風險,而且只能就不會有重大的錯誤陳述或損失作出合理而非絕對的保證。

於回顧年度,董事會透過審核委員會就本集團風險管理及內部監控系統的設計及實施是否有效進行年度檢討,有關檢討涵蓋所有重要的監控方面,包括財務監控、營運監控及合規監控,以確保本集團在會計、內部審核及財務匯報職能方面的資源、員工資歷及經驗,以及員工所接受的培訓課程及有關預算是足夠的。就此而言,審核委員會將任何辨認的重大議題傳達給董事會。

於回顧年度,本公司亦委任一家獨立專業管理顧問公司企業管治專才有限公司(簡稱「企管專才」,原名「天職香港內控及風險管理有限公司」),以:

- 透過一系列工作坊和訪談,協助辨認及評估本集團的風險;及
- 獨立執行內部監控檢討及評估本集團風險管理及內部監控系統是否有效。

獨立檢討及評估的結果已經向審核委員會及董事會報告。此外,董事會已採納企管專才所推薦的內部監控及風險管理措施改進,以提升本集團之風險管理及內部監控系統以及減低本集團風險。根據企管專才的調查結果及建議以及審核委員會的意見,董事會認為內部監控及風險管理系統有效和足夠。

Our Enterprise Risk Management Framework

The Group reviewed its enterprise risk management framework in FY2019. While the Board has the overall responsibility to ensure that sound and effective internal controls are maintained, management is responsible for designing and implementing an internal control system to manage all kinds of risks faced by the Group.

Through the risk identification and assessment processes, risks are identified, assessed, prioritized and allocated treatments. Our risk management framework follows the COSO Enterprise Risk Management – Integrated Framework, which allows the Board and management to manage the risks of the Group effectively. The Board receives regular reports through the Audit Committee that oversees risk management and internal audit functions.

Principal Risks

In the reporting year, the following principal risks of the Group were identified and classified into strategic risks, operational risks, financial risks and compliance risks.

本集團的企業風險管理框架

本集團於二零一九年財政年度審閱其企業風險管理框架。董事會整體負責確保維持健全有效的內部監控，而管理層則負責設計和實施內部監控系統，以管理本集團面臨的各種風險。

本集團透過風險辨認和評估過程去辨認風險、評估、排序和分配處理方法。本集團的風險管理框架依循COSO企業風險管理 – 整合框架，其讓董事會和管理層可有效管理本集團的風險。審核委員會監督風險管理和內部審核職能，而董事會則定期收到審核委員會的報告。

主要風險

於報告年度，本集團辨認到以下主要風險，其分類為策略風險、營運風險、財務風險及合規風險。

Risk Areas 風險範圍	Principal Risks 主要風險
Compliance Risks 合規風險	Disclosure of sensitive customer's information to the public 向公眾披露敏感客戶資料
Operational Risks 營運風險	Acceptance of high risk customers 接納高風險客戶 Probability of loss arising from heavily lopsided exposure to a particular group of mortgage loan customers 面對特定按揭抵押貸款客戶群體的風險嚴重不平衡導致的虧損可能 Failure to detect unlawful properties due to procedural errors, fraud and misconduct committed by employees or third parties 因程序錯誤、僱員或第三方欺詐及行為不當未能測出非法財產 Entering into contracts that are unfavourable to the Company due to the human errors made in draft of the loan contract 在起草貸款合約中的人為錯誤導致訂立對本公司不利的合約
Financial Risks 財務風險	No significant risk identified 並無辨認重大風險
Strategic Risk 策略風險	No significant risk identified 並無辨認重大風險

Corporate Governance Report

企業管治報告

Our Risk Control Mechanism

The Group adopts a “three-layer” corporate governance structure with operational management and controls performed by operations management, coupled with risk management monitoring carried out by the finance team and independent internal audit outsourced to and conducted by CCPL. The Group maintains a risk register to keep track of all identified major risks of the Group. The risk register provides the Board, the Audit Committee, and management with a profile of its major risks and records management’s action taken to mitigate the relevant risks. Each risk is evaluated at least annually based on its likelihood of occurrence and potential impact upon the Group. The risk register is updated by management as the risk owners with addition of new risks and/or removal of existing risks, if applicable, at least annually, after the annual risk evaluation has been performed. This review process can ensure that the Group proactively manages the risks faced by it in the sense that all risk related parties have access to the risk register and are aware of and alert to those risks in their area of responsibility so that they can take follow-up action in an efficient manner.

The Group’s risk management activities are performed by management on an ongoing process. The effectiveness of the Group’s risk management framework will be evaluated at least annually, and periodic management meeting is held to update the progress of risk monitoring efforts. Management is committed to ensure that risk management forms part of the daily business operation processes in order to align risk management with corporate goals in an effective manner.

The Directors have reviewed the need for an internal audit function and are of the view that in light of the size, nature and complexity of the business of the Group, it would be more cost effective to appoint external independent professionals to perform internal audit function for the Group in order to meet its needs.

The Company will continue to engage external independent professionals to review the Group’s system of internal controls and risk management annually and further enhance the Group’s internal control and risk management systems as appropriate.

The Group has established internal control procedures for the handling and dissemination of inside information in order to comply with Chapter 13 of the Listing Rules as well as Part XIVA of the Securities and Futures Ordinance (“SFO”). The internal control mechanism includes information flow and reporting processes, confidentiality arrangements, disclosure procedures, and staff training arrangements, etc.

本集團的風險監控機制

本集團採用「三層」企業管治架構，營運管理及控制由營運管理層進行，風險管理監察由財務團隊進行，而獨立內部審核則外判予企管專才及由其進行。本集團維持風險登記冊，以追蹤本集團所有已辨認的主要風險。風險登記冊為董事會、審核委員會和管理層提供其主要風險的資料，並記錄管理層為減低相關風險而採取的行動。每項風險最少每年根據其發生的可能性和對本集團的潛在影響進行評估。風險登記冊由管理層以風險擁有人身份更新，其最少每年在進行年度風險評估後加入新風險及／或移除現有風險（如適用）。該檢討過程可確保本集團主動管理其面臨的風險，所有風險相關人士均可取覽風險登記冊，並知悉及警覺到其責任範圍內的風險，以便其能夠有效率地採取跟進行動。

本集團的風險管理活動由管理層持續進行。本集團最少每年評估其風險管理框架是否有效，並定期舉行管理會議，以更新風險監察工作的進展情況。管理層致力於確保風險管理構成日常業務營運流程的一部分，以使風險管理有效地配合企業目標。

董事已審視內部審核職能的需要，並且認為，有鑒於本集團業務的規模、性質及複雜程度，委任外部獨立專業人士為本集團執行內部審核職能以滿足其需要將更具成本效益。

本公司將繼續委聘外部獨立專業人士以每年檢討本集團之內部監控及風險管理系統，以及進一步提升本集團的內部監控及風險管理系統（如適用）。

本集團已就處理及發佈內幕消息制訂內部監控程序，以遵守上市規則第13章以及證券及期貨條例（「證券及期貨條例」）第XIVA部。內部監控機制包括消息流向與申報流程、保密安排、披露程序及員工培訓安排等。

DELEGATION BY THE BOARD

In general, the Board oversees the Company's strategic development and determines the objectives, strategies and policies of the Group. The Board also monitors and controls operating and financial performance and sets appropriate policies for risk management in pursuit of the Group's strategic objectives. The Board delegates the implementation of strategies and day-to-day operation of the Group to the management.

COMPANY SECRETARY

Mr. Cheng Yiu Hang, the company secretary appointed by the Board and an employee of the Company, in the opinion of the Board, possesses the necessary qualification and experience, and is capable of performing the functions of the company secretary. The Company will provide fund for Mr. Cheng to take not less than 15 hours of appropriate professional training in each financial year as required under Rule 3.29 of the Listing Rules.

DIVIDEND POLICY

The Company has adopted a dividend policy (the "Dividend Policy"). Under the Dividend Policy, in circumstances that the Group is profitable and without affecting the normal operations and business of the Group, the Company may consider declaring and paying dividends to its shareholders.

When considering whether to declare any dividends and determining the dividend amount, the Board will take into consideration, inter alia, the following factors: (i) the financial position of the Group; (ii) the capital and debt level of the Group; (iii) the general market conditions; (iv) any cash requirements for any future development plans of the Group; (v) any restrictions on dividend payouts imposed by any of the Group's lenders; and (vi) any other relevant factors that the Board may deem appropriate.

The payment of the dividends by the Company will also be subject to any restrictions imposed by the Companies Law of the Cayman Islands as well as the articles of association of the Company.

The Board endeavors to strike a balance between the Shareholders' interests and prudent capital management with a sustainable dividend policy. The Board will from time to time review the dividend policy and may exercise at its absolute and sole discretion to update, amend, and/or modify the Dividend Policy at any time as the Board deems fit and necessary. There is no assurance that dividends will be paid in any particular amount for any specific reporting period.

董事會之授權

一般而言，董事會監督本公司之策略發展及釐定本集團之目標、策略及政策。董事會亦監察及控制營運及財務表現，並制訂適當之風險管理政策，以求達致本集團之策略目標。董事會授予管理層執行本集團策略及處理日常營運事務之權力。

公司秘書

鄭耀衡先生為獲董事會委任之公司秘書，並為本公司僱員，董事會認為其具備所需資格及經驗，並有能力履行公司秘書之職能。本公司將向鄭先生提供資金，讓其按上市規則第3.29條規定在每個財政年度參加不少於15個小時之合適專業培訓。

股息政策

本公司已採納一項股息政策（「股息政策」）。根據股息政策，於本集團有盈利且不影響本集團之正常營運及業務之情況下，本公司可考慮向其股東宣派及派付股息。

在考慮是否宣派任何股息及釐定股息金額時，董事會將考慮（其中包括）以下因素：(i)本集團之財務狀況；(ii)本集團的資金及債務水平；(iii)整體市況；(iv)就本集團任何未來發展計劃所需之任何現金需求；(v)本集團任何放貸人所施加之任何股息派付限制；及(vi)董事會可能認為適當之任何其他相關因素。

本公司派付股息亦須受開曼群島公司法以及本公司組織章程細則所施加之任何限制所規限。

董事會透過可持續股息政策，務求於股東利益與審慎資本管理之間取得平衡。董事會將不時檢討股息政策，並可能在董事會認為合適及必要時隨時全權酌情更新、修訂及／或更改股息政策。本集團概不能保證將在任何特定報告期間派付任何特定金額之股息。

Corporate Governance Report

企業管治報告

COMMUNICATION WITH SHAREHOLDERS

Effective Communication

The Board recognises the importance of maintaining a clear, timely and effective communication with the Shareholders and investors of the Company. The Board also recognises that effective communication with the Company's investors is critical in establishing investor confidence and to attract new investors. Therefore, the Group is committed to maintaining a high degree of transparency to ensure the Shareholders and the investors of the Company will receive accurate, clear, comprehensive and timely information of the Group through the publication of annual reports, interim reports, announcements and circulars. The Company also publishes all corporate communications on the website of the Company.

In respect of each matter to be considered at the annual general meetings and extraordinary general meetings, including the re-election of Directors, a separate resolution will be proposed by the Chairman.

Pursuant to Code Provision E.1.2, the Chairman of the Board, the chairman of the Audit Committee, Remuneration Committee and Nomination Committee, or in their absence, another member of the relevant committee or an appointed representative, will attend the forthcoming annual general meeting to answer questions of Shareholders.

Pursuant to Code Provision E.1.2, the Company will invite representatives of the Auditors to attend the forthcoming annual general meeting to answer Shareholders' questions about the conduct of the audit, the preparation and content of the auditors' report, the accounting policies and auditor independence.

Shareholders' Rights

1. Procedures for Shareholders to Convene an Extraordinary General Meeting

Pursuant to Article 64 of the Articles of Association of the Company, extraordinary general meetings shall be convened on the requisition of one or more Shareholders holding, at the date of deposit of the requisition, not less than one tenth of the paid up capital of the Company having the right of voting at general meetings. Such requisition shall be made in writing to the Board or the company secretary of the Company for the purpose of requiring an extraordinary general meeting to be called by the Board for the transaction of any business specified in such requisition. Such meeting shall be held within two months after the deposit of such requisition. If within 21 days

與股東之溝通

有效溝通

董事會深明與股東及本公司投資者維持清晰、適時及有效溝通之重要性。董事會亦明白與本公司投資者保持有效溝通對建立投資者信心及吸引新投資者極為重要。因此，本集團致力維持高透明度，以確保股東及本公司投資者可透過刊發年報、中期報告、公佈及通函，得到有關本集團之準確、清晰、全面及適時的資料。本公司亦會將所有企業通訊刊載於本公司網站。

在股東週年大會及股東特別大會上，主席會就提呈大會考慮之各事項（包括重選董事）提呈獨立決議案。

根據守則條文第E.1.2條，董事會主席、審核委員會主席、薪酬委員會主席及提名委員會主席，或若彼等缺席，相關委員會其他成員或指定代表將出席應屆股東週年大會，回答股東提問。

根據守則條文第E.1.2條，本公司將邀請核數師代表出席應屆股東週年大會，回答股東有關審計工作、核數師報告之編製及內容、會計政策以及核數師獨立性等提問。

股東權利

1. 股東召開股東特別大會之程序

根據本公司組織章程細則第64條，股東特別大會須在一名或以上於遞交要求當日持有有權於股東大會投票的本公司繳足股本不少於十分之一的股東要求下召開。有關要求須以書面向董事會或本公司之公司秘書提出，述明要求董事會召開股東特別大會以處理有關要求內訂明的任何事項。有關大會須於遞交有關要求後兩個月內舉行。倘於遞交要求後21日內，董事會未有召開該

of such deposit, the Board fails to proceed to convene such meeting, the requisitionist(s) himself/herself (themselves) may do so in the same manner, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to the requisitionist(s) by the Company.

2. Procedures for Raising Enquiries

Shareholders may direct their queries about their shareholdings, share transfer, registration and payment of dividend to the Company's Hong Kong branch share registrar, Boardroom Share Registrars (HK) Limited:

Address: 2103B, 21/F, 148 Electric Road
North Point
Hong Kong
Email: srinfo.hk@boardroomlimited.com
Tel: (852) 21531688
Fax: (852) 30205058

Shareholders may raise enquiries in respect of the Company at the following designated contact, correspondence address, email address and enquiry hotlines of the Company:

Attention: Mr. Cheng Yiu Hang
(Company Secretary)
Address: Rooms 2302-2303, Kwan Chart Tower,
No. 6 Tonnochy Road, Wanchai,
Hong Kong
Email: brian.cheng@oiwah.com.hk
Tel: (852) 28332002
Fax: (852) 28919831

3. Procedures for Putting Forward Proposals at Shareholders' Meetings

- (i) Proposal for election of a person other than a Director as a Director:
- Pursuant to Article 113 of the Articles of Association, a Shareholder who wishes to propose a person other than a retiring Director for election to the office of Director at any general meeting should lodge (i) notice in writing of the intention to propose that person for election as a Director; and (ii) notice in writing by that person of his willingness to be elected, at either (a) the head office of the Company in Hong Kong at Rooms 2302-2303, Kwan Chart Tower, No. 6 Tonnochy Road, Wanchai, Hong Kong, or (b) the registration office of the Company in Hong Kong at 2103B, 21/F, 148 Electric Road, North Point, Hong Kong. The period

大會，則遞交要求人士可自行以同樣方式召開大會，而遞交要求人士因董事會未有召開大會而合理產生的所有開支應由本公司向遞交要求人士作出補償。

2. 提出查詢之程序

股東如對其股權、股份過戶、登記及股息支付有任何疑問，可向本公司之香港股份過戶登記分處寶德隆證券登記有限公司查詢：

地址：香港
北角
電氣道148號21樓2103B室
電郵：srinfo.hk@boardroomlimited.com
電話：(852) 21531688
傳真：(852) 30205058

股東可將有關本公司之查詢發送至下列本公司指定聯絡人、通訊地址、電郵地址及透過查詢熱線作出有關查詢：

收件人：鄭耀衡先生
(公司秘書)
地址：香港
灣仔杜老誌道6號
羣策大廈2302-2303室
電郵：brian.cheng@oiwah.com.hk
電話：(852) 28332002
傳真：(852) 28919831

3. 於股東大會上提出議案之程序

- (i) 提名一名董事以外之人士參選董事之議案：
- 根據組織章程細則第113條，如股東有意於任何股東大會上提名退任董事以外之人士參選董事職位，須將(i)表明有意提名該人士參選董事之書面通知；及(ii)該名人士表明願意參選之書面通知送達(a)本公司於香港之總辦事處，地址為香港灣仔杜老誌道6號羣策大廈2302-2303室；或(b)本公司於香港之過戶登記處，地址為香港北角

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for lodgment of the notices mentioned above will commence no earlier than the day after the despatch of the notice of the general meeting appointed for such election and end no later than seven days prior to the date of such general meeting and the minimum length of the period during which such notices to the Company may be given will be at least seven days.

(ii) Other proposals:

If a Shareholder wishes to make other proposals (the "Proposal(s)") at a general meeting, he/she may lodge a written request, duly signed, at the head office of the Company in Hong Kong at Rooms 2302–2303, Kwan Chart Tower, No. 6 Tonnochy Road, Wanchai, Hong Kong marked for the attention of the Company Secretary.

The identity of the Shareholder and his/her request will be verified with the Company's Hong Kong share registrar and upon confirmation by the share registrar that the request is proper and in order, and is made by a Shareholder, the Board will in its sole discretion decide whether the Proposal may be included in the agenda for the general meeting to be set out in the notice of meeting.

The notice period to be given to all the Shareholders for consideration of the Proposal raised by the Shareholder concerned at the general meeting varies according to the nature of the Proposal as follows:

- (1) Notice of not less than 21 clear days and not less than 20 clear business days in writing if the Proposal requires approval in an annual general meeting of the Company.
- (2) Notice of not less than 21 clear days and not less than 10 clear business days in writing if the Proposal requires approval by way of a special resolution in an extraordinary general meeting of the Company.
- (3) Notice of not less than 14 clear days and not less than 10 clear business days in writing if the Proposal requires approval by way of an ordinary resolution in an extraordinary general meeting of the Company.

電氣道148號21樓2103B室。提交上述通知的期限由不早於就該選舉發送股東大會通告後當日開始，並不遲於該股東大會舉行日期前七日結束。向本公司發出通知的最短期限最少為七日。

(ii) 其他議案：

如股東有意於股東大會上提呈其他議案（「議案」），彼可將經正式簽署之書面請求交與本公司於香港之總辦事處，地址為香港灣仔杜老誌道6號羣策大廈2302–2303室，註明收件人為公司秘書。

股東之身份及其請求將由本公司之香港股份過戶登記處核實，於股份過戶登記處確認有關請求屬妥當及符合程序，並為由股東提出後，董事會將會全權酌情決定是否將有關議案加入將載於大會通告之股東大會之議程中。

就股東提出於股東大會上考慮之議案而向全體股東發出通知之通知期，將根據議案之性質而有所不同，詳情如下：

- (1) 倘議案須於本公司股東週年大會上取得批准，則須發出不少於21個完整日及不少於20個完整營業日之書面通知。
- (2) 倘議案須於本公司股東特別大會上以特別決議案之形式取得批准，則須發出不少於21個完整日及不少於10個完整營業日之書面通知。
- (3) 倘議案須於本公司股東特別大會上以普通決議案之形式取得批准，則須發出不少於14個完整日及不少於10個完整營業日之書面通知。

Constitutional Documents

Pursuant to a special resolution of the Shareholders passed on 19 February 2013, the Amended and Restated Memorandum and Articles of Association of the Company were adopted with effect from the Listing Date. Save as disclosed above, during the year ended 28 February 2019, there was no significant change in the Memorandum and Articles of Association of the Company.

The Amended and Restated Memorandum and Articles of Association of the Company are available on the website of the Stock Exchange and the website of the Company.

憲章文件

根據於二零一三年二月十九日通過之股東特別決議案，本公司之經修訂及重列組織章程大綱及細則已獲採納，並自上市日期起生效。除上文所披露者外，於截至二零一九年二月二十八日止年度，本公司之組織章程大綱及細則並無重大變動。

本公司之經修訂及重列組織章程大綱及細則可於聯交所網站及本公司網站上查閱。

Directors and Senior Management

董事及高級管理層

EXECUTIVE DIRECTORS

Mr. Chan Kai Ho Edward (陳啟豪), aged 47, is our chairman, executive Director and chief executive officer. He is also a director of all the subsidiaries within the Group and the authorised representative of the Company. Mr. Chan joined our Group in 2000 and is responsible for our Group's overall management, strategic planning and business development. He has over 18 years of experience in business management and pawn loan business. Mr. Chan is currently the chairman of The Hong Kong and Kowloon Pawnbrokers' Association Limited (港九押業商會有限公司) and honorary chairman of Macau General Chamber of Pawnbrokers (澳門當舖業總商會). Mr. Chan has been the vice-president of Hong Kong Property Finance Association Limited since March 2014. Mr. Chan obtained a degree of Bachelor of Engineering in Civil Engineering from the City University, London, United Kingdom in July 1994. Mr. Chan is the son of Mr. Chan Chart Man and the brother of Ms. Chan Mei Fong, Ms. Chan Ying Yu and Mr. Chan Kai Kow Macksion, all of whom are our Directors.

Mr. Chan Chart Man (陳策文), aged 88, is our founder and executive Director. He is also a director of each of Oi Wah Holding Limited ("Oi Wah Holding"), Oi Wah HK, Wai Wah HK and Hing Wah HK. Mr. Chan is responsible for advising on overall strategic planning and business development of our Group. Mr. Chan established the business of our Group in 1975 and has played a significant role in the growth of our business. He has over 43 years of experience in finance and pawn loan business. Mr. Chan is the father of Mr. Chan Kai Ho Edward, Ms. Chan Mei Fong, Ms. Chan Ying Yu and Mr. Chan Kai Kow Macksion, all of whom are our Directors.

Ms. Chan Mei Fong (陳美芳), aged 49, is our executive Director and chief operating officer. Ms Chan is also a director of Oi Wah HK, Oi Wah Holding, Oi Wah Enterprises Limited ("Oi Wah Enterprises"), Oi Wah Property Credit Limited ("Oi Wah Property"), Oi Wah Finance Limited ("Oi Wah Finance"), Oi Wah Credit Limited ("Oi Wah Credit"), Oi Wah Mortgage Limited ("Oi Wah Mortgage") and Oi Wah Pawnshop Limited ("Oi Wah Pawnshop"). Ms. Chan joined our Group in 2007 and is responsible for the overall operations of our Group's business. Ms. Chan obtained a Bachelor of Arts degree in Town and Country Planning from the University of the West of England, Bristol, United Kingdom in September 1996. Ms. Chan also obtained a diploma in Gemmology and Gem Diamond diploma from The Gemmological Association and Gem Testing Laboratory of Great Britain in January 2006 and January 2007, respectively. Ms. Chan is a fellow of The Gemmological Association of Great Britain. Ms. Chan is the daughter of Mr. Chan Chart Man and the sister of Mr. Chan Kai Ho Edward, Ms. Chan Ying Yu and Mr. Chan Kai Kow Macksion, all of whom are our Directors.

執行董事

陳啟豪先生，47歲，為本集團主席、執行董事兼行政總裁。彼亦為本集團所有附屬公司之董事以及本公司之授權代表。陳先生於二零零零年加入本集團，負責本集團之整體管理、策略規劃及業務發展。彼於業務管理及典當貸款業務擁有逾18年之經驗。陳先生現為港九押業商會有限公司之理事長及澳門當舖業總商會之榮譽會長。陳先生自二零一四年三月起一直擔任香港物業融資協會有限公司之副總裁。陳先生於一九九四年七月取得英國倫敦城市大學(City University)頒發之土木工程學士學位。陳先生為陳策文先生之兒子，以及陳美芳女士、陳英瑜女士及陳啟球先生(均為本集團董事)之胞弟。

陳策文先生，88歲，為本集團之創辦人兼執行董事。彼亦為Oi Wah Holding Limited(「Oi Wah Holding」)、靄華香港、偉華香港及興華香港之董事。陳先生負責就本集團之整體策略規劃及業務發展提出建議。陳先生於一九七五年成立本集團業務，並於本集團業務發展中扮演重要角色。彼於融資及典當貸款業務擁有逾43年之經驗。陳先生為陳啟豪先生、陳美芳女士、陳英瑜女士及陳啟球先生(均為本集團董事)之父親。

陳美芳女士，49歲，為本集團執行董事兼營運總監。陳女士亦為靄華香港、Oi Wah Holding、靄華企業有限公司(「靄華企業」)、靄華物業信貸有限公司(「靄華物業」)、靄華財務有限公司(「靄華財務」)、靄華信貸有限公司(「靄華信貸」)、靄華按揭有限公司(「靄華按揭」)及靄華押業有限公司(「靄華押業」)之董事。陳女士於二零零七年加入本集團，負責本集團業務之整體營運。陳女士於一九九六年九月取得英國布里斯托西英格蘭大學(University of the West of England)頒發之城鎮和鄉郊規劃文學士學位。陳女士亦分別於二零零六年一月及二零零七年一月取得英國寶石學協會和寶石檢測實驗室頒發之寶石學文憑及鑽石文憑。陳女士為英國寶石學協會院士。陳女士為陳策文先生之女兒，陳啟豪先生之胞姊，以及陳英瑜女士及陳啟球先生(均為本集團董事)之胞妹。

Directors and Senior Management

董事及高級管理層

Ms. Chan Ying Yu (陳英瑜), aged 53, is our executive Director. She is also a director of Oi Wah HK, Oi Wah Holding, Oi Wah Enterprises, Oi Wah Property, Oi Wah Credit, Oi Wah Finance, Oi Wah Mortgage and Oi Wah Pawnshop and the authorised representative of the Company. Ms. Chan joined our Group in 2000 and is responsible for overseeing our administration and human resources matters. Ms. Chan obtained a Bachelor of Science degree in Hotel and Restaurant Management from the Middlesex University, United Kingdom in July 1995 and was elected as an associate of the Hotel and Catering International Management Association in October 1995. Ms. Chan is the daughter of Mr. Chan Chart Man and the sister of Mr. Chan Kai Ho Edward, Ms. Chan Mei Fong and Mr. Chan Kai Kow Mackson, all of whom are our Directors.

NON-EXECUTIVE DIRECTOR

Mr. Chan Kai Kow Mackson (陳啟球), aged 63, was appointed as our non-executive Director on 19 February 2013. Mr. Chan is a lawyer with 33 years of experience in general practice. He has passed solicitor qualifying examinations in Hong Kong and was admitted as a Solicitor of the High Court of Hong Kong in March 1984 and has been a partner in Chow C.L. & Mackson Chan since 2001. Mr. Chan obtained a Bachelor of Arts Degree in Pure Mathematics from The University of Calgary, Canada in June 1978. Mr. Chan is the son of Mr. Chan Chart Man and the brother of Mr. Chan Kai Ho Edward, Ms. Chan Mei Fong and Ms. Chan Ying Yu, all of whom are our Directors.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Lam On Tai (林安泰), aged 47, was appointed as our independent non-executive Director on 1 April 2017. He has more than 21 years of experience in banking and securities industry, in which over 18 years of experience was accumulated in advising on corporate finance relating to various listing and restructuring transactions. Mr. Lam currently serves as the managing director of Red Solar Capital Limited (緯耀資本有限公司). Mr. Lam received his diploma in general business management from the Lingnan College (嶺南學院) (now known as the Lingnan University (嶺南大學) in Hong Kong in November 1994, and his master's degree in business administration from the University of Sheffield in the United Kingdom in December 1996. He also obtained his bachelor's degree in laws from the University of Wolverhampton in the United Kingdom in July 1998 through a distance learning course. Mr. Lam served as a non-executive director of Jiji Household International Holdings Limited, a company listed on the Main Board of The Stock Exchange of Hong Kong Limited (Stock Code: 1495) from June 2015 to November 2018.

