



ANNUAL REPORT
年報 2024



高裕金融集團有限公司
Gaoyu Finance Group Limited

(Incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立的有限公司)

Stock Code 股份代號：8221



CHARACTERISTICS OF GEM OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE "STOCK EXCHANGE")

GEM has been positioned as a market designed to accommodate small and mid-sized companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration.

Given that the companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

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This report, for which the directors (the "Directors") of Gaoyu Finance Group Limited (the "Company") collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the "GEM Listing Rules") for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief, the information contained in this report is accurate and complete in all material respects and not misleading or deceptive and there are no other matters the omission of which would make any statement herein or this report misleading.

香港聯合交易所有限公司(「聯交所」)GEM的特色

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

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

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本報告乃遵照聯交所GEM證券上市規則(「GEM上市規則」)而提供有關高裕金融集團有限公司(「本公司」)的資料，本公司董事(「董事」)願共同及個別就此負全責。董事在作出一切合理查詢後確認，就彼等所深知及確信，本報告所載資料在所有重大方面均屬準確完整，並無誤導或欺詐成份，亦無遺漏任何其他事項，致使本報告所載任何聲明或本報告有所誤導。



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CORPORATE INFORMATION

公司資料

BOARD OF DIRECTORS

Executive Directors

Mr. Fok Yuk Tong (*Chairman*)
Ms. Hsieh Ching Chun
Ms. Fok Kit Yee

Independent Non-executive Directors

Ms. Chan Hoi Wuen Katherine
Mr. Tong Wing Chi
Mr. Kwan Tsz Chun Sun

AUDIT COMMITTEE

Mr. Tong Wing Chi (*Chairman*)
Ms. Chan Hoi Wuen Katherine
Mr. Kwan Tsz Chun Sun

REMUNERATION COMMITTEE

Mr. Kwan Tsz Chun Sun (*Chairman*)
Mr. Fok Yuk Tong
Ms. Chan Hoi Wuen Katherine
Mr. Tong Wing Chi

NOMINATION COMMITTEE

Ms. Chan Hoi Wuen Katherine (*Chairman*)
Mr. Fok Yuk Tong
Ms. Fok Kit Yee
Mr. Tong Wing Chi
Mr. Kwan Tsz Chun Sun

COMPANY SECRETARY

Mr. Lam Man Kit

AUTHORISED REPRESENTATIVES

Mr. Fok Yuk Tong
Mr. Lam Man Kit

REGISTERED OFFICE

Cricket Square, Hutchins Drive
P.O. Box 2681
Grand Cayman, KY1-1111
Cayman Islands

董事會

執行董事

獨立非執行董事

審核委員會

薪酬委員會

提名委員會

公司秘書

授權代表

註冊辦事處

Cricket Square, Hutchins Drive
P.O. Box 2681
Grand Cayman, KY1-1111
Cayman Islands

CORPORATE INFORMATION

公司資料

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Room 4409, 44/F
COSCO Tower
183 Queen's Road Central
Hong Kong

總辦事處及香港主要營業地點

183

44 4409

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Union Registrars Limited
Suites 3301-04, 33/F.
Two Chinachem Exchange Square
338 King's Road
North Point, Hong Kong

香港股份過戶登記分處

338

2

33 3301-04

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Conyers Trust Company (Cayman) Limited
Cricket Square, Hutchins Drive
P.O. Box 2681
Grand Cayman, KY1-1111
Cayman Islands

主要股份過戶登記總處

Conyers Trust Company (Cayman) Limited
Cricket Square, Hutchins Drive
P.O. Box 2681
Grand Cayman, KY1-1111
Cayman Islands

AUDITOR

ZHONGHUI ANDA CPA Limited
Certified Public Accountants
23/F, Tower 2
Enterprise Square Five
38 Wang Chiu Road
Kowloon Bay
Kowloon, Hong Kong

核數師

38

23

PRINCIPAL BANKER

Standard Chartered Bank (Hong Kong) Limited
4-4A Des Voeux Road Central,
Hong Kong

主要往來銀行

4-4A

STOCK CODE

8221

股份代號

8221

COMPANY WEBSITE

www.gyf.com.hk

公司網站

www.gyf.com.hk

CHAIRMAN'S STATEMENT

主席報告

Dear Shareholders,

On behalf of the board (the “**Board**”) of directors (the “**Director(s)**”) of Gaoyu Finance Group Limited (the “**Company**”), I hereby present to you the annual report of the Company and its subsidiaries (collectively the “**Group**”) for the year ended 31 March 2024 (the “**Reporting Period**”).