陳英瑜女士，53歲，為本集團執行董事。彼亦為靄華香港、Oi Wah Holding、靄華企業、靄華物業、靄華信貸、靄華財務、靄華按揭及靄華押業之董事及本公司之授權代表。陳女士於二零零零年加入本集團，負責監管本集團之行政及人力資源事務。陳女士於一九九五年七月取得英國密德薩斯大學(Middlesex University)頒發之酒店及餐廳管理理學士學位，並於一九九五年十月獲選為酒店及餐飲業國際管理協會會員。陳女士為陳策文先生之女兒，陳啟豪先生及陳美芳女士之胞姊，以及陳啟球先生(均為本集團董事)之胞妹。

非執行董事

陳啟球先生，63歲，於二零一三年二月十九日獲委任為本集團非執行董事。陳先生為執業律師，擁有33年之經驗。彼通過香港之律師資格考試後於一九八四年三月獲認可為香港高等法院之律師，並自二零零一年起一直為周卓立陳啟球陳一理律師事務所之合夥人。陳先生於一九七八年六月取得加拿大卡爾加里大學(The University of Calgary)頒發之純數學文學士學位。陳先生為陳策文先生之兒子，以及陳啟豪先生、陳美芳女士及陳英瑜女士(均為本集團董事)之胞兄。

獨立非執行董事

林安泰先生，47歲，於二零一七年四月一日獲委任為本集團獨立非執行董事。彼於銀行及證券行業擁有逾21年經驗，其中就有關多項上市及重組交易的企業融資提供意見累積逾18年經驗。林先生目前擔任緯耀資本有限公司董事總經理。林先生於一九九四年十一月在香港取得嶺南學院(現稱嶺南大學)工商管理文憑，並於一九九六年十二月取得英國謝菲爾德大學(University of Sheffield)工商管理碩士學位。彼亦於一九九八年七月透過遠程教育課程取得英國伍爾弗漢普頓大學(University of Wolverhampton)法律學士學位。林先生於二零一五年六月至二零一八年十一月擔任香港聯合交易所有限公司主板上市公司集一家居國際控股有限公司(股份代號：1495)非執行董事。

Directors and Senior Management

董事及高級管理層

Dr. Leung Shiu Ki Albert (梁兆棋), aged 70, was appointed as our independent non-executive Director on 19 February 2013. Dr. Leung was served as the company secretary of Union Medical Healthcare Limited which is listed on the Main Board of the Stock Exchange (Stock Code: 2138) until September 2016. Dr. Leung was also served as an independent non-executive director of Nga Chun Holdings Company Limited and Skyway Securities Group Limited, which are both listed on the Main Board of the Stock Exchange (Stock Code: 1462 and 1141) until February 2016 and November 2015 respectively. Dr. Leung was also served as an independent non-executive director of Ruifeng Petroleum Chemical Holdings Ltd, which is listed on the GEM of the Stock Exchange (Stock Code: 8096) until October 2015. Dr. Leung was also an assistant vice president in Citicorp International Limited from 1987 to 1992. Dr. Leung was admitted as an associate of The Chartered Association of Certified Accountants (now known as Association of Chartered Certified Accountants) in February 1987 and became an associate of the Hong Kong Society of Accountants (now known as HKICPA) in September 1988. Dr. Leung obtained a Doctorate degree of Philosophy in Economics from Shanghai University of Finance and Economics in September 2007, a Master degree of Business Administration from Brunel University, United Kingdom in December 1985 and a Diploma in Management Studies from The Polytechnic of Central London, United Kingdom in October 1983.

Dr. Yip Ngai (葉毅), aged 45, was appointed as our independent non-executive Director on 19 February 2013. Dr. Yip is a jewellery appraiser and valuation expert and has over 25 years of experience in jewellery and art industry. Dr. Yip became a fellow of the HKICPA in May 2012. He has also been appointed as a specialist by the Hong Kong Council for Accreditation of Academic & Vocational Qualifications since July 2011 and as a technical advisor (watch and jewellery) by the Employees Retraining Board since September 2013. Dr. Yip obtained a Doctorate degree of business administration from the EU Business School in May 2011, a Master degree of Business Administration from the Federation University Australia in December 2008 and a Bachelor of Business (Accounting) degree from the Monash University, Australia in November 1999. Dr. Yip obtained a diploma in Gemmology from The Gemmological Association and Gem Testing Laboratory of Great Britain in October 1994.

梁兆棋博士，70歲，於二零一三年二月十九日獲委任為本集團獨立非執行董事。梁博士曾為聯交所主板上市公司香港醫思醫療集團有限公司（股份代號：2138）之公司秘書，直至二零一六年九月止。梁博士亦曾擔任雅駿控股有限公司及天順證券集團有限公司（均於聯交所主板上市（股份代號：1462及1141））之獨立非執行董事，分別直至二零一六年二月及二零一五年十一月止。梁博士亦曾擔任瑞豐石化控股有限公司（於聯交所GEM上市（股份代號：8096））之獨立非執行董事，直至二零一五年十月止。梁博士亦曾於一九八七年至一九九二年擔任花旗國際有限公司之助理副總裁。梁博士於一九八七年二月獲接納為特許公認會計師公會會員，並於一九八八年九月成為香港會計師公會會員。梁博士於二零零七年九月取得上海財經大學頒發之經濟學哲學博士學位、於一九八五年十二月取得英國布魯內爾大學(Brunel University)頒發之工商管理碩士學位及於一九八三年十月取得英國倫敦中央理工學院(The Polytechnic of Central London)頒發之管理學文憑。

葉毅博士，45歲，於二零一三年二月十九日獲委任為本集團獨立非執行董事。葉博士為珠寶鑑定師及估值專家，於珠寶及藝術行業擁有超過25年之經驗。葉博士於二零一二年五月成為香港會計師公會的資深會員。彼亦自二零一一年七月起獲委任為香港學術及職業資歷評審局之專家及自二零一三年九月起獲委任為僱員再培訓局鐘錶及珠寶業技術顧問。葉博士於二零一一年五月取得歐洲商學院(EU Business School)頒發之工商管理博士學位，於二零零八年十二月取得澳洲聯邦大學(Federation University Australia)頒發之工商管理碩士學位，以及於一九九九年十一月取得澳洲蒙納殊大學(Monash University)頒發之商業（會計）學士學位。葉博士於一九九四年十月取得英國寶石學協會和寶石檢測實驗室頒發之寶石學文憑。

Directors and Senior Management

董事及高級管理層

SENIOR MANAGEMENT

Mr. Cheng Yiu Hang (鄭耀衡), aged 36, is our chief financial officer and company secretary. He joined our Group in June 2012 and is responsible for overseeing the financial, accounting and secretarial affairs of our Group. Prior to joining our Group, Mr. Cheng worked at KPMG from 2006 to 2012 and his last position was assistant manager. Mr. Cheng was registered as a certified public accountant and a certified public accountant (practising) of the HKICPA in January 2010 and September 2012, respectively. Mr. Cheng obtained a Bachelor of Business Administration in Accountancy from the City University of Hong Kong in November 2006.

Mr. Ng Kai Man (伍啟文), aged 58, is our marketing director and is responsible for managing and operating our property mortgage department. Mr. Ng joined our Group in 2013. His main duties are strengthening customer relationships by scheduling regular personal and company visits in Hong Kong in order to explore new business opportunities with potential customers. Prior to joining our Group, he had been working in Wing Lung Bank since 1988 and was promoted to senior financial manager in 2010. Mr. Ng obtained a Diploma in marketing from Hong Kong Productivity Council and Hong Kong Institute of Marketing in 1999 and a professional Diploma in marketing management from Hong Kong Management Association in 1996 respectively. In 1999 he was elected full member of Hong Kong Institute of Marketing and awarded as Professional Marketer (ProM) in 2001. He also obtained an advanced professional Diploma in financial planning from The University of Hong Kong, School of Professional and Continuing Education in 2006. In 2005, he has been admitted as a Certified Professional Marketer (Asia) by Asia Marketing Federation, which is a member of World Marketing Federation.

COMPANY SECRETARY

Mr. Cheng Yiu Hang (鄭耀衡) is our company secretary. Biographical details of Mr. Cheng are set out under the paragraph headed "Senior Management" in this section.

高級管理層

鄭耀衡先生，36歲，為本集團首席財務官及公司秘書。彼於二零一二年六月加入本集團，負責監管本集團之財務、會計及秘書事務。加入本集團前，鄭先生曾於二零零六年至二零一二年任職畢馬威會計師事務所，其最後擔任之職位為助理經理。鄭先生分別於二零一零年一月及二零一二年九月註冊為香港會計師公會註冊會計師及執業會計師。鄭先生於二零零六年十一月取得香港城市大學頒發之工商管理（會計）學士學位。

伍啟文先生，58歲，為本集團市務總監，負責物業按揭抵押部門之營運及管理。伍先生於二零一三年加入本集團，主要職責為鞏固客戶關係，方式為透過定期安排香港之個人及公司實地考察，開發與潛在客戶之新業務機會。於加入本集團前，彼自一九八八年起任職於永隆銀行，並於二零一零年晉升為高級財務經理。伍先生分別於一九九九年取得香港生產力促進局及香港市務學會頒發之市場營銷文憑及於一九九六年取得香港管理專業協會頒發之市場營銷管理專業文憑。彼於一九九九年獲選為香港市務學會會員，並於二零零一年獲授專業市務師資格。彼亦於二零零六年取得香港大學專業進修學院頒發之高級財務策劃專業文憑。彼於二零零五年已獲世界市場營銷聯盟(World Marketing Federation)之成員亞洲市場營銷聯盟(Asia Marketing Federation)接納為認許市務師（亞洲）。

公司秘書

鄭耀衡先生為本集團之公司秘書。鄭先生之履歷詳情載於本節「高級管理層」一段。

Independent Auditor's Report

獨立核數師報告



Independent auditor's report to the shareholders of
Oi Wah Pawnshop Credit Holdings Limited
(Incorporated in the Cayman Islands with limited liability)

OPINION

We have audited the consolidated financial statements of Oi Wah Pawnshop Credit Holdings Limited ("**the Company**") and its subsidiaries ("**the Group**") set out on pages 67 to 160, which comprise the consolidated statement of financial position as at 28 February 2019, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 28 February 2019 and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("**HKFRSs**") issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing ("**HKSAs**") issued by the HKICPA. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report. We are independent of the Group in accordance with the HKICPA's *Code of Ethics for Professional Accountants* ("**the Code**") together with any ethical requirements that are relevant to our audit of the consolidated financial statements in the Cayman Islands, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

致靄華押業信貸控股有限公司
(於開曼群島註冊成立之有限公司)
股東之獨立核數師報告

意見

本核數師(以下簡稱「我們」)已審計列載於第67至160頁之靄華押業信貸控股有限公司(「**貴公司**」)及其附屬公司(「**貴集團**」)之綜合財務報表,此財務報表包括於二零一九年二月二十八日之綜合財務狀況表與截至該日止年度的綜合全面收入表、綜合權益變動表和綜合現金流量表,以及綜合財務報表附註,包括主要會計政策概要。

我們認為,該等綜合財務報表已根據香港會計師公會(「**香港會計師公會**」)頒佈之香港財務報告準則(「**香港財務報告準則**」)真實而中肯地反映了 貴集團於二零一九年二月二十八日之綜合財務狀況及截至該日止年度之綜合財務表現及綜合現金流量,並已遵照香港公司條例之披露要求妥為擬備。

意見之基礎

我們已根據香港會計師公會頒佈之香港審計準則(「**香港審計準則**」)進行審計。我們在該等準則下承擔之責任已在本報告核數師就審計綜合財務報表承擔之責任部分中作進一步闡述。根據香港會計師公會頒佈之專業會計師道德守則(「**守則**」)以及與我們對開曼群島綜合財務報表之審計相關之道德要求,我們獨立於 貴集團,並已履行這些道德要求以及守則中之其他專業道德責任。我們相信,我們所獲得之審計憑證能充足及適當地為我們之審計意見提供基礎。

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Impairment of mortgage loan receivables

Refer to notes 2(k)(i) and 13 to the consolidated financial statements.

The Key Audit Matter

As at 28 February 2019, the Group's mortgage loan receivables amounted to HKD 1,236 million, representing 85.7% of total assets, with total expected credit loss ("ECL") allowances of HKD 1 million recognised.

Hong Kong Financial Reporting Standard 9, *Financial Instruments* ("HKFRS 9"), which replaced Hong Kong Accounting Standard 39, *Financial Instruments: recognition and measurement* with effect from 1 January 2018 (applicable to the Group since 1 March 2018), introduced a more complex ECL model to assess loss allowances for mortgage loan receivables measured at amortised cost.

How the matter was addressed in our audit

Our audit procedures to assess the impairment of mortgage loan receivables included the following:

- understanding and assessing the design, implementation and operating effectiveness of key internal controls of financial reporting over the approval, recording and monitoring of allowance for ECL by performing walkthrough and test of controls;
- assessing the reliability of the ECL model used by management in determining the loss allowances with the assistance of our internal specialists, by assessing the appropriateness of the key parameters and estimates in the ECL model, including the identification of loss stages, probability of default, loss given default, exposure at default, adjustments for forward-looking information and other management adjustments;

Independent Auditor's Report

獨立核數師報告

關鍵審計事項

關鍵審計事項是根據我們之專業判斷，認為對本期綜合財務報表之審計最為重要之事項。這些事項是在我們審計整體綜合財務報表及出具意見時進行處理的。我們不會對這些事項提供單獨意見。

應收按揭抵押貸款之減值

請參閱綜合財務報表附註2(k)(i)及13之會計政策。

關鍵審計事項

於二零一九年二月二十八日，貴集團之應收按揭抵押貸款為1,236,000,000港元，佔資產總額之85.7%，並已確認預期信貸虧損（「預期信貸虧損」）撥備總額1,000,000港元。

香港財務報告準則第9號「金融工具」（「香港財務報告準則第9號」）取代香港會計準則第39號「金融工具：確認及計量」，自二零一八年一月一日起生效（自二零一八年三月一日起適用於貴集團），該準則引入更複雜的預期信貸虧損模式，以評估按攤銷成本計量之應收按揭抵押貸款之虧損撥備。

我們之審計如何處理該事項

我們就評估應收按揭抵押貸款減值之審計程序包括以下各項：

- 透過進行穿行測試及監控測試了解及評估與預期信貸虧損撥備之審批、記錄及監察相關之財務報告關鍵內部監控之設計、實施和操作成效；
- 在內部專家協助下，評估管理層於釐定虧損撥備時所採用預期信貸虧損模式之可靠性，其中包括評估預期信貸虧損模式之關鍵參數及估計（包括所識別虧損階段、違約概率、違約損失率、違約風險、就前瞻性資料所作調整及管理層所作其他調整）之適當性；

The Key Audit Matter	How the matter was addressed in our audit
<p>In order to adopt the new requirements, the Group has developed a new model for measuring loss allowances for mortgage loan receivables. Loan exposures that are not already credit-impaired are classified as stage 1 on origination and a 12-month ECL is assessed. Loan exposures will remain in stage 1 until they are repaid, unless they experience a significant increase in credit risk (stage 2) or they become credit-impaired (stage 3).</p> <p>Loan exposures will transfer to stage 2 when there has been a significant increase in credit risk compared to the risk at origination. Loan exposures are classified as stage 3 when they become credit-impaired. A lifetime ECL is assessed for loans classified under stage 2 or stage 3.</p> <p>The determination of loss allowances using the ECL model is subject to a number of key parameters and estimates, including the identification of loss stages, estimates of probability of default, loss given default, exposures at default, adjustments for forward-looking information and other adjustment factors. Management judgment is involved in the selection of those parameters and the making of these estimates.</p>	<ul style="list-style-type: none"> assessing the completeness and accuracy of data used for the key parameters in the ECL model, by comparing individual loan information on a sample basis with the underlying agreements and other related documentation. For key parameters using external data, we selected samples to inspect the accuracy of such data by comparing them with publicly available resources obtained independently; for key parameters involving forward looking information, we critically assessed whether management's use of such information is reasonable or supportable by comparing them to the Group's internal records including historical loss experience and external sources obtained independently. We also assessed the reasonableness of any revisions to these key parameters by checking the consistency against prior period and on transition to the new accounting standard;

關鍵審計事項	我們之審計如何處理該事項
<p>貴集團因應新規定就計量應收按揭抵押貸款之虧損撥備制訂新模式。尚未出現信貸減值之貸款會於發放時分類為第1階段，並按12個月預期信貸虧損進行評估。貸款獲償還前將維持於第1階段，除非其信貸風險大幅增加（第2階段）或其出現信貸減值（第3階段）。</p> <p>倘貸款之信貸風險較於發放時之風險大幅增加，貸款將轉入第2階段。倘貸款出現信貸減值，則其將分類為第3階段。分類為第2階段或第3階段之貸款會按全期預期信貸虧損進行評估。</p> <p>採用預期信貸虧損模式釐定虧損撥備時須考慮多項關鍵參數及估計，當中包括所識別虧損階段、所估計違約概率、違約損失率、違約風險、就前瞻性資料所作調整及其他調整因素。於選取該等參數及作出該等估計時亦須管理層作出判斷。</p>	<ul style="list-style-type: none"> 透過抽樣比較個別貸款資料與相關協議及其他相關文檔，評估預期信貸虧損模式之關鍵參數所用數據是否完整及準確。就使用外部數據之關鍵參數而言，我們選取樣本並與獨立獲取之公開可得數據進行比較，以檢測有關數據之準確性； 對於涉及前瞻性資料之關鍵參數，我們透過將管理層所使用資料與 貴集團內部記錄（包括歷史虧損經驗及獨立獲取之外部數據）進行比較，審慎評估管理層使用該等資料是否合理或有理據支持。我們亦透過檢查與過往期間及於過渡至新訂會計準則時之一致性，評估該等關鍵參數任何修訂之合理性；

Independent Auditor's Report

獨立核數師報告

The Key Audit Matter	How the matter was addressed in our audit
<p>Management also exercises judgement in determining the quantum of loss given default based on a range of factors. These include available remedies for recovery, the financial situation of the borrower, the recoverable amount of collateral, the seniority of the claim and the existence and cooperativeness of other creditors. In particular, for real estate mortgage loans, management refers to valuations prepared by qualified third party valuers and considers the significance of various factors, including the location and use of the property when assessing the value of real estate property held as collateral. The enforceability, timing and means of realisation of collateral can also have an impact on the recoverable amount of collateral and, therefore, on the amount of loss allowances as at the end of the reporting period.</p> <p>The Group has retrospectively applied the impairment allowances requirements and recognised any difference between the original carrying amount and new carrying amount at the applicable date of initial application (i.e. 1 March 2018) in the opening retained earnings or other components of equity ("Transition adjustments").</p> <p>We identified the impairment of mortgage loan receivables as a key audit matter because of the complexity of the inherent uncertainty and management judgement involved in determining loss allowances and because of their significance to the financial results and the total assets of the Group.</p>	<ul style="list-style-type: none">recalculating the amount of credit loss allowance for 12-month and lifetime credit losses using the ECL model based on the above parameters and assumptions;critically assessing the forecast cash flows for credit-impaired mortgage loan receivables by understanding and challenging the viability of the Group's recovery plans and evaluating the timing and means of realisation of collateral. We also evaluated the consistency of management's application of key assumptions by comparing them with management's key assumptions adopted in the prior period; andobtaining journal entries relating to adjustments made on transition to the new financial instruments standard and comparing the original carrying amounts and new carrying amounts of mortgage loan receivables to assess if the journal entries have been properly incorporated in the financial statements;assessing whether the presentation and disclosures on the loss allowances for mortgage loan receivables meet the disclosure requirements in the prevailing accounting standards.

關鍵審計事項

管理層亦會根據多項因素判斷違約損失率之金額。該等因素包括收回之可用補救方式、借款人之財務狀況、抵押品之可收回金額、索賠受償順序及其他債權人是否存在及其合作意向。具體而言，就房地產按揭抵押貸款而言，於評估持作抵押品之房地產價值時，管理層會參考由合資格第三方估值師編製之估值報告，並考慮各種因素（包括房地產之位置及用途）之重要性。抵押品變現之可強制執行性、時間及方法亦可影響抵押品之可收回金額，並因而影響報告期末之減值撥備金額。

貴集團已追溯應用減值撥備規定，並於年初保留盈利或其他權益組成部分內確認原賬面值與首次應用日期（即二零一八年三月一日）之新賬面值之間的任何差額（「過渡調整」）。

我們將應收按揭抵押貸款之減值識別為關鍵審計事項，乃因其固有之不確定因素之複雜性及於釐定虧損撥備時涉及管理層判斷，同時亦因其對貴集團財務業績及資產總額有重大影響。

我們之審計如何處理該事項

- 使用基於上述參數及假設之預期信貸虧損模式重新計算12個月及全期信貸虧損之信貸虧損撥備金額；
- 透過了解貴集團之收回計劃並就其可行性提出質詢及評估抵押品變現之時間及方法，審慎評估信貸減值應收按揭抵押貸款之預測現金流量。我們亦透過比較管理層所用關鍵性假設與管理層於過往期間所採用之關鍵性假設，評估管理層應用關鍵性假設之貫徹性；及
- 取得有關過渡至新訂金融工具準則所作調整之分錄並比較應收按揭抵押貸款之原賬面值與新賬面值，以評估分錄是否已準確納入財務報表中；
- 評估應收按揭抵押貸款之虧損撥備之呈列及披露是否符合現行會計準則之披露要求。

INFORMATION OTHER THAN THE CONSOLIDATED FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The directors are responsible for the other information. The other information comprises all the information included in the annual report, other than the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF THE DIRECTORS FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with HKFRSs issued by the HKICPA and the disclosure requirements of the Hong Kong Companies Ordinance and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

The directors are assisted by the Audit Committee in discharging their responsibilities for overseeing the Group's financial reporting process.

綜合財務報表及其核數師報告以外之信息

董事需對其他信息負責。其他信息包括刊載於年報內之全部信息，但不包括綜合財務報表及我們之核數師報告。

我們對綜合財務報表之意見並不涵蓋其他信息，我們亦不對該等其他信息發表任何形式之鑒證結論。

結合我們對綜合財務報表之審計，我們之責任是閱讀其他信息，在此過程中，考慮其他信息是否與綜合財務報表或我們在審計過程中所了解之情況存在重大抵觸或者似乎存在重大錯誤陳述之情況。

基於我們已執行之工作，如果我們認為其他信息存在重大錯誤陳述，我們需要報告該事實。在這方面，我們沒有任何報告。

董事就綜合財務報表須承擔之責任

董事須負責根據香港會計師公會頒佈之香港財務報告準則及香港公司條例之披露要求擬備真實而中肯之綜合財務報表，並對其認為為使綜合財務報表之擬備不存在由於欺詐或錯誤而導致之重大錯誤陳述所需之內部監控負責。

在擬備綜合財務報表時，董事負責評估 貴集團持續經營之能力，並在適用情況下披露與持續經營有關之事項，以及使用持續經營為會計基礎，除非董事有意將 貴集團清盤或停止經營，或別無其他實際替代方案。

審核委員會協助董事履行監督 貴集團之財務報告過程之責任。

Independent Auditor's Report

獨立核數師報告

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. This report is made solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with HKSA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with HKSA's, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

核數師就審計綜合財務報表承擔之責任

我們之目標乃對綜合財務報表整體是否不存在由於欺詐或錯誤而導致之重大錯誤陳述取得合理保證，並出具包括我們意見之核數師報告。我們僅向整體股東報告。除此以外，本報告不可用作其他用途。我們概不就本報告之內容，對任何其他人士負責或承擔法律責任。

合理保證是高水平之保證，但不能保證按照香港審計準則進行之審計，在某一重大錯誤陳述存在時總能發現。錯誤陳述可以由欺詐或錯誤引起，如果合理預期它們單獨或匯總起來可能影響綜合財務報表使用者依賴財務報表所作出之經濟決定，則有關錯誤陳述可被視作重大。

在根據香港審計準則進行審計之過程中，我們運用了專業判斷，保持了專業懷疑態度。我們亦：

- 識別和評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述之風險，設計及執行審計程序以應對這些風險，以及獲取充足和適當之審計憑證，作為我們意見之基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部監控之上，因此未能發現因欺詐而導致之重大錯誤陳述之風險高於未能發現因錯誤而導致之重大錯誤陳述之風險。
- 了解與審計相關之內部監控，以設計適當之審計程序，但目的並非對貴集團內部監控之有效性發表意見。
- 評價董事所採用會計政策之恰當性及作出會計估計和相關披露之合理性。

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.
- 對董事採用持續經營會計基礎之恰當性作出結論。根據所獲取之審計憑證，確定是否存在與事項或情況有關之重大不確定性，從而可能導致對貴集團之持續經營能力產生重大疑慮。如果我們認為存在重大不確定性，則有必要在核數師報告中提請使用者注意綜合財務報中之相關披露。假若有關披露不足，則我們應當發表非無保留意見。我們之結論是基於核數師報告日止所取得之審計憑證。然而，未來事項或情況可能導致貴集團不能持續經營。
- 評價綜合財務報表之整體呈報方式、結構和內容，包括披露，以及綜合財務報表是否中肯反映交易和事項。
- 就貴集團內實體或業務活動之財務信息獲取充足、適當之審計憑證，以便對綜合財務報表發表意見。我們負責貴集團審計之方向、監督和執行。我們為審計意見承擔全部責任。

We communicate with the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and, where applicable, related safeguards.

From the matters communicated with the Audit Committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

除其他事項外，我們與審核委員會溝通計劃之審計範圍及時間安排以及重大審計發現，包括我們在審計中識別出內部監控之任何重大缺陷。

我們還向審核委員會提交聲明，說明我們已符合有關獨立性之相關專業道德要求，並與他們溝通有可能合理地被認為會影響我們獨立性之所有關係和其他事項，以及（在適用之情況下）相關防範措施。

從與審核委員會溝通之事項中，我們確定哪些事項對本期綜合財務報表之審計最為重要，因而構成關鍵審計事項。我們在核數師報告中描述這些事項，除非法律法規不允許公開披露這些事項，或在極端罕見之情況下，如果合理預期在我們報告中溝通某事項造成之負面後果超過產生之公眾利益，我們決定不應在報告中溝通該事項。

Independent Auditor's Report

獨立核數師報告

The engagement partner on the audit resulting in this independent auditor's report is Hui Chuen Hoi as appearing on his Practising Certificate.

出具本獨立核數師報告之審計項目合夥人為許川愷（彼持有執業證書）。

KPMG

Certified Public Accountants
8th Floor, Prince's Building
10 Chater Road
Central, Hong Kong

28 May 2019

畢馬威會計師事務所

執業會計師
香港中環
遮打道10號
太子大廈8樓

二零一九年五月二十八日

Consolidated Statement of Comprehensive Income

綜合全面收入表

for the year ended 28 February 2019 截至二零一九年二月二十八日止年度
(Expressed in Hong Kong dollars) (以港元列示)

		Note 附註	2019 二零一九年 \$'000 千元	2018 二零一八年 \$'000 千元
Revenue	收益	3	224,763	217,276
Interest income calculated using the effective interest method	按實際利率法計算之利息收入		166,498	211,169
Interest income from pawn loan receivables at FVPL	按公平值計入損益之應收典當貸款之利息收入		51,351	–
Gain on disposal of repossessed assets	出售經收回資產之收益		6,914	6,107
Other income	其他收入	5	4,885	4,158
Operating income	經營收入		229,648	221,434
Other operating expenses	其他經營開支	6	(65,076)	(62,547)
Charge for impairment losses on loan receivables	扣除應收貸款之減值虧損	7	(1,000)	(725)
Profit from operations	經營溢利		163,572	158,162
Finance costs	融資成本	6(a)	(42,006)	(37,467)
Profit before taxation	除稅前溢利	6	121,566	120,695
Income tax	所得稅	8	(20,746)	(19,787)
Profit and total comprehensive income for the year	年內溢利及全面收入總額		100,820	100,908
Profit and total comprehensive income for the year attributable to shareholders	股東應佔年內溢利及全面收入總額		100,820	100,908
Earnings per share (in HK cents)	每股盈利 (港仙)	11	5.1	4.8

The notes on pages 73 to 160 form part of these financial statements. 第73至160頁之附註構成此等財務報表之一部分。

Consolidated Statement of Financial Position

綜合財務狀況表

as at 28 February 2019 於二零一九年二月二十八日
(Expressed in Hong Kong dollars) (以港元列示)

		Note 附註	2019 二零一九年 \$'000 千元	2018 二零一八年 \$'000 千元
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	12	1,974	758
Loan receivables	應收貸款	13	81,928	85,861
Trade and other receivables	貿易及其他應收款項	14	–	2,402
Deferred tax assets	遞延稅項資產	23(b)	229	221
			84,131	89,242
Current assets	流動資產			
Repossessed assets	經收回資產		6,451	8,108
Loan receivables	應收貸款	13	1,304,277	1,316,428
Trade and other receivables	貿易及其他應收款項	14	5,026	7,523
Cash and cash equivalents	現金及現金等價物	15	41,418	44,833
			1,357,172	1,376,892
Current liabilities	流動負債			
Accruals and other payables	應計費用及其他應付款項	17	6,691	6,699
Bank loans and overdrafts	銀行貸款及透支	16	83,950	85,097
Obligations under finance leases	融資租賃承擔	18	76	221
Loans from the immediate holding company	直屬控股公司之貸款	21	94,000	126,000
Current taxation	即期稅項	23(a)	5,960	5,837
Other loans	其他貸款	19	265,232	291,623
			455,909	515,477
Net current assets	流動資產淨額		901,263	861,415
Total assets less current liabilities	資產總額減流動負債		985,394	950,657

Consolidated Statement of Financial Position

綜合財務狀況表

as at 28 February 2019 於二零一九年二月二十八日
(Expressed in Hong Kong dollars) (以港元列示)

	Note	2019	2018
	附註	二零一九年	二零一八年
		\$'000	\$'000
		千元	千元
Non-current liabilities	非流動負債		
Debt securities issued	已發行債務證券	22	162,452
Obligations under finance leases	融資租賃承擔	18	76
		162,565	162,528
NET ASSETS	資產淨額	822,829	788,129
CAPITAL AND RESERVES	資本及儲備	24	
Capital	股本	19,385	20,874
Reserves	儲備	803,444	767,255
TOTAL EQUITY	權益總額	822,829	788,129

Approved and authorised for issue by the board of directors on 28 May 2019.

經董事會於二零一九年五月二十八日批准及授權刊發。

Mr. Chan Kai Ho Edward

陳啟豪先生

Director

董事

Ms. Chan Ying Yu

陳英瑜女士

Director

董事

The notes on pages 73 to 160 form part of these financial statements.

第73至160頁之附註構成此等財務報表之一部分。

Consolidated Statement of Changes in Equity

綜合權益變動表

for the year ended 28 February 2019 截至二零一九年二月二十八日止年度
(Expressed in Hong Kong dollars) (以港元列示)

	Note	Share capital/Paid-in capital 股本/ 實繳資本 \$'000 千元	Share premium 股份溢價 \$'000 千元	Capital reserve 資本儲備 \$'000 千元	Capital redemption reserve 資本贖回 儲備 \$'000 千元	Other reserve 其他儲備 \$'000 千元	Retained profits 保留溢利 \$'000 千元	Total 總計 \$'000 千元
At 1 March 2017	於二零一七年三月一日	21,376	207,573	44,963	-	12,001	452,523	738,436
Profit and total comprehensive income for the year	年內溢利及全面收入總額	-	-	-	-	-	100,908	100,908
Final dividends approved in respect of the previous year and paid during the year	就上一個年度批准並於年內派付之末期股息	24(b)(ii)	(14,750)	-	-	-	-	(14,750)
Interim dividends declared and paid during the year	於年內宣派及派付之中期股息	24(b)(i)	(16,401)	-	-	-	-	(16,401)
Purchase of own shares	購回自身股份	24(c)(iii)	(502)	(20,064)	-	502	-	(20,064)
At 28 February 2018 and 1 March 2018	於二零一八年二月二十八日及二零一八年三月一日	20,874	156,358	44,963	502	12,001	553,431	788,129
Impact on initial application of HKFRS 9	首次應用香港財務報告準則第9號之影響	-	-	-	-	-	79	79
		20,874	156,358	44,963	502	12,001	553,510	788,208
Profit and total comprehensive income for the year	年內溢利及全面收入總額	-	-	-	-	-	100,820	100,820
Interim dividends declared and settled in cash and scrip during the year	於年內宣派及以現金及代息股份結算之中期股息	24(b)(i)	8	(15,840)	-	-	-	(15,832)
Purchase of own shares	購回自身股份	24(c)(iii)	(1,497)	(50,367)	-	1,497	-	(50,367)
At 28 February 2019	於二零一九年二月二十八日	19,385	90,151	44,963	1,999	12,001	654,330	822,829

The notes on pages 73 to 160 form part of these financial statements. 第73至160頁之附註構成此等財務報表之一部分。

Consolidated Cash Flow Statement

綜合現金流量表

for the year ended 28 February 2019 截至二零一九年二月二十八日止年度
(Expressed in Hong Kong dollars) (以港元列示)

	Note 附註	2019 二零一九年 \$'000 千元	2018 二零一八年 \$'000 千元
Operating activities	經營業務		
Profit before taxation	除稅前溢利	121,566	120,695
Adjustments for:	就下列各項作出調整：		
Depreciation	折舊	522	522
Bank interest income	銀行利息收入	(6)	(1)
Finance costs	融資成本	42,006	37,467
Charge for impairment loss on loan receivables	扣除應收貸款之減值虧損	1,000	725
Net losses on loan receivables at FVPL	按公平值計入損益之應收貸款之虧損淨額	3	—
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損	86	—
Issue of script dividend	發行以股代息股份	8	—
Operating profit before changes in working capital	營運資金變動前之經營溢利	165,185	159,408
Decrease/(increase) in repossessed assets	經收回資產減少／(增加)	1,657	(27)
Decrease/(increase) in loan receivables	應收貸款減少／(增加)	15,175	(90,688)
Decrease in trade and other receivables	貿易及其他應收款項減少	4,899	5,263
Increase/(decrease) in accruals and other payables	應計費用及其他應付款項增加／(減少)	250	(368)
Cash generated from operations	業務所得現金	187,166	73,588
Hong Kong Profits Tax paid	已付香港利得稅	(20,646)	(36,474)
Net cash generated from operating activities	經營業務所得現金淨額	166,520	37,114
Investing activities	投資業務		
Bank interest received	已收取銀行利息	6	1
Payment for the purchase of property, plant and equipment	購買物業、廠房及設備之款項	(1,884)	(12)
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備之所得款項	60	—
Net cash used in investing activities	投資業務所用現金淨額	(1,818)	(11)

Consolidated Cash Flow Statement

綜合現金流量表

for the year ended 28 February 2019 截至二零一九年二月二十八日止年度
(Expressed in Hong Kong dollars) (以港元列示)

	Note 附註	2019 二零一九年 \$'000 千元	2018 二零一八年 \$'000 千元
Financing activities	融資業務		
(Repayment of)/proceeds from loans from the immediate holding company	直屬控股公司之貸款之(還款)／所得款項	15(b) (32,000)	12,500
Proceeds from debt securities issued, net of issuing expenses	已發行債務證券之所得款項(已扣除發行開支)	15(b) -	25,875
Finance costs paid	已付融資成本	15(b) (42,145)	(37,065)
Repayment of other loans	其他貸款之還款	15(b) (26,391)	(17,016)
(Repayment of)/proceeds from bank loans	銀行貸款之(還款)／所得款項	15(b) (1,417)	47,843
Dividends paid	已付股息	24(b) (15,840)	(31,151)
Payment for purchase of own shares	購回自身股份之款項	(50,367)	(20,064)
Capital element of finance lease rentals paid	已付融資租賃租金的資本部分	15(b) (221)	(215)
Interest element of finance lease rentals paid	已付融資租賃租金之利息部分	15(b) (6)	(14)
Net cash used in financing activities	融資業務所用現金淨額	(168,387)	(19,307)
Net (decrease)/increase in cash and cash equivalents	現金及現金等價物(減少)／增加淨額	(3,685)	17,796
Cash and cash equivalents at the beginning of year	年初之現金及現金等價物	39,836	22,040
Cash and cash equivalents at the end of year	年末之現金及現金等價物	15(a) 36,151	39,836

The notes on pages 73 to 160 form part of these financial statements. 第73至160頁之附註構成此等財務報表之一部分。

Notes to the Financial Statements

財務報表附註

for the year ended 28 February 2019 截至二零一九年二月二十八日止年度
(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明者外，以港元列示)

1 GENERAL INFORMATION

Oi Wah Pawnshop Credit Holdings Limited (the “**Company**”) was incorporated in the Cayman Islands on 5 June 2012. The Company and its subsidiaries (together referred to as the “**Group**”) are principally engaged in secured financing business in Hong Kong, including pawn loans and mortgage loans. The shares of the Company have been listed on the Main Board of The Stock Exchange of Hong Kong Limited (“**the Stock Exchange**”) since 12 March 2013 (“**the Listing Date**”).

2 SIGNIFICANT ACCOUNTING POLICIES

(a) Statement of compliance

These financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards (“**HKFRSs**”), which collective term includes all applicable individual HKFRSs, 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 and the applicable disclosure requirements of the Hong Kong Companies Ordinance. These financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”). Further details of the significant accounting policies adopted by the Group are set out below.

The HKICPA has issued certain new and revised HKFRSs that are first effective or available for early adoption for the current accounting period of the Group. Note 2(d) provides information on any changes in accounting policies resulting from initial application of these developments to the extent that they are relevant to the Group for the current and prior accounting periods reflected in these financial statements.

(b) Basis of preparation of the financial statements

The consolidated financial statements for the year ended 28 February 2019 comprise the Company and its subsidiaries.

(c) Basis of measurement

The financial statements are presented in Hong Kong Dollars (“**HKD**”). They are prepared on the historical cost basis except for loans receivables at FVPL which is stated at fair value as explained in note 2(h).

1 一般資料

靚華押業信貸控股有限公司（「**本公司**」）於二零一二年六月五日在開曼群島註冊成立。本公司及其附屬公司（統稱「**本集團**」）主要於香港從事有抵押融資（包括典當貸款及按揭抵押貸款）業務。本公司股份已自二零一三年三月十二日（「**上市日期**」）起於香港聯合交易所有限公司（「**聯交所**」）主板上市。

2 重大會計政策

(a) 合規聲明

此等財務報表乃按照所有適用香港財務報告準則（「**香港財務報告準則**」，其為香港會計師公會（「**香港會計師公會**」）所頒佈之所有適用個別香港財務報告準則、香港會計準則（「**香港會計準則**」）及詮釋之統稱）、香港公認會計原則及香港公司條例之適用披露規定編製。此等財務報表亦符合聯交所證券上市規則（「**上市規則**」）之適用披露條文。本集團所採納之重大會計政策之進一步詳情載於下文。

香港會計師公會已頒佈若干新訂及經修訂之香港財務報告準則，並在本集團之當前會計期間首次生效或可供提早採納。附註2(d)提供因首次應用該等準則而引致會計政策出現任何變動的資料，而該等資料只包括與本集團有關而須反映在當前及去年會計期間之財務報表。

(b) 財務報表之編製基準

截至二零一九年二月二十八日止年度之綜合財務報表包括本公司及其附屬公司。

(c) 計量基準

財務報表乃以港元（「**港元**」）呈列。財務報表乃按歷史成本基準編製，惟按公平值計入損益之應收貸款則按公平值列賬（如附註2(h)所闡釋）。

Notes to the Financial Statements

財務報表附註

for the year ended 28 February 2019 截至二零一九年二月二十八日止年度
(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明者外，以港元列示)

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D) 2 重大會計政策 (續)

(d) Changes in accounting policies

(i) Overview

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

- HKFRS 9, Financial instruments

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

HKFRS 9, Financial instruments

The Group has been impacted by HKFRS 9 in relation to classification of financial assets and measurement of credit losses. Details of the changes in accounting policies are discussed note 2(d)(ii).

Under the transition methods chosen, the Group recognises cumulative effect of the initial application of HKFRS 9 as an adjustment to the opening balance of equity at 1 March 2018. Comparative information is not restated. The following table gives a summary of the opening balance adjustments recognised for each line item in the consolidated statement of financial position that has been impacted by HKFRS 9:

		At 28 February 2018	Impact on initial application of HKFRS 9	At 1 March 2018
		於二零一八年二月 二十八日	首次應用香港財務 報告準則第9號之 影響	於二零一八年三月 一日
		\$'000 千元	\$'000 千元	\$'000 千元
Deferred tax assets	遞延稅項資產	221	(15)	206
Total non-current assets	非流動資產總額	89,242	(15)	89,227
Loans receivables	應收貸款	1,402,289	94	1,402,383
Total current assets	流動資產總額	1,376,892	94	1,376,986
Net current assets	流動資產淨額	861,415	94	861,509
Net assets	資產淨額	788,129	79	788,208
Reserves	儲備	767,255	79	767,334
Total equity	權益總額	788,129	79	788,208

(d) 會計政策之變動

(i) 概覽

香港會計師公會已頒佈多項於本集團當前會計期間首次生效之新訂香港財務報告準則及香港財務報告準則之修訂。其中，以下變動與本集團之財務報表相關：

- 香港財務報告準則第9號「金融工具」

本集團並無應用任何於當前會計期間尚未生效之新訂準則或詮釋。

香港財務報告準則第9號「金融工具」

本集團於金融資產分類及信貸虧損計量方面受香港財務報告準則第9號所影響。有關會計政策之變動詳情於附註2(d)(ii)論述。

根據所選擇之過渡方法，本集團將首次應用香港財務報告準則第9號之累計影響確認為對於二零一八年三月一日之期初權益結餘之調整。比較資料未經重列。下表概列就綜合財務狀況表中各項受香港財務報告準則第9號影響之項目所確認之期初結餘調整：

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2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D) 2 重大會計政策 (續)

(d) Changes in accounting policies (CONT'D)

(ii) HKFRS 9, Financial instruments

HKFRS 9 replaces HKAS 39, *Financial instruments: recognition and measurement*. It sets out the requirements for recognising and measuring financial assets, financial liabilities and some contracts to buy or sell non-financial items.

The Group has applied HKFRS 9 retrospectively to items that existed at 1 March 2018 in accordance with the transition requirements. The Group has recognised the cumulative effect of initial application as an adjustment to the opening equity at 1 March 2018. Therefore, comparative information continues to be reported under HKAS 39.

The following table summarises the impact of transition to HKFRS 9 on retained profits and the related tax impact at 1 March 2018.

(d) 會計政策之變動 (續)

(ii) 香港財務報告準則第9號「金融工具」

香港財務報告準則第9號取代香港會計準則第39號「金融工具：確認及計量」。此準則載列確認及計量金融資產、金融負債及若干買賣非金融項目合約之規定。

本集團已根據過渡規定對於二零一八年三月一日已存在之項目追溯應用香港財務報告準則第9號。本集團已將首次應用之累計影響確認為對於二零一八年三月一日之期初權益之調整。因此，比較資料繼續根據香港會計準則第39號呈報。

下表概列過渡至香港財務報告準則第9號對於二零一八年三月一日之保留溢利及相關稅務影響之影響。

	\$'000 千元
Retained profits	保留溢利
Release of collective impairment allowance on loan receivables reclassified to be measured at FVPL	撥回重新分類為按公平值計入損益之應收貸款之整體減值撥備 79
Decrease of expected credit losses on loan receivables measured at amortised cost	減少按攤銷成本計量之應收貸款之預期信貸虧損 15
Related tax	相關稅項 (15)
Net increase in retained profits at 1 March 2018	於二零一八年三月一日之保留溢利增加淨額 79

Further details of the nature and effect of the changes to previous accounting policies and the transition approach are set out below:

有關過往會計政策變動之性質及影響以及過渡方法之進一步詳情載列如下：

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2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D) 2 重大會計政策 (續)

(d) Changes in accounting policies (CONT'D)

(ii) HKFRS 9, Financial instruments (CONT'D)

(i) Classification of financial assets and financial liabilities

HKFRS 9 categories financial assets into three principal classification categories: measured at amortised cost, at fair value through other comprehensive income (FVOCI) and at fair value through profit or loss (FVPL). These supersede HKAS 39's categories of held-to-maturity investments, loans and receivables, available-for-sale financial assets and financial assets measured at FVPL. The classification of financial assets under HKFRS 9 is based on the business model under which the financial asset is managed and its contractual cash flow characteristics. Under HKFRS 9, derivatives embedded in contracts where the host is a financial asset in the scope of the standard are not separated from the host. Instead, the hybrid instrument as a whole is assessed for classification.

For an explanation of how the Group classifies and measures financial assets and recognises related gains and losses under HKFRS 9, see respective accounting policy notes in notes 2(h) and (k).

(d) 會計政策之變動 (續)

(ii) 香港財務報告準則第9號「金融工具」(續)

(i) 金融資產及金融負債之分類

香港財務報告準則第9號將金融資產劃分為三個主要類別：按攤銷成本計量、按公平值計入其他全面收入（「按公平值計入其他全面收入」）及按公平值計入損益（「按公平值計入損益」）。此等類別取代香港會計準則第39號分別為持有至到期投資、貸款及應收款項、可供出售金融資產以及按公平值計入損益之金融資產之類別。香港財務報告準則第9號項下之金融資產分類乃根據管理金融資產之業務模式及金融資產之合約現金流量特徵而釐定。根據香港財務報告準則第9號，合約內嵌衍生工具（倘主體為該準則範圍內之金融資產）不與主體分開處理。反之，混合工具會作為一整體分類評估。

有關本集團根據香港財務報告準則第9號如何分類及計量金融資產以及確認相關收益及虧損之說明，請參閱附註2(h)及(k)之相關會計政策附註。

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2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D) 2 重大會計政策 (續)

(d) Changes in accounting policies (CONT'D)

(ii) HKFRS 9, Financial instruments (CONT'D)

(i) Classification of financial assets and financial liabilities (CONT'D)

The following table shows the original measurement categories for each class of the Group's financial assets under HKAS 39 and reconciles the carrying amounts of those financial assets determined in accordance with HKAS 39 to those determined in accordance with HKFRS 9.

(d) 會計政策之變動 (續)

(ii) 香港財務報告準則第9號「金融工具」(續)

(i) 金融資產及金融負債之分類 (續)

下表載列本集團根據香港會計準則第39號之各類金融資產之原先計量類別及對根據香港會計準則第39號釐定之金融資產賬面值與根據香港財務報告準則第9號釐定者進行對賬。

		HKAS 39 carrying amount at 28 February 2018 於二零一八年 二月二十八日 根據香港會計準則 第39號之賬面值 \$'000 千元	Reclassification 重新分類 \$'000 千元	Remeasurement 重新計量 \$'000 千元	HKFRS 9 carrying amount at 1 March 2018 於二零一八年 三月一日根據 香港財務報告準則 第9號之賬面值 \$'000 千元
Financial assets carried at amortised cost	按攤銷成本 列賬之金融 資產				
Cash and cash equivalents	現金及現金 等價物	44,833	-	-	44,833
Trade and other receivables	貿易及其他 應收款項	9,925	-	-	9,925
Loan receivables	應收貸款	1,402,289	(111,439)	94	1,290,944
		1,457,047	(111,439)	94	1,345,702
Financial assets carried at FVPL	按公平值計入 損益之金融 資產				
Loan receivables	應收貸款	-	111,439	-	111,439

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2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D) 2 重大會計政策 (續)

(d) Changes in accounting policies (CONT'D)

(ii) HKFRS 9, Financial instruments (CONT'D)

(i) Classification of financial assets and financial liabilities (CONT'D)

The measurement categories for all financial liabilities remain the same.

The carrying amounts for all financial liabilities at 1 March 2018 have not been impacted by the initial application of HKFRS 9.

The Group did not designate or de-designate any financial asset or financial liability at FVPL at 1 March 2018.

(ii) Credit losses

HKFRS 9 replaces the “incurred loss” model in HKAS 39 with the expected credit loss (“ECL”) model. The ECL model requires an ongoing measurement of credit risk associated with a financial asset and therefore recognises ECLs earlier than under the “incurred loss” accounting model in HKAS 39.

The Group applies the new ECL model to the following item:

- financial assets measured at amortised cost (including cash and cash equivalents, loan receivables measured at amortised cost and trade and other receivables);
- loan commitments issued, which are not measured at FVPL.

Loan receivables measured at FVPL are not subject to the ECL assessment.

(d) 會計政策之變動 (續)

(ii) 香港財務報告準則第9號「金融工具」(續)

(i) 金融資產及金融負債之分類 (續)

所有金融負債之計量類別維持不變。

於二零一八年三月一日之所有金融負債賬面值並無受首次應用香港財務報告準則第9號所影響。

於二零一八年三月一日，本集團並無指定或取消指定任何按公平值計入損益之金融資產或金融負債。

(ii) 信貸虧損

香港財務報告準則第9號以預期信貸虧損（「預期信貸虧損」）模式取代香港會計準則第39號之「已產生虧損」模式。預期信貸虧損模式要求對金融資產之相關信貸風險持續計量，故會較根據香港會計準則第39號之「已產生虧損」會計模式更早確認預期信貸虧損。

本集團於以下項目應用新的預期信貸虧損模式：

- 按攤銷成本計量之金融資產（包括現金及現金等價物、按攤銷成本計量之應收貸款以及貿易及其他應收款項）；
- 並非按公平值計入損益之已發行貸款承擔。

按公平值計入損益之應收貸款均毋須進行預期信貸虧損評估。

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2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D) 2 重大會計政策 (續)

(d) Changes in accounting policies (CONT'D)

(ii) HKFRS 9, Financial instruments (CONT'D)

(ii) Credit losses (CONT'D)

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all expected cash shortfalls (i.e. the difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive).

For undrawn loan commitments, expected cash shortfalls are measured as the difference between (i) the contractual cash flows that would be due to the Group if the holder of the loan commitment draws down on the loan and (ii) the cash flows that the Group expects to receive if the loan is drawn down.

The expected cash shortfalls are discounted using the following discount rates where the effect of discounting is material:

- fixed-rate financial assets, trade and other receivables: effective interest rate determined at initial recognition or an approximation thereof;
- variable-rate financial assets: current effective interest rate;
- loan commitments: current risk-free rate adjusted for risks specific to the cash flows.

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

(d) 會計政策之變動 (續)

(ii) 香港財務報告準則第9號「金融工具」(續)

(ii) 信貸虧損 (續)

計量預期信貸虧損

預期信貸虧損為信貸虧損之概率加權估計。信貸虧損按所有預期現金差額(即根據合約應付本集團之現金流量與本集團預期收到之現金流量之間的差額)之現值計量。

就未提取貸款承擔而言，預期現金差額按(i)貸款承擔持有人提取貸款時將應付本集團之合約現金流量與(ii)本集團預期於貸款獲提取時收到之現金流量之間的差額計量。

倘貼現影響重大，則預期現金差額採用以下貼現率貼現：

- 定息金融資產、貿易及其他應收款項：於初始確認時釐定之實際利率或其近似值；
- 浮息金融資產：當前實際利率；
- 貸款承擔：就現金流量特定風險調整之當前無風險利率。

於估計預期信貸虧損時所考慮之最長期間為本集團面臨信貸風險之最長合約期間。

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2 SIGNIFICANT ACCOUNTING POLICIES 2 重大會計政策 (續) (CONT'D)

(d) Changes in accounting policies (CONT'D)

(ii) HKFRS 9, Financial instruments (CONT'D)

(ii) Credit losses (CONT'D)

Measurement of ECLs (CONT'D)

In measuring ECLs, the Group takes into account reasonable and supportable information that is available without undue cost or effort. This includes information about past events, current conditions and forecasts of future economic conditions.

ECLs are measured on either of the following bases:

- 12-month ECLs: these are losses that are expected to result from possible default events within the 12 months after the reporting date; and
- lifetime ECLs: these are losses that are expected to result from all possible default events over the expected lives of the items to which the ECL model applies.

For further details on the Group's accounting policy for accounting for credit losses, see note 2(k).

(d) 會計政策之變動 (續)

(ii) 香港財務報告準則第9號「金融工具」(續)

(ii) 信貸虧損 (續)

計量預期信貸虧損 (續)

於計量預期信貸虧損時，本集團考慮到毋須付出不必要成本或努力後可獲得之合理及可靠資料，包括過往事件、目前狀況及未來經濟狀況預測的資料。

預期信貸虧損按以下其中一個基準計量：

- 12個月預期信貸虧損：預期於報告日期後12個月內可能發生之違約事件所導致的虧損；及
- 全期預期信貸虧損：預期該等應用預期信貸虧損模式之項目於預期年內所有可能發生之違約事件所導致的虧損。

有關本集團信貸虧損會計處理之會計政策之進一步詳情，請參閱附註2(k)。

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2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D) 2 重大會計政策 (續)

(d) Changes in accounting policies (CONT'D)

(ii) HKFRS 9, Financial instruments (CONT'D)

(ii) Credit losses (CONT'D)

Opening balance adjustment

As a result of this change in accounting policy, the Group has released impairment allowance amounting to \$125,000, representing \$94,000 for collective impairment allowance and \$31,000 for individual impairment allowance. The related financial impacts are increase in retained profits by \$78,000 and decrease in gross deferred tax assets by \$15,000 at 1 March 2018.

The following table reconciles the closing loss allowance determined in accordance with HKAS 39 as at 28 February 2018 with the opening loss allowance determined in accordance with HKFRS 9 as at 1 March 2018.

		\$'000 千元
Loss allowance at 28 February 2018 under HKAS 39	於二零一八年二月二十八日根據香港會計準則第39號之虧損撥備	125
Release of collective impairment allowance on loan receivables reclassified as measured at FVPL	撥回重新分類為按公平值計入損益之應收貸款之整體減值撥備	(79)
Decrease of expected credit losses on loan receivables measured at amortised cost	減少按攤銷成本計量之應收貸款之預期信貸虧損	(15)
Release of individual impairment allowance as fair value loss on loan receivables reclassified as measured at FVPL	撥回重新分類為按公平值計入損益之應收貸款之個別減值撥備 (作為公平值虧損)	(31)
Loss allowance at 1 March 2018 under HKFRS 9	於二零一八年三月一日根據香港財務報告準則第9號之虧損撥備	—

(d) 會計政策之變動 (續)

(ii) 香港財務報告準則第9號「金融工具」(續)

(ii) 信貸虧損 (續)

期初結餘調整

由於此項會計政策變動，本集團已撥回減值撥備125,000元（94,000元為整體減值撥備及31,000元為個別減值撥備）。相關財務影響為二零一八年三月一日之保留溢利及遞延稅項資產總額分別增加78,000元及減少15,000元。

下表將於二零一八年二月二十八日根據香港會計準則第39號釐定之期末虧損撥備與於二零一八年三月一日根據香港財務報告準則第9號釐定之期初虧損撥備進行對賬。

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2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D) 2 重大會計政策 (續)

(d) Changes in accounting policies (CONT'D)

(ii) HKFRS 9, Financial instruments (CONT'D)

(iii) Hedge accounting

The Group does not apply hedge accounting. The adoption of HKFRS 9 has no significant impact on the Group's financial statements in this regard.

(iv) Transition

Changes in accounting policies resulting from the adoption of HKFRS 9 have been applied retrospectively, except as described below:

- Information relating to comparative periods has not been restated. Differences in the carrying amounts of financial assets resulting from the adoption of HKFRS 9 are recognised in retained profits as at 1 March 2018. Accordingly, the information presented for the year ended 28 February 2018 continues to be reported under HKAS 39 and thus may not be comparable with the current period.
- The determination of the business model within which a financial asset is held has been made on the basis of the facts and circumstances that existed at 1 March 2018 (the date of initial application of HKFRS 9 by the Group):
- If, at the date of initial application, the assessment of whether there has been a significant increase in credit risk since initial recognition would have involved undue cost or effort, a lifetime ECL has been recognised for that financial instrument.

(d) 會計政策之變動 (續)

(ii) 香港財務報告準則第9號「金融工具」(續)

(iii) 對沖會計處理

本集團並無採用對沖會計處理。採納香港財務報告準則第9號對本集團於此方面之財務報表並無重大影響。

(iv) 過渡

採納香港財務報告準則第9號所導致的會計政策變動已被追溯應用，惟下列所述者除外：

- 有關比較期間的資料未經重列。採納香港財務報告準則第9號所產生之金融資產賬面值差額於二零一八年三月一日之保留溢利中確認。因此，截至二零一八年二月二十八日止年度所呈列的資料繼續根據香港會計準則第39號報告，故或不可與本期間的資料作出比較。
- 持有金融資產之業務模式乃根據於二零一八年三月一日（本集團首次應用香港財務報告準則第9號之日期）存在之事實及情況而釐定。
- 倘於首次應用日期評估信貸風險自初始確認以來有否大幅增加將涉及不必要成本或努力，則該金融工具確認全期預期信貸虧損。

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2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D) 2 重大會計政策 (續)

(e) Use of estimate and judgements

The preparation of financial statements in conformity with HKFRSs requires management to make judgements, estimates and assumptions 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 the 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 underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate 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.

Credit losses and impairment of assets are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Policies on credit losses and impairment of assets are set out in note 2(k).

(e) 使用估計及判斷

編製符合香港財務報告準則之財務報表需要管理層作出判斷、估計及假設，而該等判斷、估計及假設會影響政策之應用以及所呈報的資產、負債、收入及開支的數額。該等估計及相關假設乃基於過往經驗及在有關情況下相信為合理之各項其他因素，而所得結果構成用作判斷顯然無法透過其他來源獲得資產及負債賬面值之基準。實際結果或有別於此等估計。

估計及相關假設會持續審閱。倘會計估計之修訂僅對作出估計修訂之期間產生影響，則有關修訂於該期間內確認；倘修訂對現時及未來期間均產生影響，則會在作出該修訂期間及未來期間內確認。

信貸虧損及資產減值為於報告期末或具有重大風險導致下一個財政年度須對資產及負債賬面值作出重大調整之未來相關主要假設及估計不確定因素之其他主要來源。

有關信貸虧損及資產減值之政策載於附註2(k)。

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2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D) 2 重大會計政策 (續)

(f) Revenue recognition

Income is classified by the Group as revenue when it arises from the provision of services and disposal of repossessed assets in the ordinary course of the Group's business.

Revenue is recognised when control over a product or service is transferred to the customer, at the amount of promised consideration to which the Group is expected to be entitled, excluding those amounts collected on behalf of third parties.