司
團

董事

董事會

報告期間

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本集

This year has been an extraordinary one!

During this year, the economies of both Mainland China and Hong Kong have shown a downward trend, especially the financial markets of Hong Kong, which were facing the most severe environment in years. However, despite challenging market conditions, the Group, with the efforts of the Group's staff members, was still able to achieve a small peak of the past few years during the Reporting Period. Compared to the previous financial year, the turnover recorded a substantial increase and a turnaround from loss to profit was achieved during the Reporting Period, which was not an easy task in such a market environment.

Given the changes in the business environment, the Group had already started supply chain financing business as early as 2022, and recorded strong growth during the Reporting Period, which demonstrated the demand and value of such financial service in the market. The Group will continue to develop supply chain financing business, and this sector will become one of the most important businesses of the Group. In addition, under the trend of emerging economy development, the Group is determined to build an asset trust and management platform that integrates elements of the emerging economy.

I have always believed that the economic and business environment changes rapidly, with ups and downs, and there are still huge business opportunities even in worse situations. As such, I have great confidence that the Group will be able to achieve robust growth amidst the storm.

On behalf of the Board, I would like to take this opportunity to express my sincere gratitude to the Group's shareholders, customers and business partners for their continuous support, and to our management and staff members for their diligence and contribution to the business development of the Group.

Fok Yuk Tong

Chairman and Executive Director

霍玉堂

Hong Kong, 21 June 2024

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

CHANGE OF COMPANY NAME

Subsequent to the passing of a special resolution in relation to the proposed change of company name by the shareholders of the Company at the Extraordinary General Meeting held on 7 December 2023, the Registrar of Companies in the Cayman Islands has approved the registration of the new name of the Company and issued the certificate of incorporation on change of name on 7 December 2023. Hence, the English name of the Company has been changed from “PF Group Holdings Limited” to “Gaoyu Finance Group Limited” and the Chinese name “

” has been adopted as the new dual foreign name of the Company, with effect from 7 December 2023. The certificate of registration of alteration of name of registered non-Hong Kong company was issued by Companies Registry in Hong Kong on 21 December 2023, certifying that the new English name “Gaoyu Finance Group Limited” also known as “ ” have been registered in Hong Kong under Part 16 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong).

BUSINESS REVIEW

The Group is principally engaged in the provision of (i) securities dealing and brokerage services (Hong Kong and US stocks); (ii) placing and underwriting services; (iii) financing services including loan financing, securities and IPO margin financing and money lending; (iv) asset management services; (v) supply chain financing; (vi) trust services; and (vii) advisory and restructuring services.

更改公司名稱

Group Holdings Limited		PF
Finance Group Limited		Gaoyu
	622	16
Group Limited		Gaoyu Finance

業務回顧

	(i)		
	(ii)		
(iii)			(iv)
	(v)	(vi)	
(vii)			

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Securities Dealing and Brokerage Services

The Group conducts securities dealing and brokerage services through Gaoyu Securities Limited (formerly known as Pacific Foundation Securities Limited) (“**GSL**”), the operating subsidiary of the Company, which is a corporation licensed to carry on Type 1 (dealing in securities), Type 4 (advising on securities) and Type 9 (asset management) regulated activities under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the “**SFO**”). The Group provides securities dealing and brokerage services to customers for trading in securities listed on the Stock Exchange of Hong Kong and in the U.S. which comprise corporate and individual customers. As at 31 March 2024, the Group had 288 active securities trading accounts which have at least one trade during the Reporting Period (31 March 2023: 239), the total transaction value in the Reporting Period was approximately HK\$1,315,495,000 compared to the Corresponding Period of approximately HK\$602,386,000. The Group’s commission income from securities dealing and brokerage services increased by approximately 68.0% from approximately HK\$1,234,000 in the Corresponding Period to approximately HK\$2,073,000 in the Reporting Period.

The Group has initiated a brand re-building program for its securities dealing and brokerage business to attract new clients, and re-engaging and reactivating its existing client base. On 26 February 2024, the Group launched a new trading system and new smartphone applications for its licensed corporation, which is a more user-friendly and informative online system for customers, with foreign stock trading capacity and lower running costs. These improvements have significantly enhanced the trading experience, offering greater efficiency and value to clients of the Group. Through dedicated efforts to attract new clients and re-engage existing ones, coupled with the improvements made to the systems and the implementation of the mobile applications, the Group expects to see a substantial increase in online transactions, and thus its brokerage income.

證券交易及經紀服務

GSL		GSL
	571	
證券及期貨條例		1
	4	9
288		239
	1,315,495,000	
	602,386,000	
1,234,000	68.0%	
2,073,000		

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Placing and Underwriting Services

The Group conducts placing and underwriting services through GSL. The Group acts as an underwriter or a sub-underwriter or a placing agent or a sub-placing agent for companies listed or to be listed on the Stock Exchange or for shareholders of companies listed on the Stock Exchange for their fund raising exercises such as IPOs, rights issue, open offer or placing of new or existing shares or bonds.

Placing and underwriting fee and commission income is principally affected by the number of engagements participated by the Group, the size of engagements and the commission rates. During the Reporting Period, there was seven (Corresponding Period: three) placing and underwriting engagements with a total transaction value of approximately HK\$72,735,000 (Corresponding Period: HK\$9,899,000). The Group's fee and commission income generated from placing and underwriting activities was approximately HK\$2,436,000 in the Reporting Period (Corresponding Period: HK\$396,000).

Other than listed companies, the Company intends to expand its customer profile to cover non-listed companies, high net worth clients, institutional clients, retail and corporate clients and expand its scope of services to cover other services such as debt placement services.

Loan Financing, Margin Financing and Money Lending Services

Interest income from loan financing, margin financing and money lending services mainly represents the interest income generated from the provision of loan financing, margin financing and money lending services for customers to purchase securities listed on the Stock Exchange on a margin basis, hire purchase and mortgage loan financing.

For the Reporting Period, interest income from loan financing, margin financing and money lending services increased by approximately 11.5% from approximately HK\$8,061,000 for the Corresponding Period to approximately HK\$8,990,000. The increase was attributable to the increase in margin loans over the Reporting Period.

配售及包銷服務

GSL

72,735,000	9,899,000
	2,436,000
396,000	

貸款融資、保證金融資及財務借貸服務

	8,061,000
11.5%	8,990,000

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Business model of the Group's Money Lending Business

The Group's money lending services are generally provided to individual and corporate borrowers that have short-to-medium term funding needs and could provide sufficient collaterals for their borrowings in the form of mortgage loans (first or second mortgage with residential or commercial properties as collaterals) or hire purchases (vehicle financing) through an indirectly wholly owned subsidiary of the Company, Gaoyu Finance Limited ("**GFL**") (formerly known as PF Finance Limited and has officially changed the name to Gaoyu Finance Limited on 11 January 2024). The Group may also consider personal loans without collaterals on a case-by-case basis. GFL is a Money Lenders Licence holder registered under the Money Lenders Ordinance, Cap. 163 of the Laws of Hong Kong (the "**MLO**"). The Group's clientele is primarily acquired through business referrals and introductions from the Group's management, business partners or customers.

During the Reporting Period, the range of interest rate on the Group's fixed rate loans receivable was 2.75% to 13% (Corresponding Period: 2.75% to 48%) per annum. The Group generates interest income from such loan facility as revenue. The Group recorded revenue from this segment amounted to approximately HK\$75,000 (Corresponding Period: HK\$681,000).