Where the contract contains a financing component which provides a significant financing benefit to the customer for more than 12 months, revenue is measured at the present value of the amount receivable, discounted using the discount rate that would be reflected in a separate financing transaction with the customer, and interest income is accrued separately under the effective interest method. Where the contract contains a financing component which provides a significant financing benefit to the Group, revenue recognised under that contract includes the interest expense accreted on the contract liability under the effective interest method.

Further details of the Group's revenue and other income recognition policies are as follows:

(i) Interest income

Interest income for all interest-bearing financial assets are recognised as it accrues using the effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to the gross carrying amount of the financial asset. For financial assets measured at amortised cost that are not credit-impaired, the effective interest rate is applied to the gross carrying amount of the asset. For credit impaired financial assets, the effective interest rate is applied to the amortised cost (i.e. gross carrying amount net of loss allowance) of the asset.

(f) 收益確認

本集團將其日常業務過程中提供服務及出售經收回資產所產生之收入分類為收益。

本集團於產品或服務之控制權按本集團預期有權獲取之承諾代價金額(不包括代第三方收取之金額)轉移至客戶時確認收益。

倘合約包含向客戶提供超過12個月重大融資利益之融資成分，則收益按應收金額使用與客戶之個別融資交易所反映之貼現率貼現之現值計量，而利息收入則按實際利率法分開累計。倘合約包含向本集團提供重大融資利益之融資成分，則根據該合約確認之收益包括按實際利率法計算合約負債所產生之利息開支。

有關本集團收益及其他收入確認政策之進一步詳情如下：

(i) 利息收入

所有計息金融資產之利息收入於其累計時按實際利率法確認。實際利率乃按金融工具之預期年期將估計未來現金付款或收入準確貼現至金融資產之賬面總值之比率。就並無信貸減值之按攤銷成本計量之金融資產而言，實際利率應用於資產之賬面總值。就信貸減值金融資產而言，實際利率應用於資產之攤銷成本(即扣除虧損撥備之賬面總值)。

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2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D) 2 重大會計政策 (續)

(f) Revenue recognition (CONT'D)

(ii) Fee income

Fee income is recognised when the corresponding service is provided, except where the fee is charged to cover the costs of a continuing service to, or risk borne for, the customer, or is interest in nature. In these cases, the fee is recognised as income in the accounting period in which the costs or risk are incurred or is accounted for as interest income.

(iii) Disposal of repossessed assets

Disposal gain or loss is recognised when the buyer of the repossessed assets takes possession of and accepts the goods.

Disposal gain or loss was recognised on a similar basis in the comparative period under HKAS 18, *Revenue*, where it was recognised when the buyer of the repossessed assets had accepted the goods and the related risks and rewards of ownership.

(iv) Rental income from operating leases

Rental income receivable under operating leases is recognised in profit or loss in equal instalments over the periods covered by the lease term, except where an alternative basis is more representative of the pattern of benefits to be derived from the use of the leased asset. Lease incentives granted are recognised in profit or loss as an integral part of the aggregate net lease payment receivable. Contingent rentals are recognised as income in the accounting period in which they are earned.

(f) 收益確認 (續)

(ii) 費用收入

費用收入於提供相應服務時確認，惟倘所收取費用乃用以彌補向客戶提供持續服務之成本或為客戶承擔之風險或該費用屬利息性質則除外。在此等情況下，該費用於產生成本或風險之會計期間確認為收入或入賬列作利息收入。

(iii) 出售經收回資產

出售收益或虧損於經收回資產之買方接管及接收貨品時確認。

根據香港會計準則第18號「收益」，出售收益或虧損於比較期間按類似基準確認，即於經收回資產之買方已接收貨品以及擁有權之相關風險及回報時確認。

(iv) 經營租賃之租金收入

經營租賃項下之應收租金收入乃於租賃期涵蓋之期間內以等額分期方式於損益確認，惟倘有其他基準更能代表使用租賃資產所得利益之模式則除外。授出之租賃優惠於損益確認為應收淨租賃款項總額之組成部分。或然租金於所賺取之會計期間確認為收入。

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2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D) 2 重大會計政策 (續)

(g) Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. When assessing whether the Group has power, only substantive rights (held by the Group and other parties) are considered. An investment in a subsidiary is consolidated into the consolidated financial statements from the date that control commences until the date that control ceases. Intra-group balances, transactions and cash flow and any unrealised profits arising from intra-group transactions are eliminated in full in preparing the consolidated financial statements. Unrealised losses resulting from intra-group transactions are eliminated in the same way as unrealised gains but only to the extent that there is no evidence of impairment.

In the Company's statement of financial position, an investment in a subsidiary is stated at cost less impairment losses, unless the investment is classified as held for sale.

(h) Financial instruments

(i) Initial recognition

The Group initially recognises financial assets and financial liabilities on the date it becomes a party to the contractual provisions of the instrument. Other financial assets and financial liabilities are recognised using settlement date accounting.

Financial instruments are measured initially at fair value, which normally will be equal to the transaction price plus, in case of a financial asset or financial liability not held at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset or issue of the financial liability. Transaction costs on financial assets and financial liabilities at fair value through profit or loss are expensed immediately.

(g) 附屬公司

附屬公司為由本集團控制之實體。當本集團因參與實體業務而對可變回報承擔風險或享有權利，且有能力透過其對實體之權力影響該等回報時，則本集團對該實體擁有控制權。當評估本集團是否擁有控制權時，僅實質權利（由本集團及其他人士持有）方予考慮。於一間附屬公司之投資自控制開始當日計入綜合財務報表，直至控制結束當日為止。集團內結餘、交易及現金流量以及集團內交易所產生之任何未變現溢利於編製綜合財務報表時悉數對銷。集團內交易所產生之未變現虧損之對銷方法與未變現收益相同，惟僅以無減值證據者為限。

於本公司財務狀況表內，除非於一間附屬公司之投資被分類為持作出售，該投資按成本扣除減值虧損列賬。

(h) 金融工具

(i) 初始確認

本集團會於其成為金融工具合約條文之訂約方之日初始確認金融資產及金融負債。其他金融資產及金融負債則按結算日會計法確認。

金融工具初始按公平值計量，而公平值一般相等於交易價格（倘並非按公平值計入損益之金融資產或金融負債，則另加購入金融資產或發行金融負債直接產生之交易成本）。按公平值計入損益之金融資產及金融負債之交易成本會被即時支銷。

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2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D) 2 重大會計政策 (續)

(h) Financial instruments (CONT'D)

(ii) Classification and measurement

Loans and receivables

Loans and receivables mainly comprise pawn loans and mortgage loans. Pawn loans are loans provided whereby personal property such as gold, jewellery and diamonds, watches and consumer electronic products are used as collateral for the security of the loans. Mortgage loans are loans secured by real estates.

Policy applicable from 1 March 2018

Loans and receivables held by the Group are classified into one of the following measurement categories:

- amortised cost, if the loan and receivable is held for the collection of contractual cash flows which represent solely payments of principal and interest (“SPPI”). Interest income from the loan and receivable is calculated using the effective interest method;
- FVOCI–recycling, if the contractual cash flows of the loan and receivable comprise solely payments of principal and interest and the investment is held within a business model whose objective is achieved by both the collection of contractual cash flows and sale. Changes in fair value are recognised in other comprehensive income, except for the recognition in profit or loss of expected credit losses, interest income (calculated using the effective interest method) and foreign exchange gains and losses. When the loan and receivable is derecognised, the amount accumulated in other comprehensive income is recycled from equity to profit or loss; or
- FVPL, if the loan and receivable does not meet the criteria for being measured at amortised cost or FVOCI (recycling). Changes in the fair value of the loan and receivable (including interest) are recognised in profit or loss.

(h) 金融工具 (續)

(ii) 分類及計量

貸款及應收款項

貸款及應收款項主要包括典當貸款及按揭抵押貸款。典當貸款為以個人財產（例如黃金、珠寶及鑽石、手錶及電子消費品）作為獲取貸款之抵押品而提供之貸款。按揭抵押貸款指以房地產作抵押之貸款。

自二零一八年三月一日起適用之政策

本集團所持有之貸款及應收款項歸入以下其中一個計量類別：

- 按攤銷成本計量－倘持有貸款及應收款項之目的為收取僅作支付本金及利息（「僅作支付本金及利息」）之合約現金流量。來自貸款及應收款項之利息收入乃按實際利率法計算；
- 按公平值計入其他全面收入（可撥回）－倘貸款及應收款項之合約現金流量僅作支付本金及利息，且投資乃以透過收取合約現金流量及出售達致目的之業務模式持有。公平值變動於其他全面收入確認，惟預期信貸虧損、利息收入（按實際利率法計算）以及匯兌收益及虧損則於損益確認。當終止確認貸款及應收款項時，於其他全面收入中累計之金額將自權益撥回至損益；或
- 按公平值計入損益－倘貸款及應收款項不符合按攤銷成本計量或按公平值計入其他全面收入（可撥回）之條件。貸款及應收款項（包括利息）之公平值變動於損益確認。

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2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D) 2 重大會計政策 (續)

(h) Financial instruments (CONT'D)

(ii) Classification and measurement (CONT'D)

Policy applicable from 1 March 2018 (CONT'D)

In assessing whether the contractual cash flows are SPPI, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making the assessment the Group considers:

- Contingent events that would change the amount and timing of cash flows;
- Leverage features;
- Prepayment and extension terms;
- Terms that limit the Group's claim to cash flows from specified assets (e.g. non-recourse loans); and
- Features that modify consideration of the time value of money (e.g. periodical reset of interest rates).

Policy applicable prior to 1 March 2018

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market other than (1) those that the Group intends to sell immediately or in the near term, which are classified as held for trading; (2) those that the Group, upon initial recognition, designates as at fair value through profit or loss or as available-for-sale; or (3) those where the Group may not recover substantially all of its initial investment, other than because of credit deterioration, which will be classified as available-for-sale.

Loans and receivables are carried at amortised cost using the effective interest method, less impairment losses, if any (see note 2(k)).

(h) 金融工具 (續)

(ii) 分類及計量 (續)

自二零一八年三月一日起適用之政策 (續)

於評估合約現金流量是否僅作支付本金及利息時，本集團會考慮工具之合約條款。此包括評估金融資產是否包含可改變合約現金流量之時點或金額使其不符合該項條件之合約條款。於進行評估時，本集團會考慮：

- 將改變現金流量之金額及時點之或然事件；
- 槓桿特徵；
- 提前還款及延期條款；
- 限制本集團要求取得指定資產（如無追索權貸款）現金流量之條款；及
- 修改代價金錢時間價值之特徵（如定期重設利率）。

於二零一八年三月一日前適用之政策

貸款及應收款項指具有固定或可確定付款金額但並無活躍市場報價之非衍生金融資產，惟不包括(1)本集團有意立即或於短期內出售而被分類為持作買賣者；(2)本集團於初始確認時指定為按公平值計入損益或可供出售者；或(3)本集團可能無法收回其絕大部分初始投資（因信貸情況惡化而無法收回者除外）而將被分類為可供出售者。

貸款及應收款項採用實際利率法按攤銷成本扣除減值虧損（如有）列賬（見附註2(k)）。

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2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D) 2 重大會計政策 (續)

(h) Financial instruments (CONT'D)

(ii) Classification and measurement (CONT'D)

Financial liabilities at amortised cost

Financial liabilities (including bank loans and overdrafts, other payables, loans from the immediate holding company, other loans and debt securities issued) are subsequently measured at amortised cost, using the effective interest method.

(iii) Derecognition

The Group derecognise a financial asset when the contractual rights to receive the cash flows from the asset expire, or where it transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

The Group derecognise a financial liability when the obligation specified in the contract is discharged, cancelled or expired.

(h) 金融工具 (續)

(ii) 分類及計量 (續)

按攤銷成本列賬之金融負債

金融負債 (包括銀行貸款及透支、其他應付款項、直屬控股公司之貸款、其他貸款及已發行債務證券) 其後採用實際利率法按攤銷成本計量。

(iii) 終止確認

當可收取金融資產現金流量之合約權利屆滿時，或當本集團向另一實體轉讓金融資產及所有權之絕大部分風險及回報時，本集團會終止確認金融資產。

當合約所訂明之責任獲解除、撤銷或屆滿時，本集團會終止確認金融負債。

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2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D) 2 重大會計政策 (續)

(i) Leased assets

An arrangement, comprising a transaction or a series of transactions, is or contains a lease if the Group determines that the arrangement conveys a right to use a specific asset or assets for an agreed period of time in return for a payment or a series of payments. Such a determination is made based on an evaluation of the substance of the arrangement and is regardless of whether the arrangement takes the legal form of a lease.

(i) Assets acquired under finance leases

Where the Group acquires the use of assets under finance leases, the amounts representing the fair value of the leased asset, or, if lower, the present value of the minimum lease payments, of such assets are included in property, plant and equipment and the corresponding liabilities, net of finance charges, are recorded as obligations under finance leases. Depreciation is provided at rates which write off the cost of the assets over the term of the relevant lease or, where it is likely the Group will obtain ownership of the asset, the life of the asset, as set out in note 2(j). Impairment losses are accounted for in accordance with the accounting policy as set out in note 2(k). Finance charges implicit in the lease payments are charged to profit or loss over the period of the leases so as to produce an approximately constant periodic rate of charge on the remaining balance of the obligations for each accounting period. Contingent rentals are charged to profit or loss in the accounting period in which they are incurred.

(ii) Operating lease charges

Where the Group has the use of assets held under operating leases, payments made under the leases are charged to profit or loss in equal instalments over the accounting periods covered by the lease term, except where an alternative basis is more representative of the pattern of benefits to be derived from the leased asset. Lease incentives received are recognised in profit or loss as an integral part of the aggregate net lease payments made.

(i) 租賃資產

倘本集團釐定安排附帶權利於協定期間使用一項或多項特定資產以換取付款或一系列付款，則該項安排（包括一項交易或一系列交易）屬於或包含租賃。有關釐定乃按對安排本質之評估進行，而不論該項安排是否具有租賃之法律形式。

(i) 根據融資租賃購入的資產

倘本集團根據融資租賃取得資產使用權，租賃資產公平值或（倘屬較低金額）有關資產之最低租金款項現值會計入物業、廠房及設備，而相關負債（扣除融資費用）列作融資租賃項下之責任。折舊乃按於有關租賃年期撇銷資產成本之比率計提撥備，或倘本集團很可能將取得資產之擁有權，則按附註2(j)所述以資產年期計提。減值虧損按附註2(k)所載之會計政策入賬。租賃付款所含融資費用於租賃期間自損益中扣除，以於各會計期間就責任尚餘金額以近乎定期之比率扣除。或然租金於其產生之會計期間自損益扣除。

(ii) 經營租賃開支

倘本集團擁有根據經營租賃持有資產之使用權，根據租賃作出之付款乃於租賃年期所涵蓋之會計期間內按等額於損益扣除，惟倘有更能代表從租賃資產所得之利益模式之其他基準除外。已收取之租賃獎勵乃於損益確認為已支付淨租金總額之組成部分。

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2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D) 2 重大會計政策 (續)

(j) Property, plant and equipment and depreciation

Property, plant and equipment are stated at cost less accumulated depreciation and any impairment loss, if any (see note 2(k)). Depreciation is calculated on a straight-line basis to write off the cost of property, plant and equipment over their estimated useful lives as follows:

– Leasehold improvements	Over the shorter of the unexpired term of lease or 5 years
– Furniture and fixtures	5 years
– Motor vehicles	5 years

Gains or losses arising from the retirement or disposal of an item of property, plant and equipment are determined as the difference between the net disposal proceeds and the carrying amount of the item and are recognised in profit or loss on the date of retirement or disposal.

(k) Credit losses and impairment of assets

(i) Financial assets

Policy applicable from 1 March 2018

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all expected cash shortfalls (i.e. the difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive).

For undrawn loan commitments, expected cash shortfalls are measured as the difference between (i) the contractual cash flows that would be due to the Group if the holder of the loan commitment draws down on the loan and (ii) the cash flows that the Group expects to receive if the loan is drawn down.

(j) 物業、廠房及設備以及折舊

物業、廠房及設備乃按成本減累計折舊及任何減值虧損（倘有）列賬（見附註2(k)）。折舊採用直線法按其以下估計使用年期撇銷物業、廠房及設備成本計算：

– 租賃物業裝修	未屆滿租賃年期或5年（以較短者為準）
– 家具及裝置	5年
– 汽車	5年

來自物業、廠房及設備項目之報廢或出售而產生之收益或虧損乃釐定為出售所得款項淨額與該項目賬面值之差額，並於報廢或出售日期於損益內確認。

(k) 信貸虧損及資產減值

(i) 金融資產

自二零一八年三月一日起適用之政策

計量預期信貸虧損

預期信貸虧損為信貸虧損之概率加權估計。信貸虧損按所有預期現金差額（即根據合約應付本集團之現金流量與本集團預期收到之現金流量之間的差額）之現值計量。

就未提取貸款承擔而言，預期現金差額按(i)貸款承擔持有人提取貸款時將應付本集團之合約現金流量與(ii)本集團預期於貸款獲提取時收到之現金流量之間的差額計量。

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2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D) 2 重大會計政策 (續)

(k) Credit losses and impairment of assets (CONT'D)

(i) Financial assets (CONT'D)

Policy applicable from 1 March 2018 (CONT'D)

Measurement of ECLs (CONT'D)

The expected cash shortfalls are discounted using the following discount rates where the effect of discounting is material:

- fixed-rate financial assets, trade and other receivables: effective interest rate determined at initial recognition or an approximation thereof;
- variable-rate financial assets: current effective interest rate;
- loan commitments: current risk-free rate adjusted for risks specific to the cash flows.

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

In measuring ECLs, the Group takes into account reasonable and supportable information that is available without undue cost or effort. This includes information about past events, current conditions and forecasts of future economic conditions.

ECLs are measured on either of the following bases:

- 12-month ECLs: these are losses that are expected to result from possible default events within the 12 months after the reporting date; and
- lifetime ECLs: these are losses that are expected to result from all possible default events over the expected lives of the items to which the ECL model applies.

(k) 信貸虧損及資產減值 (續)

(i) 金融資產 (續)

自二零一八年三月一日起適用之政策 (續)

計量預期信貸虧損 (續)

倘貼現影響重大，則預期現金差額採用以下貼現率貼現：

- 定息金融資產、貿易及其他應收款項：於初始確認時釐定之實際利率或其近似值；
- 浮息金融資產：當前實際利率；
- 貸款承擔：就現金流量特定風險調整之當前無風險利率。

於估計預期信貸虧損時所考慮之最長期間為本集團面臨信貸風險之最長合約期間。

於計量預期信貸虧損時，本集團考慮到毋須付出不必要成本或努力後可獲得之合理及可靠資料，包括過往事件、目前狀況及未來經濟狀況預測的資料。

預期信貸虧損按以下其中一個基準計量：

- 12個月預期信貸虧損：預期於報告日期後12個月內可能發生之違約事件所導致的虧損；及
- 全期預期信貸虧損：預期該等應用預期信貸虧損模式之項目於預期年期內所有可能發生之違約事件所導致的虧損。

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2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D) 2 重大會計政策 (續)

(k) Credit losses and impairment of assets (CONT'D)

(i) Financial assets (CONT'D)

Policy applicable from 1 March 2018 (CONT'D)

Measurement of ECLs (CONT'D)

Loss allowances for trade receivables are always measured at an amount equal to lifetime ECLs. ECLs on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors and an assessment of both the current and forecast general economic conditions at the reporting date.

For all other financial instruments (including loan commitments issued), the Group recognises a loss allowance equal to 12-month ECLs unless there has been a significant increase in credit risk of the financial instrument since initial recognition, in which case the loss allowance is measured at an amount equal to lifetime ECLs.

Significant increases in credit risk

In assessing whether the credit risk of a financial instrument (including a loan commitment) has increased significantly since initial recognition, the Group compares the risk of default occurring on the financial instrument assessed at the reporting date with that assessed at the date of initial recognition. In making this reassessment, the Group considers that a default event occurs when (i) the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or (ii) the financial asset is 90 days past due. 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.

(k) 信貸虧損及資產減值 (續)

(i) 金融資產 (續)

自二零一八年三月一日起適用之政策 (續)

計量預期信貸虧損 (續)

貿易應收款項之虧損撥備通常按相等於全期預期信貸虧損之金額計量。該等金融資產之預期信貸虧損採用基於本集團過往信貸虧損經驗之撥備矩陣進行估計，並就於報告日期債務人之特定因素及對目前及預測整體經濟狀況之評估進行調整。

就所有其他金融工具（包括已發行貸款承擔）而言，本集團按相等於12個月預期信貸虧損之金額確認虧損撥備，除非該金融工具之信貸風險自初始確認以來大幅增加，而於此情況下，虧損撥備按相等於全期預期信貸虧損之金額計量。

信貸風險大幅增加

於評估金融工具（包括貸款承擔）之信貸風險自初始確認以來有否大幅增加時，本集團會比較於報告日期及於初始確認日期評估之金融工具所出現之違約風險。於作出重新評估時，本集團認為，倘(i)借款人不大可能於本集團無追索權採取變現抵押品（如持有）等行動之情況下向本集團悉數支付其信貸責任；或(ii)金融資產已逾期90日，則構成違約事件。本集團會考慮合理可靠之定量及定性資料，包括過往經驗及在毋須付出不必要成本或努力後可獲得之前瞻性資料。

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2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D) 2 重大會計政策 (續)

(k) Credit losses and impairment of assets (CONT'D)

(i) Financial assets (CONT'D)

Policy applicable from 1 March 2018 (CONT'D)

Significant increases in credit risk (CONT'D)

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

- failure to make payments of principal or interest on their contractually due dates;
- an actual or expected significant deterioration in a financial instrument's external or internal credit rating (if available);
- an actual or expected significant deterioration in the operating results of the debtor; and
- existing or forecast changes in the technological, market, economic or legal environment that have a significant adverse effect on the debtor's ability to meet its obligation to the Group.

For loan commitments, the date of initial recognition for the purpose of assessing ECLs is considered to be the date that the Group becomes a party to the irrevocable commitment. In assessing whether there has been a significant increase in credit risk since initial recognition of a loan commitment, the Group considers changes in the risk of default occurring on the loan to which the loan commitment relates.

Depending on the nature of the financial instruments, the assessment of a significant increase in credit risk is performed on either an individual basis or a collective basis. When the assessment is performed on a collective basis, the financial instruments are grouped based on shared credit risk characteristics, such as past due status and credit risk ratings.

(k) 信貸虧損及資產減值 (續)

(i) 金融資產 (續)

自二零一八年三月一日起適用之政策 (續)

信貸風險大幅增加 (續)

具體而言，於評估信貸風險自初始確認以來有否大幅增加時，本集團會考慮以下資料：

- 未能按其合約到期日支付本金或利息；
- 金融工具外部或內部信貸評級 (如有) 之實際或預期顯著惡化；
- 債務人經營業績之實際或預期顯著惡化；及
- 科技、市場、經濟或法律環境之現有或預期變動對債務人履行其對本集團責任之能力有重大不利影響。

就貸款承擔而言，為評估預期信貸虧損之初始確認日期被視為本集團訂立不可撤銷承擔之日期。於評估貸款承擔之信貸風險自初始確認以來有否大幅增加時，本集團會考慮貸款承擔所涉貸款出現違約之風險變動。

信貸風險大幅增加之評估乃按個別基準或共同基準進行，視乎金融工具之性質而定。倘按共同基準進行評估，金融工具將按共同信貸風險特徵 (如逾期狀況及信貸風險評級) 進行分組。

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2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D) 2 重大會計政策 (續)

(k) Credit losses and impairment of assets (CONT'D)

(i) Financial assets (CONT'D)

Policy applicable from 1 March 2018 (CONT'D)

Significant increases in credit risk (CONT'D)

ECLs are remeasured at each reporting date to reflect changes in the financial instrument's credit risk since initial recognition. Any change in the ECL amount is recognised as an impairment gain or loss in profit or loss. The Group recognises an impairment gain or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

Basis of calculation of interest income on credit-impaired financial assets

Interest income recognised in accordance with note 2(f)(i). Interest income is calculated based on the gross carrying amount of the financial asset unless the financial asset is credit-impaired, in which case interest income is calculated based on the amortised cost (i.e. the gross carrying amount less loss allowance) of the financial asset.

At each reporting date, the Group assesses whether a financial asset is credit-impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

(k) 信貸虧損及資產減值 (續)

(i) 金融資產 (續)

自二零一八年三月一日起適用之政策 (續)

信貸風險大幅增加 (續)

本集團於各報告日期重新計量預期信貸虧損，以反映金融工具之信貸風險自初始確認以來發生之變動。預期信貸虧損金額之任何變動均會於損益確認為減值收益或虧損。本集團確認所有金融工具之減值收益或虧損，並透過虧損撥備賬對其賬面值作出相應調整。

信貸減值金融資產利息收入之計算基準

利息收入乃根據附註2(f)(i)確認。利息收入乃按金融資產之賬面總值計算，除非該金融資產出現信貸減值，在此情況下，利息收入則按該金融資產之攤銷成本（即賬面總值減虧損撥備）計算。

於各報告日期，本集團會評估金融資產是否出現信貸減值。當發生一項或多項對金融資產之估計未來現金流量有不利影響之事件時，即表示該金融資產出現信貸減值。

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2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D) 2 重大會計政策 (續)

(k) Credit losses and impairment of assets (CONT'D)

(i) Financial assets (CONT'D)

Basis of calculation of interest income on credit-impaired financial assets (CONT'D)

Evidence that a financial asset is credit-impaired includes the following observable events:

- significant financial difficulties of the debtor;
- a breach of contract, such as a default or delinquency in interest or principal payments;
- it becoming probable that the borrower will enter into bankruptcy or other financial reorganisation;
- significant changes in the technological, market, economic or legal environment that have an adverse effect on the debtor; or
- the disappearance of an active market for a security because of financial difficulties of the issuer.

Write-off policy

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off.

Subsequent recoveries of an asset that was previously written off are recognised as a reversal of impairment in profit or loss in the period in which the recovery occurs.

(k) 信貸虧損及資產減值 (續)

(i) 金融資產 (續)

信貸減值金融資產利息收入之計算基準 (續)

金融資產出現信貸減值之證據包括以下可觀察事件：

- 債務人出現重大財務困難；
- 違反合約，如欠繳或拖欠利息或本金付款；
- 借款人很可能將告破產或進行其他財務重組；
- 科技、市場、經濟或法律環境出現重大變動而對債務人有不利影響；或
- 證券因發行人出現財務困難而失去活躍市場。

撇銷政策

本集團會於預計日後實際上無法收回金融資產之賬面總值時將其（部分或全部）撇銷。該情況通常為本集團確定債務人並無資產或可產生足夠現金流量之收入來源用以償還將予撇銷之金額。

先前已撇銷的資產之其後收回在收回期間於損益確認為減值撥回。

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2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D) 2 重大會計政策 (續)

(k) Credit losses and impairment of assets (CONT'D)

(i) Financial assets (CONT'D)

Policy applicable prior to 1 March 2018

Prior to 1 March 2018, an “incurred loss” model was used to measure impairment losses on financial assets not classified as at FVPL (e.g. trade and other receivables, available-for-sale investments and held-to-maturity debt securities). Under the “incurred loss” model, an impairment loss was recognised only when there was objective evidence of impairment. Objective evidence of impairment included:

- significant financial difficulty of the issuer or borrower;
- a breach of contract, such as a default or delinquency in interest or principal payments;
- it becoming probable that the borrower will enter bankruptcy or other financial reorganisation; and
- significant changes in the technological, market, economic or legal environment that have an adverse effect on the borrower.

If any such evidence exists, impairment losses are recognised that the carrying amount is reduced to the estimated recoverable amount by means of a charge to profit or loss.

(k) 信貸虧損及資產減值 (續)

(i) 金融資產 (續)

於二零一八年三月一日前適用之政策

於二零一八年三月一日前，本集團使用「已產生虧損」模式計量並非分類為按公平值計入損益之金融資產（如貿易及其他應收款項、可供出售投資及持有至到期債務證券）之減值虧損。根據「已產生虧損」模式，本集團僅於有客觀減值證據時方會確認減值虧損。客觀減值證據包括：

- 發行人或借款人出現重大財務困難；
- 違反合約，如欠繳或拖欠利息或本金付款；
- 借款人很可能將告破產或進行其他財務重組；及
- 科技、市場、經濟或法律環境出現重大變動而對借款人有不利影響。

倘存在任何該等證據，則會確認減值虧損，而賬面值將透過於損益扣除之方式撇減至估計可收回金額。

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2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D) 2 重大會計政策 (續)

(k) Credit losses and impairment of assets (CONT'D)

(i) Financial assets (CONT'D)

Policy applicable prior to 1 March 2018 (CONT'D)

Impairment losses are written off against the corresponding assets directly, except for impairment losses recognised in respect of loans and receivables, which are measured at amortised cost, whose recovery is considered doubtful but not remote. In this case, the impairment losses are recorded using an allowance account. When the Group is satisfied that recovery is remote, the amount considered irrecoverable is written off against loans and receivables directly and any amounts held in the allowance account relating to that borrower are reversed. Subsequent recoveries of amounts previously charged to the allowance account are reversed against the allowance account. Other changes in the allowance account and subsequent recoveries of amounts previously written off directly are recognised in profit or loss.

Loans and receivables

Impairment losses on loans and receivables are measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition of these assets). Receivables with a short duration are not discounted if the effect of discounting is immaterial.

The total allowance for impairment losses consists of two components: individual impairment allowances, and collective impairment allowances.

(k) 信貸虧損及資產減值 (續)

(i) 金融資產 (續)

於二零一八年三月一日前適用之政策 (續)

減值虧損從相應資產中直接撇銷，惟倘就可收回性被視為可疑而非極低且按攤銷成本計量之貸款及應收款項之已確認減值虧損則除外。在此情況下，減值虧損以撥備賬記賬。倘本集團信納可收回性極低，則被視為無法收回之金額將從貸款及應收款項中直接撇銷，而於撥備賬中持有有關該借入人之任何金額會被撥回。其後收回先於撥備賬扣除之款項自撥備賬撥回。撥備賬之其他變動及其後收回先前直接撇銷之款項於損益確認。

貸款及應收款項

貸款及應收款項之減值虧損乃以資產賬面值與按資產之原本實際利率（即在初始確認此等資產時計算之實際利率）貼現估計未來現金流量之現值之間之差額計量。倘貼現並無重大影響，則短期應收款項不予貼現。

減值虧損撥備總額包括兩個部分：個別減值撥備及整體減值撥備。

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2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D) 2 重大會計政策 (續)

(k) Credit losses and impairment of assets (CONT'D)

(i) Financial assets (CONT'D)

Loans and receivables (CONT'D)

The Group first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, and collectively for financial assets that are not individually significant. If the Group determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is or continues to be recognised are not included in a collective assessment of impairment. Assets that are not individually significant are collectively assessed for impairment by grouping together financial assets with similar risk characteristics.

The individual impairment allowance is based upon management's best estimate of the present value of cash flows which are expected to be received discounted at the original effective interest rate. In estimating these cash flows, management make judgements about the borrower's financial situation and the net realisable value of any underlying collateral or guarantees in favour of the Group. Each impaired asset is assessed on its merits.

In assessing the need for collective impairment allowances, management uses statistical modelling and considers historical trends of factors such as credit quality, portfolio size, concentrations, and economic factors. In order to estimate the required allowance, the Group makes assumptions both to define the way the Group models inherent losses and to determine the required input parameters, based on historical experience and current economic conditions.

Where there is no reasonable prospect of recovery, the loan and the related interest receivables are written off.

(k) 信貸虧損及資產減值 (續)

(i) 金融資產 (續)

貸款及應收款項 (續)

本集團首先評估客觀減值證據是否個別存在於個別重大之金融資產，及是否整體存在於並非個別重大之金融資產。倘本集團釐定並無客觀減值證據存在於個別評估金融資產（無論重大與否），則會將有關資產撥入具有類似信貸風險特性之金融資產組別，並以整體方式評估減值。已個別評估減值且減值虧損現已確認或持續確認的資產不包括於整體減值評估內。並非個別重大的資產透過與具有類似風險特性之金融資產歸類而以整體方式評估減值。

個別減值撥備乃根據管理層按原本實際利率貼現而預期收取之現金流量現值之最佳估計計算。在估計此等現金流量時，管理層對借款人之財務狀況以及任何以本集團為受益人之相關抵押品或擔保之可變現價值淨額進行判斷。各減值資產乃根據其自身情況進行評估。

於評估是否需要作出整體減值撥備時，管理層使用統計模擬方式，並考慮多項因素之過往趨勢，例如信貸質素、組合規模、集中程度及經濟因素。為估計所需撥備，本集團將根據過往經驗及目前經濟狀況作出假設，以確定本集團模擬潛在虧損之方式及釐定所需之輸入變數。

倘再無合理機會收回時，則貸款及應收相關利息予以撇銷。

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2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D) 2 重大會計政策 (續)

(k) Credit losses and impairment of assets (CONT'D)

(ii) Impairment of other assets

Internal and external sources of information are reviewed at the end of each reporting date to identify indications that other assets may be impaired or an impairment loss previously recognised no longer exists or may have decreased.

If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount.

– Calculation of recoverable amount

The recoverable amount of an asset is the greater of its fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Where an asset does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the smallest group of assets that generates cash inflows independently (i.e. a cash-generating unit).

– Recognition of impairment losses

An impairment loss is recognised in profit or loss whenever the carrying amount of an asset, or the cash-generating unit to which it belongs, exceeds its recoverable amount.

– Reversals of impairment losses

An impairment loss is reversed if there has been a favourable change in the estimates used to determine the recoverable amount.

A reversal of impairment losses is limited to the asset's carrying amount that would have been determined had no impairment loss been recognised in prior years. Reversals of impairment losses are credited to the statement of comprehensive income in the year in which the reversals are recognised.

(k) 信貸虧損及資產減值 (續)

(ii) 其他資產減值

內部及外間的資料均會於各報告日期末予以審閱，以確定是否有跡象顯示其他資產可能出現減值或先前已確認之減值虧損不復存在或可能已減少。

倘存在任何該等跡象，則估計該資產之可收回金額。當資產之賬面值超過其可收回金額時，則確認減值虧損。

– 計算可收回金額

資產可收回金額乃其公平值減出售成本與使用價值兩者中之較高者。在評估使用價值時，會按反映當時市場對貨幣時間價值及資產特定風險之評估之稅前貼現率，將估計未來現金流量貼現至其現值。倘資產並無產生大致獨立於其他資產之現金流入，則以能獨立產生現金流入之最小資產組別（即現金產生單位）釐定可收回金額。

– 確認減值虧損

當資產之賬面值或其所屬之現金產生單位超過其可收回金額時，於損益確認減值虧損。

– 撥回減值虧損

倘用以釐定可收回金額之估計發生有利變化，則撥回減值虧損。

撥回減值虧損以倘於過往年度並未確認減值虧損而原應釐定的資產賬面值為限。撥回減值虧損於確認撥回之年度計入全面收入表。

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2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D) 2 重大會計政策 (續)

(l) Repossessed assets

In the recovery of impaired loan receivables granted under the Pawnbrokers Ordinance (Chapter 166 of the laws of Hong Kong), the Group takes possession of the collateral assets from the customers. This possession takes place once a loan becomes overdue, subject to a grace period granted at the discretion of the Group in certain cases.

Repossessed assets are initially recognised at the amortised cost of the related outstanding loans on the date of repossession, which is generally below the net realisable value of the repossessed assets. Upon repossession of the assets, the related loan receivables are derecognised from the statement of financial position. Subsequently, repossessed assets are carried at the lower of the amount initially recognised or net realisable value and are therefore written down if and when the net realisable value falls to below the carrying amount of the asset. The excess/shortfall of the net proceeds over the carrying amount of the repossessed assets is recognised as a gain/loss upon the disposal of the assets.

(m) Interest-bearing borrowings

Interest-bearing borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost with any difference between the amount initially recognised and redemption value being recognised in profit or loss over the period of the borrowings, together with any interest and fees payable, using the effective interest method.

(n) Accruals and other payables

Accruals and other payables are initially recognised at fair value and thereafter stated at amortised cost unless the effect of discounting would be immaterial, in which case they are stated at cost.

(l) 經收回資產

在收回根據香港法例第166章當舖商條例發放之已減值應收貸款時，本集團管有客戶提供之抵押品資產。此項管有行動在貸款逾期時作出，惟本集團於若干情況下可酌情給予寬限期。

經收回資產初始按相關尚未償還貸款於收回日之攤銷成本確認，而該價值通常低於經收回資產之可變現價值淨額。於收回資產後，相關應收貸款自財務狀況表終止確認。其後，經收回資產按初始確認款項或可變現價值淨額之較低者入賬，並因此於倘及當可變現價值淨額低於資產賬面值時撇銷。出售資產後，所得款項淨額超逾／少於經收回資產賬面值之部分確認為收益／虧損。

(m) 計息借貸

計息借貸初始按公平值減應佔交易成本確認。於初始確認後，計息借貸乃按攤銷成本及初始確認金額與按借貸期於損益確認之贖回價值之間之任何差額（連同任何應付利息及費用）使用實際利息法列賬。

(n) 應計費用及其他應付款項

應計費用及其他應付款項最初按公平值確認，而其後則按攤銷成本列賬，除非貼現之影響並不重大，在該情況下則按成本列賬。

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2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D) 2 重大會計政策 (續)

(o) Cash and cash equivalents

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

(p) Provisions and contingent liabilities

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

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

(o) 現金及現金等價物

現金及現金等價物包括銀行及手頭現金、於銀行之活期存款，以及可隨時兌換為已知金額現金且承受之價值變動風險並不重大之短期、高流動性投資（在購入後三個月內到期）。按要求償還之銀行透支構成本集團現金管理不可或缺之一部分，於編製綜合現金流量表時亦計入現金及現金等價物部分。

(p) 撥備及或然負債

當本集團因過去事件須承擔法定或推定責任，而履行該責任很可能需要付出經濟利益及能可靠估計時，則就未確定時間或金額之負債確認撥備。倘貨幣之時間值重大，則撥備會以履行該等責任預期支出現值列賬。

倘不大可能需要經濟利益流出，或其數額未能可靠估計，除非經濟利益流出之可能性極低，否則須披露該等責任為或然負債。其存在僅能以一宗或多宗未來事件之發生與否來確定之潛在責任，除非經濟利益流出之可能性極低，否則亦披露為或然負債。

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2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D) 2 重大會計政策 (續)

(q) Income tax

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

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years. Deferred tax assets and liabilities arise from deductible and taxable temporary differences respectively, being the differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax bases. Deferred tax assets also arise from unused tax losses and unused tax credits.

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

(q) 所得稅

年內所得稅包括即期稅項及遞延稅項資產與負債之變動。即期稅項及遞延稅項資產與負債之變動均於損益內確認，惟與業務合併或於其他全面收入或直接於權益內確認之項目有關者則除外，在此情況下有關稅項金額分別於其他全面收入或直接於權益內確認。

即期稅項為就年內應課稅收入採用於報告日期已生效或實質已生效之稅率計算之預期應付稅項，及就過往年度之應付稅項所作出之任何調整。遞延稅項資產及負債分別自可扣稅及應課稅之暫時差額產生，即就財務報告而言資產及負債之賬面值與其稅基之間之差額。遞延稅項資產亦自未動用稅項虧損及未動用稅項抵免產生。

除若干少數例外情況外，所有遞延稅項負債及所有遞延稅項資產（以未來很可能有應課稅溢利致使可動用該等資產作抵扣為限）均會予以確認。可支持確認自可扣稅暫時差額所產生之遞延稅項資產之未來應課稅溢利包括因撥回現有應課稅暫時差額而產生之金額；惟此等差額與同一稅務機關及同一應課稅實體有關，並預期在可扣稅暫時差額預計撥回之同一期間或遞延稅項資產所產生稅項虧損可承後或承前結轉之期間內撥回。在釐定現有應課稅暫時差額是否支持確認自未動用稅項虧損及抵免產生之遞延稅項資產時，採用同一準則，即該等差額若與同一稅務機關及同一應課稅實體有關，並預期在稅項虧損或抵免可動用之期間內撥回，則予以考慮。

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2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D) 2 重大會計政策 (續)

(q) Income tax (CONT'D)

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

The amount of deferred tax recognised is measured based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, using tax rates enacted or substantively enacted at the reporting date. Deferred tax assets and liabilities are not discounted.

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

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

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

(q) 所得稅 (續)

確認遞延稅項資產及負債之少數例外情況為源自不可扣稅之商譽暫時差額、初步確認不影響會計或應課稅溢利（惟並非業務合併之其中部分）的資產或負債，以及有關投資於附屬公司之暫時差額，而倘屬應課稅差額，則以本集團可控制撥回時間，且於可見將來不會撥回差額為限，或倘屬可扣稅差額，則除非有關差額將於日後撥回為限。

已確認之遞延稅項金額按照資產與負債賬面值之預期變現或清償方式，使用報告日期已生效或實質已生效之稅率計算。遞延稅項資產與負債均不作貼現。

各報告期末均會檢討遞延稅項資產之賬面值，並於再無足夠應課稅溢利以動用有關稅項權益時作出削減。如可能出現足夠應課稅溢利，則任何有關削減將予以撥回。

即期稅項結餘及遞延稅項結餘以及有關變動均獨立呈列，及不予抵銷。倘本集團具備可依法強制執行之權力將即期稅項資產與即期稅項負債抵銷，且符合以下額外條件，則即期稅項資產與即期稅項負債抵銷，而遞延稅項資產則與遞延稅項負債抵銷：

- 就即期稅項資產及負債而言，本集團擬按淨值基準結算或同時變現資產及清償負債；或

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2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D) 2 重大會計政策 (續)

(q) Income tax (CONT'D)

- In the case of deferred tax assets and liabilities, if they relate to income taxes levied by the same taxation authority on either:
 - The same taxable entity; or
 - Different taxable entities, which, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered, intend to realise the current tax assets and settle the current tax liabilities on a net basis or realise and settle simultaneously.

(r) Employee benefits

(i) Short-term employee benefits

Salaries, annual bonuses, paid annual leave and the cost of non-monetary benefits are accrued in the year in which the associated services are rendered by employees. Where payment or settlement is deferred and the effect would be material, these amounts are stated at their present values.

(ii) Retirement benefits

Retirement benefits are provided by the Group under the Mandatory Provident Fund Scheme as defined contribution schemes. The employer's monthly contributions to the scheme are at a maximum of 5% of each employee's monthly salary, subject to a cap of monthly relevant income of \$30,000.

The cost of all these schemes is charged to profit or loss of the Group for the year concerned and the assets of all these schemes are held separately from those of the Group.

(q) 所得稅 (續)

- 就遞延稅項資產及負債而言，倘與相同稅務機構就下列其中一項所徵收之所得稅有關：
 - 同一應課稅實體；或
 - 不同應課稅實體，該等實體計劃於日後各個預期清償或收回重大遞延稅項負債或資產之期間內，按淨值基準變現即期稅項資產及清償即期稅項負債或同時變現該資產及清償該負債。

(r) 僱員福利

(i) 短期僱員福利

薪金、年度花紅、有薪年假及非貨幣利益之成本乃於僱員提供相關服務之年度內應計。倘延期付款或結算而影響屬重大，則該等金額乃按其現值列賬。

(ii) 退休福利

本集團根據強制性公積金計劃提供退休福利作為定額供款計劃。僱員每月向計劃供款最多為各僱員月薪之5%，以每月相關收入30,000元為上限。

所有該等計劃之成本於本集團相關年度之損益內扣除，而所有該等計劃的資產與本集團的資產分開持有。

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2 SIGNIFICANT ACCOUNTING POLICIES 2 重大會計政策 (續) (CONT'D)

(r) Employee benefits (CONT'D)

(iii) Long service payments

Certain of the Group's employees have completed the required number of years of service to the Group in order to be eligible for long service payments under the Hong Kong Employment Ordinance in the event of the termination of their employment. The Group is liable to make such payments in the event that such a termination of employment meets the circumstances specified in the Employment Ordinance.

A provision is recognised in respect of probable future long service payments based on the best estimate of the probable future outflow of resources which have been earned by the employees from their service to the Group at the reporting date.

(s) Related parties

- (a) A person, or a close member of that person's family, is related to the Group if that person:
- (i) has control or joint control over the Group;
 - (ii) has significant influence over the Group; or
 - (iii) is a member of the key management personnel of the Group or the Group's parent.

(r) 僱員福利 (續)

(iii) 長期服務金

本集團若干僱員在本集團已工作滿所需服務年期，根據香港僱傭條例於終止受聘時合資格獲取長期服務金。倘終止聘用符合僱傭條例所規定之情況，本集團有責任支付該等服務金。

本集團已就可能產生之未來長期服務金款項，按照可能於未來流出的資源（僱員於報告日於本集團服務所賺取）之最佳估計確認撥備。

(s) 關連方

- (a) 倘一名人士符合以下情況，即該人士或該人士之近親家庭成員與本集團有關連：
- (i) 控制或共同控制本集團；
 - (ii) 對本集團有重大影響力；或
 - (iii) 為本集團或本集團母公司主要管理層成員。

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2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D) 2 重大會計政策 (續)

(s) Related parties (CONT'D)

- (b) An entity is related to the Group if any of the following conditions applies:
- (i) The entity and the Group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
 - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
 - (iii) Both entities are joint ventures of the same third party.
 - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
 - (v) The entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group.
 - (vi) The entity is controlled or jointly controlled by a person identified in (a).
 - (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
 - (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the Group's parent.

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

(s) 關連方 (續)

- (b) 倘一間實體符合以下任何條件，即該實體與本集團有關連：
- (i) 該實體與本集團屬同一集團之成員公司（即各母公司、附屬公司及同系附屬公司彼此間有關連）。
 - (ii) 一間實體為另一實體之聯營公司或合營企業（或另一實體為成員公司之集團旗下成員公司之聯營公司或合營企業）。
 - (iii) 兩間實體均為同一第三方之合營企業。
 - (iv) 一間實體為第三方實體之合營企業，而另一實體則為該第三方實體之聯營公司。
 - (v) 實體為本集團或與本集團有關連之實體就僱員福利設立之離職後福利計劃。
 - (vi) 實體受(a)所識別人士控制或共同控制。
 - (vii) (a)(i)所識別人士對實體有重大影響力或屬該實體（或該實體之母公司）之主要管理層成員。
 - (viii) 實體或其所屬之集團任何成員公司向本集團或本集團母公司提供主要管理人員服務。

一名人士之近親家庭成員指與該實體交易時預期可影響該人士或受該人士影響之該等家庭成員。

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2 SIGNIFICANT ACCOUNTING POLICIES 2 重大會計政策 (續) (CONT'D)

(t) Segment reporting

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

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

(t) 分部報告

財務報表所呈報之營運分部及各分部項目之金額乃自定期向本集團最高行政管理層提供以分配資源予本集團各業務及地區並評估其表現之財務報表中識別。

就財務報告而言，除非分部具備相似之經濟特徵並在產品及服務性質、生產工序性質、客戶類型之類別、分銷產品或提供服務所用方法及監管環境性質相似，否則個別重大營運分部不會進行合算。非個別重大之營運分部倘符合大部分此等標準，則可進行合算。

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3 REVENUE

The principal activities of the Group are the granting of pawn loans and mortgage loans in Hong Kong.

Revenue represents interest income earned on pawn loans and mortgage loans, and results on disposal of repossessed assets. The amount of each nature of business of revenue recognised during the year is as follows:

3 收益

本集團之主要業務為在香港發放典當貸款及按揭抵押貸款。

收益指典當貸款及按揭抵押貸款所賺取之利息收入以及出售經收回資產之業績。年內，按各業務性質確認之收益金額如下：

		2019 二零一九年 \$'000 千元	2018 二零一八年 \$'000 千元
Revenue from pawn loan business	典當貸款業務之收益		
Interest income from pawn loan receivables calculated using the effective interest method	按實際利率法計算之應收典當貸款之利息收入	7,843	58,754
Interest income from pawn loan receivables at FVPL	按公平值計入損益之應收典當貸款之利息收入	51,351	–
Gain on disposal of repossessed assets	出售經收回資產之收益	6,914	6,107
Total revenue from pawn loan business	典當貸款業務之總收益	66,108	64,861
Revenue from mortgage loan business	按揭抵押貸款業務之收益		
Interest income from mortgage loan receivables calculated using the effective interest method	按實際利率法計算之應收按揭抵押貸款之利息收入	158,655	152,415
Total	總計	224,763	217,276

Cost of disposed of repossessed assets the year ended 28 February 2019 amounted to \$45.9 million (28 February 2018: \$46.1 million).

The Group's customer base is diversified and includes one customer (28 February 2018: two customers) with whom transactions have exceeded 10% of the Group's revenues. During the year ended 28 February 2019, revenues from interest income on mortgage loan receivables from this customer (28 February 2018: two customers), including interest income from entities which are known to the Group to be under common control with this customer, amounted to approximately \$25.1 million (28 February 2018: amounted to approximately \$36.1 million and \$21.8 million respectively).

截至二零一九年二月二十八日止年度，出售經收回資產之成本為45,900,000元（二零一八年二月二十八日：46,100,000元）。

本集團之客戶基礎多元化，其中一名客戶（二零一八年二月二十八日：兩名客戶）與本集團進行之交易超逾本集團收益之10%。截至二零一九年二月二十八日止年度，應收該客戶（二零一八年二月二十八日：兩名客戶）按揭抵押貸款之利息收入之收益（包括本集團已知與該客戶受共同控制之實體之利息收入）約為25,100,000元（二零一八年二月二十八日：分別約為36,100,000元及21,800,000元）。

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4 SEGMENT REPORTING

The Group has one reportable segment, which is the provision of secured financing business in Hong Kong, including pawn loans and mortgage loans. Therefore, no additional reportable segment and geographical information have been presented.

4 分部報告

本集團有一項可呈報分部，即於香港提供有抵押融資（包括典當貸款及按揭抵押貸款）業務。因此，概無呈列額外可呈報分部及地區資料。

5 OTHER INCOME

5 其他收入

		2019 二零一九年 \$'000 千元	2018 二零一八年 \$'000 千元
Rental income	租金收入	1,642	1,089
Interest income on unsecured loans	無抵押貸款之利息收入	-	891
Credit related fee income	信貸相關費用收入	3,042	1,699
Bank interest income	銀行利息收入	6	1
Others	其他	195	478
		4,885	4,158

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6 PROFIT BEFORE TAXATION

Profit before taxation is arrived at after charging:

6 除稅前溢利

除稅前溢利乃經扣除以下各項後達致：

	2019 二零一九年 \$'000 千元	2018 二零一八年 \$'000 千元
(a) Finance costs		
Finance charges on obligations under finance leases	6	14
Interest on loans from the immediate holding company	6,098	5,268
Interest on bank loans and overdrafts	4,149	3,305
Interest on other loans	21,853	19,524
Interest on debt securities issued	9,900	9,356
	42,006	37,467
(b) Staff costs		
Salaries and other benefits	19,221	18,320
Directors' remuneration (note 9)	9,383	9,299
Contributions to defined contribution scheme	552	550
Charge for/(release of) provision for long service payment	128	(121)
	29,284	28,048

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6 PROFIT BEFORE TAXATION (CONT'D)

6 除稅前溢利 (續)

		2019 二零一九年 \$'000 千元	2018 二零一八年 \$'000 千元
(c) Other operating expenses	(c) 其他經營開支		
Premises and equipment expenses excluding depreciation: rental of premises maintenance, repairs and others	物業及設備開支 (不包括折舊): 物業租金 保養、維修及其他	13,026 1,012	12,271 1,248
		14,038	13,519
Auditors' remuneration	核數師酬金	1,180	1,107
Depreciation (note 12)	折舊 (附註12)	522	522
Advertising expenses	廣告開支	9,856	11,291
Legal and professional fees	法律及專業費用	4,430	2,900
Net loss on disposal on property, plant and equipment	出售物業、廠房及 設備之虧損淨額	86	-
Net loss on loans receivables at FVPL	按公平值計入損益之 應收貸款之虧損淨額	3	-
Others	其他	5,677	5,160
		21,754	20,980
		65,076	62,547

7 IMPAIRMENT LOSSES ON LOAN RECEIVABLES 7 應收貸款之減值虧損

		2019 二零一九年 \$'000 千元	2018 二零一八年 \$'000 千元
Impairment losses on loan receivables	應收貸款之減值虧損		
Expected credit loss	預期信貸虧損		
- Stage 1	- 第1階段	-	-
- Stage 2	- 第2階段	-	-
- Stage 3	- 第3階段	1,000	-
Individual impairment losses	個別減值虧損	-	925
Collective impairment losses	整體減值虧損	-	(200)
		1,000	725

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8 INCOME TAX IN THE CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

8 於綜合全面收入表之所得稅

(a) Taxation in the consolidated statement of comprehensive income represents:

(a) 於綜合全面收入表之稅項指：

		2019 二零一九年 \$'000 千元	2018 二零一八年 \$'000 千元
Current tax – Hong Kong Profits Tax	即期稅項–香港利得稅		
Provision for the year (note 23(a))	年內撥備 (附註23(a))	20,769	19,613
Under-provision in respect of prior years	過往年度撥備不足	–	165
		20,769	19,778
Deferred tax	遞延稅項		
Origination and reversal of temporary differences (note 23(b))	產生及撥回暫時差額 (附註23(b))	(23)	9
Tax expense	稅項開支	20,746	19,787

The provision for Hong Kong Profits Tax for 2019 is calculated at 8.25% for the first \$2,000,000 estimated assessable profits and 16.5% for estimated assessable profits above \$2,000,000 for the Group entity qualified for the two-tiered profits tax rates regime introduced pursuant to the Inland Revenue (Amendment) (No. 7) Bill 2017, taking into account a reduction granted by the Hong Kong SAR Government of 75% of the tax payable for the year of assessment 2018-19 subject to a maximum reduction of \$20,000 for each business (2018: to a maximum reduction of \$30,000 for each business).

For the year ended 28 February 2018, Hong Kong profits tax was calculated at a single flat rate of 16.5% of the estimated assessable profits.

就合資格可採用根據2017年稅務(修訂)(第7號)條例草案所引入之利得稅率兩級制之本集團實體而言，二零一九年香港利得稅撥備乃按以下方式計算：首2,000,000元估計應課稅溢利按稅率8.25%計算，而2,000,000元以後之估計應課稅溢利則按稅率16.5%計算，並經計及香港特別行政區政府於二零一八年至一九年課稅年度所給予之75%應付稅項寬減，每項業務寬減上限為20,000元(二零一八年：每項業務寬減上限為30,000元)。

截至二零一八年二月二十八日止年度，香港利得稅乃就估計應課稅溢利按單一稅率16.5%計算。

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8 INCOME TAX IN THE CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (CONT'D) 8 於綜合全面收入表之所得稅(續)

(b) Reconciliation between tax expense and accounting profit at applicable tax rates:

(b) 按適用稅率計算之稅項開支與會計溢利之對賬：

		2019 二零一九年 \$'000 千元	2018 二零一八年 \$'000 千元
Profit before taxation	除稅前溢利	121,566	120,695
Notional tax on profit before taxation, calculated at Hong Kong profit tax rate of 8.25% or 16.5% (2018: 16.5%)	除稅前溢利之名義稅項(按香港利得稅稅率8.25%或16.5%(二零一八年: 16.5%)計算)	19,894	19,915
Tax effect of non-taxable income	毋須課稅收入之稅務影響	(1)	-
Tax effect of non-deductible expenses	不可扣稅開支之稅務影響	975	45
Tax effect of unused tax losses not recognised	未確認之未動用稅項虧損之稅務影響	-	7
Tax effect of taxable temporary differences not recognised	未確認之應課稅暫時差額之稅務影響	-	(165)
Statutory tax concession	法定稅項減免	(122)	(180)
Under-provision in prior years	過往年度撥備不足	-	165
Actual tax expense	實際稅項開支	20,746	19,787

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9 DIRECTORS' REMUNERATION

Directors' remuneration disclosed pursuant to section 383(1) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation are as follows:

9 董事薪酬

董事薪酬根據香港公司條例第383(1)條及公司(披露董事利益資料)規例第2部披露如下：

Year ended 28 February 2019

截至二零一九年二月二十八日止年度

		Salaries, allowances and benefits in kind 薪金、津貼及 實物利益 \$'000 千元	Discretionary bonuses 酌情花紅 \$'000 千元	Contributions to Mandatory Provident Fund 強制性 公積金供款 \$'000 千元	Total 總計 \$'000 千元
Executive directors	執行董事				
Chan Kai Ho, Edward	陳啟豪	-	5,045	18	6,714
Chan Ying Yu	陳英瑜	-	-	18	570
Chan Chart Man	陳策文	-	-	-	472
Chan Mei Fong	陳美芳	-	-	18	907
Non-executive director	非執行董事				
Chan Kai Kow, Mackston	陳啟球	180	-	-	180
Independent non-executive directors	獨立非執行董事				
Lam On Tai	林安泰	180	-	-	180
Leung Shiu Ki	梁兆棋	180	-	-	180
Yip Ngai	葉毅	180	-	-	180
Total	總計	720	5,045	54	9,383

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9 DIRECTORS' REMUNERATION (CONT'D)

Year ended 28 February 2018

9 董事薪酬 (續)

截至二零一八年二月二十八日止年度

	Directors' fees	Salaries, allowances and benefits in kind	Discretionary bonuses	Contributions to Mandatory Provident Fund	Total	
	董事袍金	薪金、津貼及實物利益	酌情花紅	強制性公積金供款	總計	
	\$'000	\$'000	\$'000	\$'000	\$'000	
	千元	千元	千元	千元	千元	
Executive directors	執行董事					
Chan Kai Ho, Edward	陳啟豪	–	1,578	5,160	18	6,756
Chan Ying Yu	陳英瑜	–	512	–	18	530
Chan Chart Man	陳策文	–	438	–	–	438
Chan Mei Fong	陳美芳	–	837	–	18	855
Non-executive director	非執行董事					
Chan Kai Kow, Macksion	陳啟球	180	–	–	–	180
Independent non-executive directors	獨立非執行董事					
Lam On Tai	林安泰	165	–	–	–	165
Chan Wing Lee	陳永利	15	–	–	–	15
Leung Shiu Ki	梁兆棋	180	–	–	–	180
Yip Ngai	葉毅	180	–	–	–	180
Total	總計	720	3,365	5,160	54	9,299

No directors waived or agreed to waive any remuneration during the year (2018: Nil).

於年內，概無董事放棄或同意放棄任何酬金（二零一八年：無）。

During the year, there were no amounts paid or payable by the Group to the directors or any of the five highest paid individuals as set out in note 10 below as an inducement to join or upon joining the Group or as compensation for loss of office (2018: Nil).

於年內，本集團並無支付或應付予董事或下文附註10所載任何五名最高薪酬人士款項，以作為吸引彼等加盟或加盟本集團後之獎勵或作為離職補償（二零一八年：無）。

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10 INDIVIDUALS WITH HIGHEST EMOLUMENTS 10 最高薪酬人士

Of the five individuals with the highest emoluments, two (2018: two) are directors whose emoluments are disclosed in note 9. The aggregate of the emoluments in respect of the remaining three (2018: three) are as follows:

五名最高薪酬人士中有兩名(二零一八年：兩名)為董事，彼等之薪酬於附註9披露。餘下三名(二零一八年：三名)人士之薪酬總額如下：

		2019 二零一九年 \$'000 千元	2018 二零一八年 \$'000 千元
Salaries and other emoluments	薪金及其他酬金	2,500	2,334
Discretionary bonuses	酌情花紅	842	704
Contributions to Mandatory Provident Fund	強制性公積金供款	54	54
		3,396	3,092

The emoluments of the three (2018: three) individuals with the highest emoluments are within the following bands:

該三名(二零一八年：三名)最高薪酬人士之薪酬在以下範圍內：

		2019 二零一九年 Number of individuals 人數	2018 二零一八年 Number of individuals 人數
\$Nil – \$1,000,000	零元至1,000,000元	1	1
\$1,000,001 – \$1,500,000	1,000,001元至1,500,000元	2	2

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11 EARNINGS PER SHARE

Basic earnings per share

The calculation of basic earnings per share is based on the profit attributable to the equity shareholders of the Company for the year ended 28 February 2019 of \$100,820,000 (28 February 2018: \$100,908,000) and the weighted average number of 1,971,692,000 (28 February 2018: 2,120,477,000) ordinary shares of the Company in issue during the year, calculated as follows:

Weighted average number of ordinary shares

		2019 二零一九年 Number of shares 股份數目 '000 千股	2018 二零一八年 Number of shares 股份數目 '000 千股
Issued ordinary share at 1 March	於三月一日之已發行普通股	2,087,360	2,137,624
Effect of scrip dividend issued (note 24(c)(ii))	已發行代息股份之影響 (附註24(c)(ii))	144	-
Effect of purchase of own shares (note 24(c)(iii))	購回自身股份之影響 (附註24(c)(iii))	(115,812)	(17,147)
Weighted average number of ordinary shares at 28 February	於二月二十八日之普通股加權平均數	1,971,692	2,120,477

No dilutive earnings per share is presented as there was no potential dilutive ordinary shares in issue during both years.

11 每股盈利

每股基本盈利

每股基本盈利乃根據截至二零一九年二月二十八日止年度之本公司權益股東應佔溢利100,820,000元(二零一八年二月二十八日:100,908,000元)以及年內1,971,692,000股(二零一八年二月二十八日:2,120,477,000股)本公司已發行普通股之加權平均數計算如下:

普通股加權平均數

由於兩個年度均無已發行潛在攤薄普通股，故並無呈列每股攤薄盈利。

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12 PROPERTY, PLANT AND EQUIPMENT

(a) Property, plant and equipment

12 物業、廠房及設備

(a) 物業、廠房及設備

		Leasehold improvements 租賃物業裝修 \$'000 千元	Furniture and fixtures 家具及裝置 \$'000 千元	Motor vehicles 汽車 \$'000 千元	Total 總計 \$'000 千元
Cost:	成本：				
At 1 March 2017	於二零一七年 三月一日	3,780	2,750	2,265	8,795
Additions	添置	–	12	–	12
Disposal	出售	–	–	–	–
At 28 February 2018	於二零一八年 二月二十八日	3,780	2,762	2,265	8,807
Accumulated depreciation:	累計折舊：				
At 1 March 2017	於二零一七年 三月一日	3,696	2,588	1,243	7,527
Charge for the year	年內支出	62	108	352	522
Written back on disposal	出售時撤回	–	–	–	–
At 28 February 2018	於二零一八年 二月二十八日	3,758	2,696	1,595	8,049
Net book value:	賬面淨值：				
At 28 February 2018	於二零一八年 二月二十八日	22	66	670	758

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12 PROPERTY, PLANT AND EQUIPMENT 12 物業、廠房及設備 (續) (CONT'D)

(a) Property, plant and equipment (CONT'D)

(a) 物業、廠房及設備 (續)

		Leasehold improvements 租賃物業裝修 \$'000 千元	Furniture and fixtures 家具及裝置 \$'000 千元	Motor vehicles 汽車 \$'000 千元	Total 總計 \$'000 千元
Cost:	成本：				
At 1 March 2018	於二零一八年 三月一日	3,780	2,762	2,265	8,807
Additions	添置	159	726	999	1,884
Disposal	出售	-	-	(758)	(758)
		<u>3,939</u>	<u>3,488</u>	<u>2,506</u>	<u>9,933</u>
At 28 February 2019	於二零一九年 二月二十八日				
Accumulated depreciation:	累計折舊：				
At 1 March 2018	於二零一八年 三月一日	3,758	2,696	1,595	8,049
Charge for the year	年內支出	16	67	439	522
Written back on disposal	出售時撤回	-	-	(612)	(612)
		<u>3,774</u>	<u>2,763</u>	<u>1,422</u>	<u>7,959</u>
At 28 February 2019	於二零一九年 二月二十八日				
Net book value:	賬面淨值：				
At 28 February 2019	於二零一九年 二月二十八日	165	725	1,084	1,974

(b) Property, plant and equipment held under finance leases

The Group leases motor vehicle under finance lease expiring until 2019. At the end of the lease term the Group has the option to purchase the leased vehicle at a price deemed to be a bargain purchase option. None of the lease includes contingent rentals.

(b) 根據融資租賃所持有之物業、廠房及設備

本集團根據二零一九年屆滿之融資租賃租賃汽車。於租賃期結束時，本集團有權按視為優惠之購買價購買租賃汽車。概無租賃包括或然租金。

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13 LOAN RECEIVABLES

13 應收貸款

		28 February 2019 二零一九年 二月二十八日 \$'000 千元	28 February 2018 二零一八年 二月二十八日 \$'000 千元
Loan receivables at amortised cost:	按攤銷成本計量之應收貸款：		
– Pawn loans	– 典當貸款	29,837	130,866
– Accrued interests of pawn loans	– 典當貸款之應計利息	591	9,407
		30,428	140,273
Less: Impairment allowance	減： 減值撥備		
Stage 1	第1階段	–	–
Stage 2	第2階段	–	–
Stage 3	第3階段	–	–
Individually assessed	個別評估	–	(31)
Collectively assessed	整體評估	–	(94)
Net pawn loan receivables	應收典當貸款淨額	30,428	140,148
Mortgage loans	按揭抵押貸款	1,223,295	1,252,096
– Accrued interests of mortgage loans	– 按揭抵押貸款之應計利息	12,505	10,045
		1,235,800	1,262,141
Less: Impairment allowance	減： 減值撥備		
Stage 1	第1階段	–	–
Stage 2	第2階段	–	–
Stage 3	第3階段	(1,000)	–
Individually assessed	個別評估	–	–
Collectively assessed	整體評估	–	–
Net mortgage loan receivables	應收按揭抵押貸款淨額	1,234,800	1,262,141
Net loan receivables at amortised cost	按攤銷成本計量之應收貸款淨額	1,265,228	1,402,289
Loan receivables at FVPL:	按公平值計入損益之應收貸款：		
Pawn loans	典當貸款	120,977	–
Total loan receivables	應收貸款總額	1,386,205	1,402,289
Current portion included under current assets	列於流動資產項下之即期部分	(1,304,277)	(1,316,428)
Amounts due after one year included under non-current assets	列於非流動資產項下於一年後到期款項	81,928	85,861

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13 LOAN RECEIVABLES (CONT'D)

(a) Movement in impairment allowance

		2019 二零一九年 Expected credit loss 預期信貸虧損				2018 二零一八年 Loss allowances 虧損撥備		
		Stage 1 第1階段	Stage 2 第2階段	Stage 3 第3階段	Total 總計	Individual 個別	Collective 整體	Total 總計
		\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元
At 1 March	於三月一日	-	-	-	-	1,025	294	1,319
Impairment losses charged/(released) to profit or loss	於損益扣除／(撥回)之減值虧損	-	-	1,000	1,000	925	(200)	725
Uncollectible amounts written off	撇銷不可收回金額	-	-	-	-	(1,919)	-	(1,919)
At 28 February	於二月二十八日	-	-	1,000	1,000	31	94	125

13 應收貸款 (續)

(a) 減值撥備變動

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13 LOAN RECEIVABLES (CONT'D)

(b) Ageing analysis

Ageing analysis is prepared based on contractual due date and not net of loss allowance.

13 應收貸款 (續)

(b) 賬齡分析

賬齡分析乃基於合約到期日編製且並無扣除虧損撥備。

		Pawn loans at amortised cost 按攤銷成本 計量之典當 貸款 \$'000 千元	Pawn loans at FVPL 按公平值計入 損益之典當 貸款 \$'000 千元	Mortgage loans 按揭抵押貸款 \$'000 千元	Total 總計 \$'000 千元
28 February 2019	二零一九年 二月二十八日				
Not past due	並無逾期	27,023	117,852	1,034,040	1,178,915
Less than 1 month past due	逾期少於1個月	3,090	2,445	72,880	78,415
1 to less than 3 months past due	逾期1個月至 少於3個月	315	441	112,693	113,449
3 to less than 6 months past due	逾期3個月至 少於6個月	–	239	–	239
6 months to 1 year past due	逾期6個月至1年	–	–	8,661	8,661
Over 1 year past due	逾期1年以上	–	–	7,526	7,526
		30,428	120,977	1,235,800	1,387,205
28 February 2018	二零一八年 二月二十八日				
Not past due	並無逾期	136,751	–	1,136,244	1,272,995
Less than 1 month past due	逾期少於1個月	2,603	–	103,207	105,810
1 to less than 3 months past due	逾期1個月至 少於3個月	367	–	11,837	12,204
3 to less than 6 months past due	逾期3個月至 少於6個月	–	–	3,327	3,327
6 months to 1 year past due	逾期6個月至1年	552	–	–	552
Over 1 year past due	逾期1年以上	–	–	7,526	7,526
		140,273	–	1,262,141	1,402,414

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13 LOAN RECEIVABLES (CONT'D)

(b) Ageing analysis (CONT'D)

Of the mortgage loans which have been past due for one month or above, except for one mortgage loan amounted to \$7.5 million on which an allowance for expected credit loss had been recognised, the respective valuations of the collaterals can fully cover the outstanding balances of these loans as at 28 February 2019. In respect of the mortgage loans which have been past due for less than 1 month, the amounts mainly represent occasional delay in repayment and are not an indication of significant deterioration of credit quality of these mortgage loans.

Further details on the Group's credit policy are set out in note 25(a).

13 應收貸款 (續)

(b) 賬齡分析 (續)

此等逾期一個月或以上之按揭抵押貸款中，除一筆為數7,500,000元之按揭抵押貸款已確認預期信貸虧損撥備外，於二零一九年二月二十八日，抵押品各自之估值足以悉數抵償此等貸款之未償還結餘。逾期少於1個月之按揭抵押貸款乃主要由於偶爾延遲還款所導致，並不表示此等按揭抵押貸款之信貸質素顯著惡化。

有關本集團信貸政策之進一步詳情載於附註25(a)。

14 TRADE AND OTHER RECEIVABLES

14 貿易及其他應收款項

		28 February 2019 二零一九年 二月二十八日 \$'000 千元	28 February 2018 二零一八年 二月二十八日 \$'000 千元
Trade receivables	貿易應收款項	564	49
Deposits and payments in advance	按金及預付款項	4,360	9,774
Others	其他	102	102
		5,026	9,925
Non-current portion of deposits and payments in advance included under non-current assets	列於非流動資產項下按金及預付款項之非即期部分	-	(2,402)
Amounts due within one year included under current assets	列於流動資產項下於一年內到期款項	5,026	7,523

Trade receivables are due within 60 days from the date of billing. All of the trade and other receivables are not impaired and expected to be recovered within one year, except for prepayment amounting to \$Nil (28 February 2018: \$2.4 million) that is expected to be recovered over one year.

貿易應收款項自賬單日期起計60天內到期。所有貿易及其他應收款項均未減值，並預期於一年內收回，惟預期於超過一年後收回之預付款項零元（二零一八年二月二十八日：2,400,000元）除外。

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14 TRADE AND OTHER RECEIVABLES (CONT'D) 14 貿易及其他應收款項 (續)

(a) Ageing analysis of trade receivables

The ageing analysis of trade receivables that are not considered to be impaired is as follows:

		28 February 2019 二零一九年 二月二十八日 \$'000 千元	28 February 2018 二零一八年 二月二十八日 \$'000 千元
Not past due	並無逾期	564	16
Less than 1 month past due	逾期少於1個月	-	33
		564	49

Receivables that were not past due relate to a wide range of customers for whom there was no recent history of default.

(a) 貿易應收款項之賬齡分析

並無被視為出現減值之貿易應收款項之賬齡分析如下：

並無逾期之應收款項與多名並無近期違約記錄之客戶有關。

15 CASH AND CASH EQUIVALENTS

(a) Cash and cash equivalents comprise:

		2019 二零一九年 \$'000 千元	2018 二零一八年 \$'000 千元
Cash on hand	手頭現金	5,344	4,760
Cash at banks	銀行現金	36,074	40,073
Cash and cash equivalents in the statements of financial position	於財務狀況表之現金及現金等價物	41,418	44,833
Bank overdrafts (note 16)	銀行透支 (附註16)	(5,267)	(4,997)
Cash and cash equivalents in the consolidated cash flow statement	於綜合現金流量表之現金及現金等價物	36,151	39,836

15 現金及現金等價物

(a) 現金及現金等價物包括：

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15 CASH AND CASH EQUIVALENTS (CONT'D)

(b) Reconciliation of liabilities arising from financing activities:

The table below details changes in the Group's liabilities from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are liabilities for which cash flows were, or future cash flows will be, classified in the cash flow statement as cash flows from financing activities.

15 現金及現金等價物 (續)

(b) 融資活動所產生之負債對賬:

下表載列本集團來自融資活動之負債變動之詳情，當中包括現金及非現金變動。融資活動所產生之負債為現金流量已於或未來現金流量將於現金流量表分類為來自融資活動之現金流量之負債。

		Bank loans	Finance leases	Other loans	Loans from the immediate holding company 直屬控股公司之貸款	Debt Securities	Accrued Interest	Total
		銀行貸款 HKD'000 千港元	融資租賃 HKD'000 千港元	其他貸款 HKD'000 千港元	公司之貸款 HKD'000 千港元	債務證券 HKD'000 千港元	應計利息 HKD'000 千港元	總計 HKD'000 千港元
At 1 March 2018	於二零一八年三月一日	80,100	297	291,623	126,000	162,452	3,383	663,855
Changes from financing cash flows:	來自融資現金流量之變動:							
Repayment from bank loans	銀行貸款之還款	(1,417)	-	-	-	-	-	(1,417)
Repayment of other loans	其他貸款之還款	-	-	(26,391)	-	-	-	(26,391)
Capital element of finance lease rentals paid	已付融資租賃租金的資本部分	-	(221)	-	-	-	-	(221)
Interest element of finance lease rentals paid	已付融資租賃租金之利息部分	-	(6)	-	-	-	-	(6)
Finance costs paid	已付融資成本	-	-	-	-	-	(42,145)	(42,145)
Repayment from loans from the immediate holding company	直屬控股公司之貸款之還款	-	-	-	(32,000)	-	-	(32,000)
Proceeds from debt securities issued, net of issuing expenses	已發行債務證券之所得款項(已扣除發行開支)	-	-	-	-	-	-	-
Total changes from financing cash flows	來自融資現金流量之變動總額	(1,417)	(227)	(26,391)	(32,000)	-	(42,145)	(102,180)

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15 CASH AND CASH EQUIVALENTS (CONT'D)

(b) Reconciliation of liabilities arising from financing activities: (CONT'D)

15 現金及現金等價物 (續)

(b) 融資活動所產生之負債對賬：(續)

		Bank loans	Finance leases	Other loans	Loan from the immediate holding company 直屬控股公司之貸款	Debt Securities	Accrued Interest	Total
		銀行貸款 HKD'000 千港元	融資租賃 HKD'000 千港元	其他貸款 HKD'000 千港元	公司之貸款 HKD'000 千港元	債務證券 HKD'000 千港元	應計利息 HKD'000 千港元	總計 HKD'000 千港元
Exchange adjustments	匯兌調整	-	-	-	-	-	-	-
Changes in fair value	公平值變動	-	-	-	-	-	-	-
Other changes:	其他變動：							
Finance charges on obligations under finance leases	融資租賃承擔之融資費用	-	6	-	-	-	-	6
Amortisation of discount of debt securities issued	貼現已發行之債務證券之攤銷	-	-	-	-	113	-	113
Interest expenses	利息開支	-	-	-	-	-	41,887	41,887
Total other changes	其他變動總額	-	6	-	-	113	41,887	42,006
At 28 February 2019	於二零一九年二月二十八日	78,683	76	265,232	94,000	162,565	3,125	603,681

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15 CASH AND CASH EQUIVALENTS (CONT'D)

(b) Reconciliation of liabilities arising from financing activities: (CONT'D)

15 現金及現金等價物 (續)

(b) 融資活動所產生之負債對賬：(續)

		Bank loans	Finance leases	Other loans	Loan from the immediate holding company 直屬控股公司之貸款	Debt Securities	Accrued Interest	Total
		銀行貸款 HKD'000 千港元	融資租賃 HKD'000 千港元	其他貸款 HKD'000 千港元	公司之貸款 HKD'000 千港元	債務證券 HKD'000 千港元	應計利息 HKD'000 千港元	總計 HKD'000 千港元
At 1 March 2017	於二零一七年三月一日	32,257	512	308,639	113,500	136,476	3,096	594,480
Changes from financing cash flows:	來自融資現金流量之變動：							
Proceeds from bank loans	銀行貸款之所得款項	47,843	-	-	-	-	-	47,843
Repayment of other loans	其他貸款之還款	-	-	(17,016)	-	-	-	(17,016)
Capital element of finance lease rentals paid	已付融資租賃租金的資本部分	-	(215)	-	-	-	-	(215)
Interest element of finance lease rentals paid	已付融資租賃租金之利息部分	-	(14)	-	-	-	-	(14)
Finance costs paid	已付融資成本	-	-	-	-	-	(37,065)	(37,065)
Proceeds from loans from the immediate holding company	直屬控股公司之貸款之所得款項	-	-	-	12,500	-	-	12,500
Proceeds from debt securities issued, net of issuing expenses	已發行債務證券之所得款項(已扣除發行開支)	-	-	-	-	25,875	-	25,875
Total changes from financing cash flows	來自融資現金流量之變動總額	47,843	(229)	(17,016)	12,500	25,875	(37,065)	31,908

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15 CASH AND CASH EQUIVALENTS (CONT'D)

(b) Reconciliation of liabilities arising from financing activities: (CONT'D)

15 現金及現金等價物 (續)

(b) 融資活動所產生之負債對賬：(續)

		Bank loans	Finance leases	Other loans	Loan from the immediate holding company 直屬控股公司之貸款	Debt Securities	Accrued Interest	Total
		銀行貸款	融資租賃	其他貸款	公司之貸款	債務證券	應計利息	總計
		HKD'000	HKD'000	HKD'000	HKD'000	HKD'000	HKD'000	HKD'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元
Exchange adjustments	匯兌調整	-	-	-	-	-	-	-
Changes in fair value	公平值變動	-	-	-	-	-	-	-
Other changes:	其他變動：							
Finance charges on obligations under finance leases	融資租賃承擔之融資費用	-	14	-	-	-	-	14
Amortisation of discount of debt securities issued	貼現已發行之債務證券之攤銷	-	-	-	-	101	-	101
Interest expenses	利息開支	-	-	-	-	-	37,352	37,352
Total other changes	其他變動總額	-	14	-	-	101	37,352	37,467
At 28 February 2018	於二零一八年二月二十八日	80,100	297	291,623	126,000	162,452	3,383	663,855

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16 BANK LOANS AND OVERDRAFTS

The details of the bank loans and overdrafts were as follows:

16 銀行貸款及透支

銀行貸款及透支的詳情如下：

		2019 二零一九年 \$'000 千元	2018 二零一八年 \$'000 千元
Unsecured bank overdrafts (note 16(a))	無抵押銀行透支 (附註16(a))	5,267	4,997
Bank loans, secured (note 16(b))	銀行貸款，有抵押 (附註16(b))	50,000	47,000
Bank loans, unsecured (note 16(c))	銀行貸款，無抵押 (附註16(c))	28,683	33,100
		78,683	80,100
Total bank loans and overdrafts – repayable within 1 year or on demand	銀行貸款及透支總額－ 於1年內或按要求償還	83,950	85,097

(a) At 28 February 2019, unsecured bank overdraft facilities of \$11.5 million (28 February 2018: \$11.5 million) were provided to the subsidiaries and utilised to the extent as disclosed above.

(b) At 28 February 2019, uncommitted secured revolving bank loan facility of the lower of \$50.0 million (28 February 2018: \$50.0 million) and a certain percentage of the aggregate principal amount of the mortgage loan receivables of a subsidiary which are then charged to the banks were obtained. The tenor for the facility ranged from one to six months as selected by the subsidiary. As at 28 February 2019, the available uncommitted banking facility after taking into consideration of the drawdown was \$Nil (28 February 2018: \$3.0 million). The uncommitted secured revolving bank loan facility was secured by loan receivables with a carrying value of approximately \$266.3 million (28 February 2018: \$114.0 million).

(c) At 28 February 2019, unsecured bank loan facilities of \$28.7 million (28 February 2018: \$53.1 million) were provided to the Company and the subsidiaries and utilised to the extent as disclosed above.

(a) 於二零一九年二月二十八日，附屬公司獲提供11,500,000元（二零一八年二月二十八日：11,500,000元）無抵押銀行透支融資，並已動用上文所披露金額。

(b) 於二零一九年二月二十八日，附屬公司取得無承諾有抵押循環銀行貸款融資，金額為50,000,000元（二零一八年二月二十八日：50,000,000元）及附屬公司當時已抵押予銀行之應收按揭抵押貸款本金總額之若干百分比之較低者。融資限期為一至六個月不等，由該附屬公司選定。於二零一九年二月二十八日，經計及已提取款項，可動用之無承諾銀行融資為零元（二零一八年二月二十八日：3,000,000元）。無承諾有抵押循環銀行貸款融資以賬面值約為266,300,000元（二零一八年二月二十八日：114,000,000元）之應收貸款作抵押。

(c) 於二零一九年二月二十八日，本公司及附屬公司獲提供28,700,000元（二零一八年二月二十八日：53,100,000元）無抵押銀行貸款融資，並已動用上文所披露金額。

During the year, the Group had fulfilled all the financial covenants, if any, under the Group's banking facilities and all banking facilities were guaranteed by the Company.

年內，本集團已履行本集團銀行融資項下之所有財務契諾（如有），而所有銀行融資均由本公司作出擔保。

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17 ACCRUALS AND OTHER PAYABLES

17 應計費用及其他應付款項

		2019	2018
		二零一九年	二零一八年
		\$'000	\$'000
		千元	千元
Accrued interest expenses	應計利息開支	3,125	3,383
Accrued expenses	應計費用開支	2,295	2,184
Provision for long services payment	長期服務金撥備	687	559
Other payable and deposit received	其他應付款項及已收取按金	584	573
		6,691	6,699

All of the accruals and other payables are expected to be settled within one year or are repayable on demand.

所有應計費用及其他應付款項預期於一年內結清或按要求償還。

18 OBLIGATIONS UNDER FINANCE LEASES

18 融資租賃承擔

The Group had obligations under finance leases repayable for motor vehicle as follows:

本集團應償還之汽車融資租賃承擔如下：

		2019		2018	
		二零一九年		二零一八年	
		Present	Total	Present	Total
		value of the	minimum	value of the	minimum
		lease	lease	lease	lease
		payments	payments	payments	payments
		最低租賃	最低租賃	最低租賃	最低租賃
		款項現值	款項總額	款項現值	款項總額
		\$'000	\$'000	\$'000	\$'000
		千元	千元	千元	千元
Within 1 year	1年內	76	76	221	228
After 1 year but within 5 years	1年後但5年內	-	-	76	77
		76	76	297	305
Less: Total future interest expenses	減：未來利息開支總額		-		(8)
Present value of lease obligations	租賃承擔現值		76		297

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19 OTHER LOANS

During the year ended 28 February 2019, the Group obtained uncommitted secured revolving loan facilities from an independent third party. The limit of the facilities is the lower of \$440.3 million (28 February 2018: \$458.6 million) and a certain percentage of the aggregate principal amount of the mortgage loan receivables of the subsidiaries which are then sub-charged/sub-mortgaged to the independent third party. The facilities are interest-bearing at Prime Rate plus 2% (currently 7.125%) and the tenor for the facilities is one year.

As at 28 February 2019, the available uncommitted loan facilities after taking into consideration of the drawdown was approximately \$Nil (28 February 2018: \$14.4 million). These loan facilities were secured by mortgage loan receivables for the Group with a carrying value of \$331.5 million (28 February 2018: \$384.5 million).

20 EMPLOYEE RETIREMENT BENEFITS

Defined contribution retirement plan

Retirement benefits are provided by the Group under the Mandatory Provident Fund Scheme (the "MPF scheme") under the Hong Kong Mandatory Provident Fund Schemes Ordinance for employees employed under the jurisdiction of the Hong Kong Employment Ordinance. The MPF scheme is a defined contribution retirement plan administrated by independent trustees. Under the MPF scheme, the employer and its employees are each required to make contributions to the plan at 5% of the employees' relevant income, subject to a cap of monthly relevant income of \$30,000. Contributions to the plan vest immediately.

21 LOANS FROM THE IMMEDIATE HOLDING COMPANY

During the year ended 28 February 2019, the Group obtained an unsecured revolving loan facility from the immediate holding company with a facility limit of \$200.0 million (28 February 2018: \$200.0 million). The loans are interest-bearing at 5% (28 February 2018: 5%) per annum and repayable within one year.

At 28 February 2019, the available loan facility after taking into consideration of the drawdown was approximately \$106 million (28 February 2018: \$74.0 million) and the accrued interest payable as of 28 February 2019 was \$173,000 (28 February 2018: \$252,000).

19 其他貸款

截至二零一九年二月二十八日止年度，本集團自一名獨立第三方取得無承諾有抵押循環貸款融資。有關融資限額為440,300,000元（二零一八年二月二十八日：458,600,000元）及該等附屬公司當時已次押／次按予該名獨立第三方之應收按揭抵押貸款本金總額之若干百分比之較低者。融資按最優惠利率加2%（目前為7.125%）計息及融資限期為一年。

於二零一九年二月二十八日，經計及已提取款項，可動用之無承諾貸款融資約為零元（二零一八年二月二十八日：14,400,000元）。此等貸款融資以賬面值為331,500,000元（二零一八年二月二十八日：384,500,000元）之本集團應收按揭抵押貸款作抵押。

20 僱員退休福利

定額供款退休計劃

本集團根據香港強制性公積金計劃條例為於香港僱傭條例司法權區受僱之僱員提供強制性公積金計劃（「強積金計劃」）項下之退休福利。強積金計劃為一項由獨立受託人管理之定額供款退休計劃。根據強積金計劃，僱主及其僱員各自須向計劃作出相等於僱員相關收入5%之供款，以每月相關收入30,000元為上限。向計劃之供款即時歸屬。

21 直屬控股公司之貸款

截至二零一九年二月二十八日止年度，本集團自直屬控股公司取得一筆無抵押循環貸款融資，融資限額為200,000,000元（二零一八年二月二十八日：200,000,000元）。該等貸款按5%（二零一八年二月二十八日：5%）之年利率計息，須於一年內償還。

於二零一九年二月二十八日，經計及已提取款項，可動用之貸款融資約為106,000,000元（二零一八年二月二十八日：74,000,000元），而於二零一九年二月二十八日，應付應計利息為173,000元（二零一八年二月二十八日：252,000元）。

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22 DEBT SECURITIES ISSUED

The debt securities are unsecured, denominated in HKD, interest-bearing ranging from 6% to 7% per annum with interest coupon being paid semi-annually and will mature between 2021 and 2025. All debt securities issued are measured at amortised cost.

22 已發行債務證券

該等債務證券為無抵押，以港元計值，按介乎6%至7%之年利率計息並每半年支付一次息票，且將於二零二一年至二零二五年期間屆滿。所有已發行債務證券乃按攤銷成本計量。

23 INCOME TAX IN THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(a) Current taxation in the consolidated statement of financial position represents:

23 於綜合財務狀況表之所得稅

(a) 於綜合財務狀況表之即期稅項指：

		2019 二零一九年 \$'000 千元	2018 二零一八年 \$'000 千元
Provision for Hong Kong Profits Tax for the year (note 8(a))	年內香港利得稅撥備 (附註8(a))	20,769	19,613
Provisional Profits Tax paid	已付暫繳利得稅	(14,564)	(14,661)
		6,205	4,952
Balance of Profits Tax provision relating to prior years	有關過往年度之利得稅撥備結餘	(245)	885
		5,960	5,837

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23 INCOME TAX IN THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONT'D) 23 於綜合財務狀況表之所得稅 (續)

(b) Deferred tax assets recognised:

The components of deferred tax assets recognised in the consolidated statement of financial position and the movements during the year are as follows:

(b) 已確認之遞延稅項資產：

於綜合財務狀況表確認之遞延稅項資產組成部分以及於年內之變動如下：

		The related depreciation in excess of depreciation allowances 超出折舊撥備之相關折舊 \$'000 千元	Impairment losses on loans and advances 貸款及墊款之減值虧損 \$'000 千元	Others 其他 \$'000 千元	Total 總計 \$'000 千元
Deferred tax arising from:	遞延稅項來自：				
At 1 March 2017	於二零一七年三月一日	137	48	45	230
Credited/(charged) to profit or loss (note 8(a))	計入損益／(於損益扣除) (附註8(a))	24	(33)	—	(9)
At 28 February 2018	於二零一八年二月二十八日	161	15	45	221
At 1 March 2018	於二零一八年三月一日	161	15	45	221
Impact on initial application of HKFRS 9	首次應用香港財務報告準則第9號之影響	—	(15)	—	(15)
Credited/(charged) to profit or loss (note 8(a))	計入損益／(於損益扣除) (附註8(a))	(142)	165	—	23
At 28 February 2019	於二零一九年二月二十八日	19	165	45	229

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24 CAPITAL, RESERVES AND DIVIDENDS

(a) Movement in components of equity

The reconciliation between the opening and closing balances of each component of the Group's consolidated equity is set out in the consolidated statement of changes in equity. Details of the changes in the Company's individual components of equity between the beginning and the end of the year are set out below:

The Company

24 資本、儲備及股息

(a) 權益組成部分之變動

本集團綜合權益各組成部分期初與期末結餘之對賬載於綜合權益變動表。本公司各個權益組成部分於年初至年末之變動詳情如下：

本公司

		Note	Share capital	Share premium	Other reserve	Capital redemption reserve	Accumulated losses	Total
		附註	股本	股份溢價	其他儲備	資本贖回儲備	累計虧損	總計
			\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
			千元	千元	千元	千元	千元	千元
At 1 March 2017	於二零一七年三月一日		21,376	207,573	56,964	-	(6,587)	279,326
Total comprehensive income for the year	年內全面收入總額		-	-	-	-	1,804	1,804
Final dividend approved in respect of the previous year and paid during the year	就上一個年度批准並於年內派付之末期股息	24(b)(ii)	-	(14,750)	-	-	-	(14,750)
Interim dividend declared and paid during the year	於年內宣派及派付之中期股息	24(b)(i)	-	(16,401)	-	-	-	(16,401)
Purchase of own shares	購回自身股份	24(c)(iii)	(502)	(20,064)	-	502	-	(20,064)
At 28 February 2018 and 1 March 2018	於二零一八年二月二十八日及二零一八年三月一日		20,874	156,358	56,964	502	(4,783)	229,915
Total comprehensive income for the year	年內全面收入總額		-	-	-	-	(35)	(35)
Interim dividends declared and settled in cash and scrip during the year	於年內宣派及以現金及代息股份結算之中期股息	24(b)(i)	8	(15,840)	-	-	-	(15,832)
Purchase of own shares	購回自身股份	24(c)(iii)	(1,497)	(50,367)	-	1,497	-	(50,367)
At 28 February 2019	於二零一九年二月二十八日		19,385	90,151	56,964	1,999	(4,818)	163,681

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24 CAPITAL, RESERVES AND DIVIDENDS 24 資本、儲備及股息 (續) (CONT'D)

(b) Dividends

- (i) Dividend paid and payable to equity shareholders of the Company attributable to the year:

(b) 股息

- (i) 年內派付及應付本公司權益股東之股息：

		2019 二零一九年 \$'000 千元	2018 二零一八年 \$'000 千元
Interim dividend declared and paid of \$0.83 cents per ordinary share (28 February 2018: \$0.78 cents per ordinary share) (note)	已宣派及派付之中期股息每股普通股0.83仙 (二零一八年二月二十八日：每股普通股0.78仙) (附註)	16,086	16,401
Final dividend proposed after the end of the reporting period of \$0.73 cents per ordinary share (28 February 2018: \$Nil cents per ordinary share)	於報告期末後擬派之末期股息每股普通股0.73仙 (二零一八年二月二十八日：每股普通股零仙)	14,151	-

Note: Interim dividend was satisfied by way of cash of \$15,832,000 and scrip issuance in lieu of the cash payment as selected by shareholders. The scrip dividend was satisfied by allotment of 836,000 shares of the Company and was credited as fully paid.

附註： 中期股息以現金15,832,000元派付及按股東所選透過發行代息股份以代替現金派付。代息股份透過配發836,000股本公司股份派付並入賬列作繳足。

- (ii) Dividends payable to equity shareholders of the Company attributable to the previous financial year, approved and paid during the year:

- (ii) 年內批准及派付之上一個財政年度應付本公司權益股東之股息：

		2019 二零一九年 \$'000 千元	2018 二零一八年 \$'000 千元
Final dividend in respect of the previous financial year, approved and paid during the following year, of \$Nil cents per ordinary share (2018: \$0.69 cents per ordinary share)	於下一個年度批准及派付之上一個財政年度末期股息每股普通股零仙 (二零一八年：每股普通股0.69仙)	-	14,750

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24 CAPITAL, RESERVES AND DIVIDENDS (CONT'D) 24 資本、儲備及股息 (續)

(c) Share capital

(i) Authorised and issued share capital

				2019 二零一九年		2018 二零一八年	
		Note 附註	Par value 面值 \$ 元	Number of shares 股份數目 '000 千股	Nominal value of ordinary shares 普通股面值 \$'000 千元	Number of shares 股份數目 '000 千股	Nominal value of ordinary shares 普通股面值 \$'000 千元
Authorised:	法定:						
At 28 February	於二月二十八日		0.01	<u>100,000,000</u>	<u>1,000,000</u>	<u>100,000,000</u>	<u>1,000,000</u>
Issued and fully paid:	已發行及繳足:						
At 1 March 2018/2017	於二零一八年/ 二零一七年 三月一日		0.01	<u>2,087,360</u>	<u>20,874</u>	2,137,624	21,376
Scrip dividend issued	已發行代息股份	24(c)(ii)	0.01	<u>836</u>	<u>8</u>	-	-
Purchase of own shares	購回自身股份	24(c)(iii)	0.01	<u>(149,728)</u>	<u>(1,497)</u>	(50,264)	(502)
At 28 February 2019/ 28 February 2018	於二零一九年二月 二十八日/ 二零一八年 二月二十八日		0.01	<u>1,938,468</u>	<u>19,385</u>	<u>2,087,360</u>	<u>20,874</u>

The holders of shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All shares rank equally with regard to the Company's residual assets.

股份持有人有權收取不時宣派之股息，並有權於本公司會議上就每股股份投一票。所有股份與本公司之剩餘資產均享有同等地位。

(ii) Scrip dividend issued

At the meeting of the Board held on 29 October 2018, the Board declared an interim dividend of \$0.83 cent per share, totalling \$16,146,000, with a scrip dividend option for the six months ended 31 August 2018. The interim dividend was distributed out of share premium. Ordinary shares of 836,000 were issued by the Company in order to satisfy shareholders' scrip dividend elections and the relevant scrip price for these shares is \$0.30 per share. These shares rank pari passu with the existing ordinary shares in all respects.

The share premium was decreased by \$15,840,000 as a result of the interim dividend. Of which, \$15,832,000 represents the amount settled by cash and approximately \$8,000 represents the par value of the ordinary shares issued.

(ii) 已發行代息股份

於二零一八年十月二十九日舉行之董事會會議上，董事會就截至二零一八年八月三十一日止六個月宣派中期股息每股0.83元，合共16,146,000元，可選擇以股代息。中期股息自股份溢價中分派。本公司發行836,000股普通股以滿足選擇以股代息之股東，而此等股份之相關代息股份價為每股0.30元。此等股份在各方面與現有普通股享有同等地位。

股份溢價因分派中期股息而減少15,840,000元。其中，15,832,000元為以現金結算之金額，而約8,000元則為已發行普通股之面值。

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24 CAPITAL, RESERVES AND DIVIDENDS 24 資本、儲備及股息 (續) (CONT'D)

(c) Share capital (CONT'D)

(iii) Purchase of own shares

During the financial year ended, the Company repurchased 149,728,000 shares of the Company on The Stock Exchange of Hong Kong Limited with prices ranging from HK\$0.305 to HK\$0.345. The total consideration paid for these shares was \$50,367,000. All these shares were cancelled by 28 February 2019.

Particulars of the shares repurchased during the year are as follows.

Month	月份	Number of shares repurchased ('000) 已購回股份數目 (千股)	Purchase price per share 每股購買價		Aggregate consideration after expense ('000) 總代價 (扣除開支後) (千股)
			Highest 最高	Lowest 最低	
Mar-18	二零一八年三月	62,232	\$0.345	\$0.315	21,422
Apr-18	二零一八年四月	2,104	\$0.345	\$0.330	716
May-18	二零一八年五月	30,000	\$0.345	\$0.335	10,217
Jun-18	二零一八年六月	25,000	\$0.335	\$0.325	8,186
Jul-18	二零一八年七月	9,544	\$0.330	\$0.315	3,055
Aug-18	二零一八年八月	7,688	\$0.330	\$0.305	2,440
Sep-18	二零一八年九月	5,440	\$0.335	\$0.320	1,759
Oct-18	二零一八年十月	6,064	\$0.335	\$0.325	2,028
Nov-18	二零一八年十一月	1,656	\$0.335	\$0.325	544
Total	總計	149,728			50,367

Pursuant to section 37(3) of the Companies Law of the Cayman Islands, the issued share capital of the Company was reduced by the nominal value of the repurchased shares. Pursuant to 37(4) of the Companies Law of the Cayman Islands, an amount equivalent to the par value of the shares cancelled of \$1,497,000 was transferred from share premium to the capital redemption reserve. The premium paid on the repurchased shares of \$48,870,000 was charged to share premium.

(c) 股本 (續)

(iii) 購回自身股份

於財政年度末，本公司於香港聯合交易所有限公司按介乎0.305港元至0.345港元之價格購回本公司149,728,000股股份。就此等股份已付之總代價為50,367,000元。所有此等股份已於二零一九年二月二十八日前註銷。

有關年內已購回股份之詳情如下。

根據開曼群島公司法第37(3)條，本公司之已發行股本乃按已購回股份之面值被削減。根據開曼群島公司法第37(4)條，已註銷股份面值1,497,000元之等值金額已自股份溢價轉撥至資本贖回儲備。就已購回股份已付之溢價48,870,000元已自股份溢價中扣除。

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24 CAPITAL, RESERVES AND DIVIDENDS (CONT'D) 24 資本、儲備及股息 (續)

(d) Nature and purpose of reserves

(i) Distributability of reserves

There is no section in the Companies Law of the Cayman Islands and the Company's memorandum and article of association governing the distribution of reserves. At 28 February 2019, the aggregate amount of reserve available for distribution to equity shareholders of the Company was \$142,297,000 (28 February 2018: \$208,539,000), being the net amount of share premium, other reserve and accumulated losses.

(ii) Share premium

Under the Companies Law of the Cayman Islands, the share premium account of the Company may be applied for payment of distributions or dividends to shareholders provided that immediately following the date on which the distribution or dividend is proposed to be paid, the Company is able to pay its debts as they fall due in the ordinary course of business.

(iii) Capital reserve

On 5 February 2013, Oi Wah Holding Limited entered into an agreement to acquire the amounts due to shareholders by Oi Wah Pawnshop Credit Limited totalling \$44,963,406 by issuing 1,000 shares at \$1.00, as fully-paid shares, to three of the shareholders of the Company. The acquisition has been reflected as a reduction in the amounts due to shareholders and a corresponding increase in capital reserve.

(iv) Other reserve

On 18 February 2013, the then shareholders transferred the entire equity interest in Oi Wah Holding Limited to the Company, in return, the Company issue 9,999,999 shares, as fully-paid shares to Kwan Lik Holding Limited as the consideration. The difference between the historical carrying value of equity acquired and acquisition consideration is treated as an equity movement and recorded in "Other reserve".

(d) 儲備之性質及目的

(i) 儲備之可供分派金額

開曼群島公司法及本公司之組織章程大綱及章程細則並無規管儲備分派之章節。於二零一九年二月二十八日，本公司權益股東之可供分派儲備總額為142,297,000元（二零一八年二月二十八日：208,539,000元），即股份溢價、其他儲備及累計虧損之淨額。

(ii) 股份溢價

根據開曼群島公司法，本公司之股份溢價賬可供撥作分派或派付股息予股東，惟緊隨建議分派或派付股息當日後，本公司可於正常業務過程中支付到期之債務。

(iii) 資本儲備

於二零一三年二月五日，Oi Wah Holding Limited訂立協議，以透過向本公司三名股東發行1,000股每股面值1.00元之繳足股份，收購合共44,963,406元之靄華押業信貸有限公司應付股東款項。該收購反映為應付股東款項減少及資本儲備相應增加。

(iv) 其他儲備

於二零一三年二月十八日，當時股東向本公司轉讓其於Oi Wah Holding Limited之全部股本權益，本公司因而向Kwan Lik Holding Limited發行9,999,999股繳足股份作為代價。所收購權益之過往賬面值與收購代價之差額被視為一項權益變動，並記入「其他儲備」。

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24 CAPITAL, RESERVES AND DIVIDENDS (CONT'D) 24 資本、儲備及股息 (續)

(d) Nature and purpose of reserves (CONT'D)

(v) Capital redemption reserve

Capital redemption reserve represents the nominal amount of the shares repurchased.

(vi) Capital management

The Group's primary objectives when managing capital are to safeguard the Group's ability to continue as a going concern, so that it can continue to provide returns for its shareholders and benefits for other stakeholders, by pricing products commensurately with the level of risk and by securing access to finance at a reasonable cost. The Group was not subject to externally imposed capital requirements, except for the capital, current ratio and gearing ratio requirements attached to the interest-bearing borrowings.

The Group actively and regularly reviews and manages its capital structure to maintain a balance between the higher shareholder returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position, and makes adjustments to the capital structure in light of changes in economic conditions.

The Group monitors capital with reference to its debt position. The Group's strategy was to maintain the equity and debt in a balanced position with the debt equity ratio, being the Group's total borrowings over its total equity, no more than 150%, and ensure there was adequate working capital to service its debt obligations. As at 28 February 2019 the Group and the Company's debt equity ratio were 73.6% (28 February 2018: 84.4%) and 107.7% (28 February 2018: 77.0%) respectively.

(d) 儲備之性質及目的 (續)

(v) 資本贖回儲備

資本贖回儲備指已購回股份之面值。

(vi) 資本管理

本集團管理資本之首要目標乃保障本集團持續經營之能力，從而透過對與風險水平相當之產品定價以及獲得合理成本之融資，繼續為其股東創造回報及為其他權益持有人創造利益。本集團概毋受制於外部施加的資本規定，計息借貸附有的資本、流動比率及借貸比率規定除外。

本集團積極及定期對資本架構進行檢討及管理，以在較高股東回報情況下可能伴隨之較高借貸水平與良好的資本狀況帶來之好處及保障之間取得平衡，並因應經濟狀況之變化對資本架構作出調整。

本集團根據其債務狀況監察資本。本集團之策略是維持權益及債務處於平衡狀態，負債權益比率（即本集團之總借貸除以其權益總額）不超過150%，並確保有足夠營運資金償還債務。於二零一九年二月二十八日，本集團及本公司之負債權益比率分別為73.6%（二零一八年二月二十八日：84.4%）及107.7%（二零一八年二月二十八日：77.0%）。

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25 FINANCIAL RISK MANAGEMENT AND FAIR VALUE

As the core business of the Group is engaged in secured financing business in Hong Kong, including pawn loans and mortgage loans, the main risks associated with its business are credit risk and the need to maintain a fairly liquid position.

(a) Credit risk management

The Group's maximum exposure to credit risk in the event of the counterparties' failure to perform their obligations in relation to each class of recognised financial assets is the carrying amount of those assets as stated in the consolidated statement of financial position. The Group's credit risk is primarily attributable to its loan receivables. In order to minimise the credit risk, the Group have established policies and systems for the monitoring and control of credit risk.

The Group has developed and adopted a systematic approach in running its business in an efficient way, including the adoption of internal control procedures for risk management purposes.

The Group manages its credit risk on a conservative basis by evaluating its loan portfolio in relation of quantitative risk/return criteria.

In relation to the pawn loan business, the Group has adopted internal control procedures including the identification and evaluation of ownership and obtaining an accurate valuation of personal property. The Group usually grants loans with a loan-to-value ratio ranging from 50% – 85%, depending on the type of collateral and the valuation is made at the point of granting the loan. The maximum exposure of the credit risk arising from pawn loan business at the end of each reporting period is the carrying amount of the pawn loan receivables as stated in the consolidated statement of financial position.

25 財務風險管理及公平值

由於本集團之核心業務為於香港從事有抵押融資（包括典當貸款及按揭抵押貸款）業務，故與其業務相關之主要風險為信貸風險及維持大量流動資金狀況之需求。

(a) 信貸風險管理

本集團就訂約方未能履行其責任而就各類別已確認金融資產所承受之最高信貸風險為綜合財務狀況表所述該等資產之賬面值。本集團之信貸風險主要歸因於其應收貸款。為將信貸風險減至最低，本集團已制定政策及制度監督及控制信貸風險。

本集團已開發及採用一項系統化方案，以更具效益之方式經營其業務，包括以風險管理為目的而採用之內部監控程序。

本集團透過評估其貸款組合之定量風險／回報率標準，保守管理其信貸風險。

就典當貸款業務而言，本集團已採納內部監控程序，包括識別及評估所有權並取得個人財產之準確估值。根據抵押品之類型，本集團一般按介乎50%至85%之貸款對估值比率發放貸款，估值於發放貸款時作出。於各報告期末，因典當貸款業務產生之最高信貸風險為綜合財務狀況表所述之應收典當貸款之賬面值。

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25 FINANCIAL RISK MANAGEMENT AND FAIR VALUE (CONT'D) 25 財務風險管理及公平值 (續)

(a) Credit risk management (CONT'D)

Different valuations are used for different types of collaterals.

- Gold prices quoted from The Chinese Gold & Silver Exchange Society
- Diamond prices quoted from latest Rapaport Diamond Report
- Watches quoted from either retail listed prices or parallel import wholesale prices
- Consumer electronic products quoted from updated pricelists of second-hand consumer electronic products

A customer is considered to have defaulted in repayment of the pawn loan if they have not redeemed the collateral or renewed the pawn loan by the end of the term of the pawn loan. At the Group's sole discretion, a grace period of up to six weeks may be provided to customers after the end of the loan period during which the Group may allow the customers to renew the pawn loan and/or redeem the collateral. The Group will take possession of the collateral if the customer has not redeemed the collateral or renewed the pawn loan by the end of the loan period or the grace period provided. Repossessed assets are accounted for in accordance with the accounting policy as set out in note 2(l) and the carrying amount of repossessed assets as at 28 February 2019 was \$6,451,000 (28 February 2018: \$8,108,000). The Group will proceed to dispose of the collateral within a reasonable time after possession.

(a) 信貸風險管理 (續)

不同類型之抵押品使用不同估值方法。

- 金銀業貿易場所報之黃金價格
- 鑽石報價表所報之鑽石價格
- 零售價目表或平行進口批發價格所報之手錶價格
- 二手消費電子產品之更新價目表所報之消費電子產品價格

於典當貸款期限結束前，倘客戶並無贖回抵押品或重續典當貸款，該客戶則被視為已拖欠償還典當貸款。本集團可全權酌情決定於貸款期間結束後向客戶提供長達六個星期之寬限期，於有關期間內，本集團可容許客戶重續典當貸款及／或贖回抵押品。於貸款期限或提供之寬限期結束前，倘客戶並無贖回抵押品或重續典當貸款，本集團將管有抵押品。經收回資產根據附註2(l)所載之會計政策入賬，於二零一九年二月二十八日，經收回資產之賬面值為6,451,000元(二零一八年二月二十八日：8,108,000元)。本集團將於管有抵押品後之合理時間內出售抵押品。

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25 FINANCIAL RISK MANAGEMENT AND FAIR VALUE (CONT'D)

(a) Credit risk management (CONT'D)

In relation to the mortgage loan business, the Group has also adopted internal control procedures for the identification and evaluation of the legal ownership and accurate valuation of property. As a matter of risk management, the Group usually grants loans with a loan-to-value ratio of no more than 70% of the value in the valuation report of the property, which is generally lower than bank's loan-to-value ratio for mortgages which can be as high as 70%. In a few cases if the customers request loans with the loan-to-value ratio of over 70%, approval from the chief executive officer is required. For the valuation of the property, the Group will make reference to a third party valuer and/or the internet valuation services provided by banks in Hong Kong. The Group holds collateral against loan receivables in the form of mortgages over properties located in Hong Kong. The Group considers that the credit risk arising from the mortgage loan receivables is significantly mitigated by the property held as collateral, with reference to the estimated market value of the property at the grant date. The Group may take possession of assets held as collateral through court proceeding or voluntary delivery of possession by the borrowers. It disposes the property by auction once taking the possession.

Management has overall responsibility for the Group's credit policies and oversees the credit quality of the Group's loan portfolio. In addition, management reviews the ECL allowances of loans and receivables at each reporting date to ensure that adequate impairment losses are made for the expected irrecoverable amounts. In this regard, management considers that the Group's credit risk is significantly reduced.

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer and therefore significant concentrations of credit risk primarily arise when the Group has significant exposure to individual customers. At the end of the reporting period, 7.6% (28 February 2018: 12.4%) and 35.9% (28 February 2018: 41.4%) of the total loan receivables was due from the Group's largest customer and the five largest customers respectively.

25 財務風險管理及公平值 (續)

(a) 信貸風險管理 (續)

就按揭抵押貸款業務而言，本集團亦已採用內部監控程序，以識別及評估房地產之法律所有權及準確估值。對於風險管理方面，本集團通常按不多於房地產估值報告內價值70%之貸款對估值比率發放貸款，此比率一般低於銀行就按揭抵押高達70%之貸款對估值比率。在某些情況下，倘客戶要求按多於70%之貸款對估值比率發放貸款，則須取得行政總裁之批准。就物業估值，本集團將參照第三方估值師及／或香港銀行所提供之網上估值服務。本集團以位於香港之房地產按揭抵押方式就應收貸款持有抵押品。本集團認為，參考物業於授出日期之估計市值，應收按揭抵押貸款所產生之信貸風險因持有作抵押品之物業而大幅減低。本集團可透過法律訴訟或由借款人自行付運財產管有持作抵押品的資產。一旦收回財產管有，本集團將透過拍賣出售有關物業。

管理層對本集團之信貸政策負有全責，並監督本集團貸款組合之信貸質素。此外，管理層於各報告日期審閱貸款及應收款項之預期信貸虧損撥備，以確保就預期不可收回款項作出足夠減值虧損。就此而言，管理層認為本集團之信貸風險已大幅降低。

本集團所承受信貸風險主要受到每名客戶之個別特性所影響，故重大信貸風險集中主要由於本集團與個別客戶往來時所承受重大風險所致。於報告期末，應收貸款總額之7.6%（二零一八年二月二十八日：12.4%）及35.9%（二零一八年二月二十八日：41.4%）分別來自本集團最大客戶及五大客戶。

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25 FINANCIAL RISK MANAGEMENT AND FAIR VALUE (CONT'D) 25 財務風險管理及公平值 (續)

(a) Credit risk management (CONT'D)

Further quantitative disclosures in respect of the Group's exposure to credit risk arising from loan receivables are set out in note 13.

The Group has developed its processes for measuring ECL including monitoring of credit risk, incorporation of forward-looking information and the methodology used to measure ECL. The Group has policies and procedures in place to appropriately maintain the models used to assess and measure ECL.

(b) Market risk management

The Group's activities expose it primarily to the financial risks of changes in interest rate.

Market risk exposures are measured by sensitivity analysis. There has been no change to the Group's exposure to market risk or the currencies as the financial assets and liabilities are primarily denominated in Hong Kong dollars in which it manages and measures the risk throughout the relevant period.

(a) 信貸風險管理 (續)

有關本集團自應收貸款所產生之信貸風險之進一步定量披露載於附註13。

本集團已制訂程序以計量預期信貸虧損，包括監察信貸風險、納入前瞻性資料及用以計量預期信貸虧損之方法。本集團訂有政策及程序以適當維持用以評估及計量預期信貸虧損之模式。

(b) 市場風險管理

本集團業務主要面臨利率變動產生之金融風險。

採用敏感度分析計算市場風險。由於金融資產及負債主要以港元計值，故本集團所面臨之市場風險或其管理之貨幣以及計量風險之方式於整個有關期間並無變動。

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25 FINANCIAL RISK MANAGEMENT AND FAIR VALUE (CONT'D)

(b) Market risk management (CONT'D)

Interest rate risk

The Group's interest rate risk arises primarily from mortgage loan receivables, bank loans and overdrafts, other loans and loans from the immediate holding company. Mortgage loan receivables, unsecured loan receivables, certain bank loans and overdrafts, other loans, and loans from the immediate holding company issued at variable rates expose the Group to cash flow interest rate risk.

(i) Interest rate profile

The Group's interest rate positions arise from lending activities. Interest rate risk primarily results from the timing differences in the repricing of interest-bearing assets, liabilities and commitments. It also relates to positions from non-interest bearing liabilities including shareholders' funds and current accounts, as well as from loans and liabilities.

Certain of the Group's loan receivables (mainly the pawn loans), debt securities issued and bank loans and overdrafts are fixed rate. Although subject to interest rate risk, they are not remeasured in the financial statements in response to changes in interest rates and therefore changes in interest rate risk variables would not affect reported profit or loss in the short-term.

(ii) Sensitivity analysis

At 28 February 2019, it is estimated that a general increase/decrease of 100 basis points in interest rates, with all other variables held constant, would have increased/decreased the Group's profit after tax and retained profits by approximately \$7,600,000 (28 February 2018: \$6,592,000).

The sensitivity analysis above indicates the instantaneous change on the Group's profit after tax (and retained profits) and other components of consolidated equity that would arise assuming that the change in interest rates had occurred at the end of the reporting period. The analysis is performed on the same basis for 2018.

25 財務風險管理及公平值 (續)

(b) 市場風險管理 (續)

利率風險

本集團之利率風險主要來自應收按揭抵押貸款、銀行貸款及透支、其他貸款以及直屬控股公司之貸款。以浮動利率發出之應收按揭抵押貸款、應收無抵押貸款、若干銀行貸款及透支、其他貸款以及直屬控股公司之貸款使本集團承受現金流量利率風險。

(i) 利率狀況

本集團之利率持倉來自借貸業務。利率風險主要由於附息資產、負債及承擔再定息之時差所致。其亦與無息負債 (包括股東資金及往來賬戶) 以及貸款及負債之持倉有關。

本集團若干應收貸款 (主要為典當貸款)、已發行債務證券以及銀行貸款及透支為定息。儘管面對利率風險，其不會就利率變動於財務報表重新計量，因此，利率風險因素變動於短期內不會影響所呈報之損益。

(ii) 敏感度分析

於二零一九年二月二十八日，估計利率整體上升/下降100個基點，在所有其他變量保持不變之情況下，將導致本集團除稅後溢利及保留溢利增加/減少約7,600,000元 (二零一八年二月二十八日: 6,592,000元)。

上述敏感度分析指假設利率變動於報告期末已經產生，本集團之除稅後溢利 (及保留溢利) 與綜合權益之其他部分將產生之即時變動。二零一八年按相同基準進行分析。

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25 FINANCIAL RISK MANAGEMENT AND FAIR VALUE (CONT'D) 25 財務風險管理及公平值 (續)

(c) Liquidity risk management

The Group's policy is to regularly monitor its liquidity requirements and its compliance with loan/borrowing covenants, to ensure that it maintains sufficient reserves of cash and adequate committed lines of funding from major financial institutions to meet its liquidity requirements in the short and long-term.

The following table details the remaining contractual maturities at the end of the reporting period of the Group's financial liabilities, which are based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on rates current at the end of the reporting period) and the earliest date the Group can be required to pay:

(c) 流動資金風險管理

本集團之政策為定期監察其流動資金需要以及是否遵守貸款／借貸契諾，以確保其維持足夠之現金儲備以及來自主要金融機構之充足承諾資金額度，以應付本集團之短期及長期流動資金需要。

下表詳述本集團於報告期末按合約未貼現現金流量（包括按合約利率或（如屬浮息）根據報告期末通行之利率計算之利息）計算之金融負債之剩餘合約期限，以及本集團須償還有關款項之最早日期：

		2019 二零一九年				
		Total contractual carrying amount	Within 1 year or on demand	More than 1 year but less than 2 years	More than 2 years but less than 5 years	More than 5 years
		Contractual undiscounted cash flow	於1年內或按要求	1年以上但少於2年	2年以上但少於5年	5年以上
		\$'000	\$'000	\$'000	\$'000	\$'000
		千元	千元	千元	千元	千元
Accruals and other payables	應計費用及其他應付款項	6,691	6,691	6,691	-	-
Bank loans and overdrafts	銀行貸款及透支	83,950	84,859	84,859	-	-
Obligations under finance leases	融資租賃承擔	76	76	76	-	-
Loans from the immediate holding company	直屬控股公司之貸款	94,000	94,072	94,072	-	-
Debt securities issued	已發行債務證券	162,565	196,847	9,790	9,790	150,730
Other loans	其他貸款	265,232	285,507	285,507	-	-
		612,514	668,052	480,995	9,790	150,730
						26,537

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25 FINANCIAL RISK MANAGEMENT AND FAIR VALUE (CONT'D) 25 財務風險管理及公平值 (續)

(c) Liquidity risk management (CONT'D)

(c) 流動資金風險管理 (續)

		2018 二零一八年					
		Total contractual	More than 1	More than 2	More than 5		
		Carrying amount	Within 1 year or on demand	year but less than 2 years	years but less than 5 years	years	
		賬面值	於1年內或按要 求	1年以上 但少於2年	2年以上 但少於5年	5年以上	
		\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元
Accruals and other payables	應計費用及其他應付款項	6,699	6,699	6,699	-	-	-
Bank loans and overdrafts	銀行貸款及透支	85,097	85,917	85,917	-	-	-
Obligations under finance leases	融資租賃承擔	297	305	228	77	-	-
Loans from the immediate holding company	直屬控股公司之貸款	126,000	126,116	126,116	-	-	-
Debt securities issued	已發行債務證券	162,452	206,637	9,790	9,790	146,582	40,475
Other loans	其他貸款	291,623	315,223	315,223	-	-	-
		<u>672,168</u>	<u>740,897</u>	<u>543,973</u>	<u>9,867</u>	<u>146,582</u>	<u>40,475</u>

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25 FINANCIAL RISK MANAGEMENT AND FAIR VALUE (CONT'D) 25 財務風險管理及公平值 (續)

(d) Fair Value Measurement of Financial Instruments

Financial asset measured at fair value

(i) Fair value hierarchy

The following table presents the fair value of the Group's financial instruments measured at the end of the reporting period on a recurring basis, categorised into the three-level fair value hierarchy as defined in HKFRS 13, *Fair value measurement*. The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

- Level 1 valuations: Fair value measured using only Level 1 inputs i.e. unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date.
- Level 2 valuations: Fair value measured using Level 2 inputs i.e. observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available.
- Level 3 valuations: Fair value measured using significant unobservable inputs.

(d) 金融工具之公平值計量

按公平值計量之金融資產

(i) 公平值層級

下表呈列本集團於報告期末按經常性基準計量之金融工具公平值，有關公平值計量按香港財務報告準則第13號「公平值計量」所界定之公平值三級架構進行分類。公平值計量所分類之層級乃經參考以下估值技術所用之輸入數據之可觀察性及重要性而釐定：

- 第1級估值：僅以第1級輸入數據（即相同資產或負債於計量日期之活躍市場未經調整報價）計量之公平值。
- 第2級估值：以第2級輸入數據（即未能符合第1級規定之可觀察輸入數據）且並無使用重大不可觀察輸入數據計量之公平值。不可觀察輸入數據為不可獲得市場數據之輸入數據。
- 第3級估值：以重大不可觀察輸入數據計量之公平值。

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25 FINANCIAL RISK MANAGEMENT AND FAIR VALUE (CONT'D) 25 財務風險管理及公平值 (續)

(d) Fair Value Measurement of Financial Instruments (CONT'D)

Financial asset measured at fair value (CONT'D)

(i) Fair value hierarchy (CONT'D)

	Fair value at 28 February 2019 於二零一九年 二月二十八日之 公平值 \$'000 千元	Fair value measurements as at 28 February 2019 categorised into 於二零一九年二月二十八日之 公平值計量分類為以下層級		
		Level 1 第1級 \$'000 千元	Level 2 第2級 \$'000 千元	Level 3 第3級 \$'000 千元
Recurring fair value measurement				
Financial assets:				
Loans receivables at FVPL	120,977	-	-	120,977

	Fair value at 28 February 2018 於二零一八年 二月二十八日之 公平值 \$'000 千元	Fair value measurements as at 28 February 2018 categorised into 於二零一八年二月二十八日之 公平值計量分類為以下層級		
		Level 1 第1級 \$'000 千元	Level 2 第2級 \$'000 千元	Level 3 第3級 \$'000 千元
Recurring fair value measurement				
Financial assets:				
Loans receivables at FVPL	-	-	-	-

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25 FINANCIAL RISK MANAGEMENT AND FAIR VALUE (CONT'D) 25 財務風險管理及公平值 (續)

(d) Fair Value Measurement of Financial Instruments (CONT'D)

Financial asset measured at fair value (CONT'D)

(ii) Information about Level 3 fair value measurements

The fair value of loans receivables at FVPL is determined using income approach by discounting the contractual future cash flow. The fair value measurement is negatively correlated to the discount rate.

The movement during the year in the balance of Level 3 fair value measurements is as follows:

(d) 金融工具之公平值計量 (續)

按公平值計量之金融資產 (續)

(ii) 第3級公平值計量的資料

按公平值計入損益之應收貸款之公平值乃透過採用收入法貼現合約未來現金流量所釐定。公平值計量與貼現率呈負相關。

第3級公平值計量結餘於年內之變動如下：

		28 February 2019 二零一九年 二月二十八日 \$'000 千元	28 February 2018 二零一八年 二月二十八日 \$'000 千元
At 1 March	於三月一日	-	-
Transferred from loans receivables at amortised cost upon adoption of HKFRS 9	於採納香港財務報告準則第9號後自按攤銷成本計量之應收貸款轉撥	111,439	-
Loans granted	已發放貸款	456,269	-
Loans matured	已到期貸款	(446,728)	-
Net losses recognised in statement of comprehensive income	於全面收入表確認之虧損淨額	(3)	-
At 28 February	於二月二十八日	120,977	-
Total gains or (losses) for the year included in statement of comprehensive income for assets held as at 28 February	計入全面收入表之於二月二十八日持有資產之年內收益或(虧損)總額	(3)	-

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26 OPERATING LEASE COMMITMENTS

The Group's total future minimum lease payments under non-cancellable operating leases of properties are payable as follows:

		2019 二零一九年 \$'000 千元	2018 二零一八年 \$'000 千元
Within one year	一年內	12,432	9,149
After one year but within five years	一年後但五年內	17,639	3,082
		30,071	12,231

The Group leases a number of properties under operating leases. The leases typically run for an initial period of 1 to 5 years. Lease payments are usually increased at the end of the lease term to reflect market rentals. None of the leases includes contingent rentals.

The Group's total future minimum lease payments under non-cancellable operating leases of properties are receivable as follows:

		2019 二零一九年 \$'000 千元	2018 二零一八年 \$'000 千元
Within one year	一年內	1,378	1,035
After one year but within five years	一年後但五年內	956	468
		2,334	1,503

The Group sub-leases out a number of properties under operating leases. The leases typically run for an initial period of 1 to 5 years. Lease payments are usually increased at the end of the lease term to reflect market rentals. None of the leases includes contingent rentals.

26 經營租賃承擔

本集團根據物業不可撤銷經營租賃之應付未來最低租賃款項總額如下：

本集團根據經營租賃租用多個物業。一般而言，租賃之初步期限為1至5年。租賃款項通常於租賃期結束時上調，以反映市場租金。概無租賃包括或然租金。

本集團根據物業不可撤銷經營租賃之應收未來最低租賃款項總額如下：

本集團根據經營租賃分租多個物業。一般而言，租賃之初步期限為1至5年。租賃款項通常於租賃期結束時上調，以反映市場租金。概無租賃包括或然租金。

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27 MATERIAL RELATED PARTY TRANSACTIONS 27 重大關連方交易

During the year, transactions with the following parties are considered to be related party transactions:

於年內，與下列各方之交易被視為關連方交易：

Name of party 關連方姓名／名稱	Relationship with the Group 與本集團之關係
Mr. Chan Chart Man 陳策文先生	Director 董事
Mr. Chan Kai Ho Edward 陳啟豪先生	Director and son of Mr. Chan Chart Man 董事及陳策文先生之兒子
Ms. Chan Ying Yu 陳英瑜女士	Director and daughter of Mr. Chan Chart Man 董事及陳策文先生之女兒
Ms. Chan Mei Fong 陳美芳女士	Director and daughter of Mr. Chan Chart Man 董事及陳策文先生之女兒
Ms. Chan Nga Yu 陳雅瑜女士	Daughter of Mr. Chan Chart Man 陳策文先生之女兒
Ms. Chan Kit Yu 陳潔瑜女士	Daughter of Mr. Chan Chart Man 陳策文先生之女兒
Ms. Mui Hang Sin 梅杏仙女士	Spouse of Mr. Chan Chart Man 陳策文先生之配偶
Mr. Chan Kai Kow Macksion 陳啟球先生	Son of Mr. Chan Chart Man 陳策文先生之兒子
Kwan Chart (Holding) Company Ltd. ("Kwan Chart Holding") 羣策集團有限公司(「羣策集團」)	Controlled by Mr. Chan Chart Man 由陳策文先生控制
Kwan Chart Estate Company Ltd. ("Kwan Chart Estate") 群策置業有限公司(「群策置業」)	Controlled by Mr. Chan Chart Man 由陳策文先生控制
Kwan Lik Holding Limited	Immediate holding company 直屬控股公司

In addition to the transactions and balances disclosed elsewhere in these financial statements, the Group entered into the following material related party transactions:

除此等財務報表其他章節所披露之交易及結餘外，本集團已訂立以下重大關連方交易：

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27 MATERIAL RELATED PARTY TRANSACTIONS (CONT'D) 27 重大關連方交易 (續)

(a) Key management personnel remuneration

(a) 主要管理人員薪酬

		2019 二零一九年 \$'000 千元	2018 二零一八年 \$'000 千元
Salary and other emoluments	薪金及其他酬金	6,874	6,418
Discretionary bonuses	酌情花紅	5,045	5,160
Contributions to Mandatory Provident Fund	強制性公積金供款	90	90
		12,009	11,668

(b) Transactions with other related parties

(b) 與其他關連方之交易

During the year, the Group entered into transactions with related parties in the ordinary course of its business as follows:

年內，本集團於其日常業務過程中與關連方訂立之交易如下：

		2019 二零一九年 \$'000 千元	2018 二零一八年 \$'000 千元
Rental expense incurred to Kwan Chart Holding	就以下各方產生之租金開支 羣策集團	960	960
Kwan Chart Estate	羣策置業	637	576
Mr. Chan Chart Man	陳策文先生	1,048	960
Rental deposit placed with Kwan Chart Holding	就以下各方存入之租金按金 羣策集團	160	160
Kwan Chart Estate	羣策置業	110	96
Mr. Chan Chart Man	陳策文先生	180	160
Management fee incurred to Kwan Chart Estate	就以下各方產生之管理費 羣策置業	33	132
Management fee deposit placed with Kwan Chart Estate	就以下各方存入之管理費 按金 羣策置業	22	22

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for the year ended 28 February 2019 截至二零一九年二月二十八日止年度
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27 MATERIAL RELATED PARTY TRANSACTIONS (CONT'D) 27 重大關連方交易 (續)

(b) Transactions with other related parties (CONT'D)

The directors consider that all related party transactions during the year were conducted on normal commercial terms and in the ordinary and usual course of the Group's business.

The related party transactions in respect of rental expense incurred and management fee incurred constitute continuing connected transactions as defined in Chapter 14A of the Listing Rules. However those transactions are exempt from the disclosure requirements in Chapter 14A of the Listing Rules as they are below the de minimis threshold under Rule 14A.76(1).

(b) 與其他關連方之交易 (續)

董事認為，年內所有關連方交易乃按一般商業條款於本集團日常及一般業務過程中進行。

有關已產生租金開支及已產生管理費之關連方交易構成上市規則第14A章所界定之持續關連交易。然而，由於該等交易低於第14A.76(1)條項下之最低豁免水平，故獲豁免遵守上市規則第14A章之披露規定。

28 INVESTMENTS IN SUBSIDIARIES, AMOUNTS DUE FROM SUBSIDIARIES AND LOANS TO A SUBSIDIARY 28 於附屬公司之投資、應收附屬公司之款項及向一間附屬公司提供之貸款

	The Company 本公司	
	2019 二零一九年	2018 二零一八年
	\$'000 千元	\$'000 千元
Unlisted shares, at cost	未上市股份，按成本	
	57,064	57,064

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28 INVESTMENTS IN SUBSIDIARIES, AMOUNTS DUE FROM SUBSIDIARIES AND LOANS TO A SUBSIDIARY (CONT'D)

At 28 February 2019, the Company has direct or indirect interests in the following subsidiaries, all of which are private companies, particulars of which are set out below:

28 於附屬公司之投資、應收附屬公司之款項及向一間附屬公司提供之貸款(續)

於二零一九年二月二十八日，本公司於下列附屬公司(全部均為私人公司)擁有直接或間接權益，有關詳情載列如下：

Name of company 公司名稱	Place and date of incorporation/establishment 註冊成立/成立地點及日期	Issued and fully paid up capital/registered capital 已發行及繳足資本/註冊資本	Attributable equity interest 應佔股本權益		Principal activities 主要業務
			Direct 直接	Indirect 間接	
Oi Wah Holding Limited	British Virgin Islands ("BVI") 31 May 2012 英屬處女群島(「英屬處女群島」) 二零一二年五月三十一日	2,000 ordinary shares with no par value 2,000股無面值之普通股	100%	–	Investment holding 投資控股
Oi Wah Pawnshop Credit Limited 靚華押業信貸有限公司	Hong Kong 22 March 2000 香港二零零零年三月二十二日	10,000,000 ordinary shares 10,000,000股普通股	–	100%	Pawn broking and money lending 典當及放債
Hing Wah Pawnshop Credit Limited 興華押業信貸有限公司	Hong Kong 12 April 2012 香港二零一二年四月十二日	1 ordinary share 1股普通股	–	100%	Pawn broking and money lending 典當及放債
Wai Wah Pawnshop Credit Limited 偉華押業信貸有限公司	Hong Kong 12 April 2012 香港二零一二年四月十二日	1 ordinary share 1股普通股	–	100%	Pawn broking and money lending 典當及放債
Oi Wah Property Credit Limited 靚華物業信貸有限公司	Hong Kong 20 February 2014 香港二零一四年二月二十日	1 ordinary share 1股普通股	–	100%	Money lending 放債
Oi Wah Enterprises Limited 靚華企業有限公司	Hong Kong 4 April 2014 香港二零一四年四月四日	1 ordinary share 1股普通股	–	100%	Consultant 諮詢顧問
Oi Wah Credit Limited 靚華信貸有限公司	Hong Kong 29 January 2015 香港二零一五年一月二十九日	1 ordinary share 1股普通股	–	100%	Money lending 放債
Oi Wah Finance Limited 靚華財務有限公司	Hong Kong 1 April 2015 香港二零一五年四月一日	1 ordinary share 1股普通股	–	100%	Inactive 暫停營業
Oi Wah Mortgage Limited 靚華按揭有限公司	Hong Kong 1 April 2015 香港二零一五年四月一日	1 ordinary share 1股普通股	–	100%	Inactive 暫停營業
Oi Wah Pawnshop Limited 靚華押業有限公司	Hong Kong 15 February 2016 香港二零一六年二月十五日	1 ordinary share 1股普通股	–	100%	Inactive 暫停營業

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28 INVESTMENTS IN SUBSIDIARIES, AMOUNTS DUE FROM SUBSIDIARIES AND LOANS TO A SUBSIDIARY (CONT'D)

Amounts due from subsidiaries are unsecured, interest-free and repayable on demand.

Loans to a subsidiary are revolving, unsecured, interest-bearing at 6% per annum and repayable on demand.

28 於附屬公司之投資、應收附屬公司之款項及向一間附屬公司提供之貸款 (續)

應收附屬公司之款項為無抵押、免息及須按要求償還。

向一間附屬公司提供之貸款為無抵押之循環貸款，按年利率6%計息，並須按要求償還。

29 COMPANY LEVEL STATEMENT OF FINANCIAL POSITION AS AT 28 FEBRUARY 2019

29 於二零一九年二月二十八日之公司層面財務狀況表

	Note 附註	2019 二零一九年 \$'000 千元	2018 二零一八年 \$'000 千元
Non-current assets	非流動資產		
Trade and other receivables	貿易及其他應收款項	-	2,402
Investment in subsidiaries	於附屬公司之投資	57,064	57,064
		57,064	59,466
Current assets	流動資產		
Amounts due from subsidiaries	應收附屬公司之款項	-	23,345
Trade and other receivables	貿易及其他應收款項	227	3,290
Loans to a subsidiary	向一間附屬公司提供之 貸款	321,240	321,240
Cash and cash equivalents	現金及現金等價物	1,734	3,016
Current taxation	即期稅項	-	98
		323,201	350,989
Current liabilities	流動負債		
Accruals and other payables	應計費用及其他應付款項	1,803	1,599
Bank loan	銀行貸款	13,683	14,681
Amounts due to subsidiaries	應付附屬公司之款項	37,684	1,808
Current taxation	即期稅項	849	-
		54,019	18,088

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29 COMPANY LEVEL STATEMENT OF FINANCIAL POSITION AS AT 28 FEBRUARY 2019 (CONT'D) 29 於二零一九年二月二十八日之公司層面財務狀況表(續)

		Note 附註	2019 二零一九年 \$'000 千元	2018 二零一八年 \$'000 千元
Net current assets	流動資產淨額		269,182	332,901
Total assets less current liabilities	資產總額減流動負債		326,246	392,367
Non-current liability	非流動負債			
Debt securities issued	已發行債務證券		162,565	162,452
NET ASSETS	資產淨額		163,681	229,915
CAPITAL AND RESERVES	資本及儲備	24		
Capital	股本		19,385	20,874
Reserves	儲備		144,296	209,041
TOTAL EQUITY	權益總額		163,681	229,915

Approved and authorised for issue by the board of directors on 28 May 2019.

於二零一九年五月二十八日獲董事會批准及授權刊發。

Mr. Chan Kai Ho Edward
陳啟豪先生
Director
董事

Ms. Chan Ying Yu
陳英瑜女士
Director
董事

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30 IMMEDIATE AND ULTIMATE CONTROLLING PARTY

At 28 February 2019, the directors consider the immediate parent and ultimate controlling party of the Group to be Kwan Lik Holding Limited, which is incorporated in the BVI, and TMF (Cayman) Ltd. as trustee of a reserved power discretionary trust for the benefit of Mr. Chan Chart Man, Mr. Chan Kai Ho Edward, Ms. Chan Ying Yu, Ms. Chan Mei Fong, Ms. Chan Nga Yu, Ms. Chan Kit Yu, Ms. Mui Hang Sin and Mr. Chan Kai Kow Macksion, which is incorporated in the Cayman Islands, respectively. These entities do not produce financial statements available for public use.

31 POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 28 FEBRUARY 2019

Up to the date of issue of these financial statements, the HKICPA has issued a number of amendments, new standards and interpretations which are not yet effective for the year ended 28 February 2019 and which have not been adopted in these financial statements. These include the following which may be relevant to the Group.

30 直屬及最終控股方

於二零一九年二月二十八日，董事認為，本集團之直屬母公司及最終控股方分別為於英屬處女群島註冊成立之Kwan Lik Holding Limited及於開曼群島註冊成立之TMF (Cayman) Ltd. (為陳策文先生、陳啟豪先生、陳英瑜女士、陳美芳女士、陳雅瑜女士、陳潔瑜女士、梅杏仙女士及陳啟球先生之利益而作為保留權利酌情信託之受託人)。此等實體並無編製供公眾查閱之財務報表。

31 截至二零一九年二月二十八日止年度已頒佈但尚未生效之修訂、新訂準則及詮釋之潛在影響

截至此等財務報表刊發日期，香港會計師公會已頒佈若干修訂、新訂準則及詮釋，該等修訂、新訂準則及詮釋於截至二零一九年二月二十八日止年度尚未生效且未於該等財務報表採納，當中可能與本集團有關之準則如下。

	Effective for accounting periods beginning on or after 於以下日期或之後開始之 會計期間生效
HKFRS 16, Leases 香港財務報告準則第16號「租賃」	1 January 2019 二零一九年一月一日
HK(IFRIC) 23, Uncertainty over income tax treatments 香港(國際財務報告詮釋委員會)詮釋第23號「所得稅處理之不確定性」	1 January 2019 二零一九年一月一日
Annual Improvements to HKFRSs 2015-2017 Cycle 二零一五年至二零一七年週期之香港財務報告準則年度改進	1 January 2019 二零一九年一月一日

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31 POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 28 FEBRUARY 2019 (CONT'D)

The Group is in the process of making an assessment of what the impact of these amendments, new standards and interpretations is expected to be in the period of initial application. So far the Group has identified some aspects of HKFRS 16 which may have a significant impact on the consolidated financial statements. Further details of the expected impacts are discussed below. While the assessment has been substantially completed for HKFRS 16, the actual impact upon the initial adoption of this standard may differ as the assessment completed to date is based on the information currently available to the Group, and further impacts may be identified before the standard is initially applied in the Group's interim financial report for the six months ended 31 August 2019. The Group may also change its accounting policy elections, including the transition options, until the standard is initially applied in that financial report.

HKFRS 16, Leases

Currently the Group classifies leases into finance leases and operating leases and accounts for the lease arrangements differently, depending on the classification of the lease. The Group enters into some leases as the lessor and others as the lessee.

HKFRS 16 is not expected to impact significantly on the way that lessors account for their rights and obligations under a lease. However, once HKFRS 16 is adopted, lessees will no longer distinguish between finance leases and operating leases. Instead, subject to practical expedients, lessees will account for all leases in a similar way to current finance lease accounting, i.e. at the commencement date of the lease the lessee will recognise and measure a lease liability at the present value of the minimum future lease payments and will recognise corresponding "right-of-use" asset. After initial recognition of this asset and liability, the lessee will recognise interest expense accrued on the outstanding balance of the lease liability, and the depreciation of the right-of-use asset, instead of the current policy of recognising rental expenses incurred under operating leases on a systematic basis over the lease term. As a practical expedient, the lessee can elect not to apply this accounting model to short-term leases (i.e. where the lease term is 12 months or less) and to leases of low-value assets, in which case the rental expenses would continue to be recognised on a systematic basis over the lease term.

31 截至二零一九年二月二十八日止年度已頒佈但尚未生效之修訂、新訂準則及詮釋之潛在影響(續)

本集團現正評估此等修訂、新訂準則及詮釋預期在首次應用期間將產生之影響。本集團至今已識別香港財務報告準則第16號或會對綜合財務報表造成重大影響之若干方面。有關預期影響之進一步詳情於下文論述。儘管有關香港財務報告準則第16號之評估已大致完成，惟首次採納此準則之實際影響可能有所不同，乃因迄今完成之評估乃基於本集團目前可獲得的資料，且於本集團截至二零一九年八月三十一日止六個月之中期財務報告首次應用此準則前或會識別其他影響。本集團亦可能變更其會計政策選擇(包括過渡方案)，直至於該財務報告首次應用該準則。

香港財務報告準則第16號「租賃」

本集團現時將租賃分類為融資租賃及經營租賃，並根據租賃分類對租賃安排進行不同會計處理。本集團作為出租人訂立若干租賃，並作為承租人訂立其他租賃。

本集團預期香港財務報告準則第16號不會大幅影響出租人將其於租賃項下權利及責任入賬之方式。然而，香港財務報告準則第16號一經採納，承租人將不再區分融資租賃及經營租賃。取而代之，根據可行權宜方法，承租人將按類似現行融資租賃會計處理之方法將所有租賃入賬，即於租賃開始日期，承租人將按最低未來租賃款項之現值確認及計量租賃負債，並將確認相應「使用權」資產。於初始確認該資產及負債後，承租人將確認租賃負債之未償還結餘所累計之利息開支及使用權資產折舊，而非根據現行政策於租賃期內按系統基準確認經營租賃項下所產生之租金開支。作為可行權宜方法，承租人可選擇不將此會計模式應用於短期租賃(即租賃期為12個月或以下者)及低價值資產之租賃，在此情況下，租金開支將繼續於租賃期內按系統基準確認。

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31 POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 28 FEBRUARY 2019 (CONT'D)

HKFRS 16, Leases (CONT'D)

HKFRS 16 will primarily affect the Group's accounting as a lessee of leases for properties, plant and equipment which are currently classified as operating leases. The application of the new accounting model is expected to lead to an increase in both assets and liabilities and to impact on the timing of the expense recognition in the statement of comprehensive income over the period of the lease.

HKFRS 16 is effective for annual periods beginning on or after 1 January 2019. As allowed by HKFRS 16, the Group plans to use the practical expedient to grandfather the previous assessment of which existing arrangements are, or contain, leases. The Group will therefore apply the new definition of a lease in HKFRS 16 only to contracts that are entered into on or after the date of initial application.

The Group plans to elect to use the modified retrospective approach for the adoption of HKFRS 16 and will recognise the cumulative effect of initial application as an adjustment to the opening balance of equity at 1 March 2019 and will not restate the comparative information. As disclosed in note 26, at 28 February 2019 the Group's future minimum lease payments under non-cancellable operating leases amount to \$30,071,000. Upon the initial adoption of HKFRS 16, the opening balances of lease liabilities and the corresponding right-of-use assets will be adjusted to \$26,052,000, after taking account the effects of discounting, as at 1 March 2019.

Other than the recognition of lease liabilities and right-of-use assets, the Group expects that the transition adjustments to be made upon the initial adoption of HKFRS 16 will not be material. However, the expected changes in accounting policies as described above could have a material impact on the Group's financial statement from 2019 onwards.

31 截至二零一九年二月二十八日止年度已頒佈但尚未生效之修訂、新訂準則及詮釋之潛在影響 (續)

香港財務報告準則第16號「租賃」(續)

香港財務報告準則第16號將主要影響本集團作為承租人就物業、廠房及設備租賃(目前分類為經營租賃)之會計處理。預期應用新會計模式將導致資產及負債均有所增加，並會影響租賃期間於全面收入表內確認開支的時間。

香港財務報告準則第16號於二零一九年一月一日或之後開始之年度期間生效。根據香港財務報告準則第16號所允許，本集團計劃使用可行權宜方法豁免屬於租賃或包含租賃之現有安排之過往評估。因此，本集團僅會就於首次應用日期或之後訂立之合約應用香港財務報告準則第16號之新租賃定義。

本集團計劃選用經修訂追溯法採納香港財務報告準則第16號，並將首次應用之累計影響確認為對於二零一九年三月一日之年初權益結餘之調整，且不會重列比較資料。誠如附註26所披露，於二零一九年二月二十八日，本集團根據不可撤銷經營租賃之未來最低租賃款項為30,071,000元。於首次採納香港財務報告準則第16號後，經計及貼現之影響，於二零一九年三月一日，租賃負債及相應使用權資產之年初結餘將調整至26,052,000元。

除確認租賃負債及使用權資產外，本集團預期將於首次採納香港財務報告準則第16號時作出之過渡調整將不重大。然而，上文所述之會計政策之預期變動可能會對本集團二零一九年以後之財務報表產生重大影響。

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