The Group's credit risk assessment policy in respect of its Money Lending Business

The Group's credit risk is mainly arising from its loan receivable from customers. To monitor its credit risk, the Group sets out the following credit policies which is documented in Credit Policy Manual (the "**Credit Policy Manual**") adopted by the Group for its Money Lending Business.

In order to ensure adequate check and balances to prevent undue reliance on decision of a single credit officer, the board of directors of GFL delegates its own credit authority to the approval committee (the "**Approval Committee**"), a specialised committee established to assist any one of the directors of GFL in overseeing the credit risk management. The Approval Committee consists of three members, the current composition including one of the directors of the GFL, one of the directors of the Company and a director of other group companies of the Group. All loans must be approved and endorsed by any two members of the Approval Committee in accordance with their credit approval limits for loans and the approval guidelines as set out in the Credit Policy Manual.

本集團財務借貸業務之業務模式

GFL	PF Finance Limited	
	GFL	163
	放債人條例	
	2.75%	13%
2.75%	48%	
	75,000	681,000

本集團有關其財務借貸業務之信貸風險評估政策

信貸政策手冊	
GFL	批准委員會
GFL	GFL

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

The current approved credit positions of all GFL customers will be continuously monitored and adjusted based on the latest financial position of the customers or market conditions. In order to protect GFL from the risk of customer's default on repayment, GFL will take the following preventive measures:

1. Credit Watchlist

A customer will be placed in the credit watchlist and will be notified of such action accordingly when:

- a) repayment is overdue for 7 days, or
- b) the value of the collateral dropped by 20% when compared to the initial valuation of the collateral at the time of credit extension, or
- c) the customer is adversely affected by financial crisis.

A customer may be asked to provide additional collateral in the forms acceptable by GFL in order to maintain its established credit limit. Customers will also may be informed of GFL's intended course of action, which could include the request for early repayment if additional collaterals are not furnished promptly.

2. Early Repayment

A customer that could not furnish additional collateral will be subject to early repayment of whole or partial outstanding amount.

3. Valuation of Collateral

To enable GFL to have up-to-date view of value of the collateral, an updated valuation exercise will be conducted against the whole portfolio in March each year.

As at 31 March 2024, two loans and interest receivables remained outstanding (31 March 2023: three) with the gross balance of approximately HK\$2,199,000 (31 March 2023: HK\$1,461,000). No loss allowance on loan receivables was made for the Reporting Period (31 March 2023: Nil).

GFL

GFL
GFL

1.

a) 7

b) 20%

c)

GFL

GFL

2.

3.

GFL

2,199,000

1,461,000

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Size and diversity of customers

As at 31 March 2024, loan receivables were denominated in Hong Kong dollars with interest rate of 10% – 13% per annum. The loan amounts with one year period term were lent to two independent third parties in the form of second mortgage and unsecured personal loan. The gross carrying amount was approximately HK\$2,199,000 (2023: HK\$1,461,000). The Group's largest borrower by itself and together with the other one (2023: two) borrower of the Group accounted for approximately 51.71% (2023: 88.0%) and 100% (2023: 100%) respectively of the Group's loans receivable of its Money Lending Business at 31 March 2024.

Since the performance and the return of the hire purchase business have been weak, we have requested the hire purchase clients to early settle their corresponding loans and thus we could redirect the resources to other businesses of the Group. As at 31 March 2024, there was one mortgage loan (second mortgages) with terms of one year and residential properties as collaterals, of loan principals amount of HK\$1,000,000 and also one personal loan without collateral of HK\$1,000,000.

Key internal controls

The Group generally provides short-to-medium term loans. For loans booked during the Reporting Period, in terms of number of loan transactions, 100% was with a term within one year. The repayment terms and conditions are determined from the factors including the liquidity needs of the borrowers, the Group's funding and cash flows management strategies, and the terms and rates of the prevailing market.

The licensing of money lenders and regulation of money-lending transactions are governed by the MLO. The Group has credit policies, guidelines and procedures in place which cover key internal controls of a loan transaction including due diligence, credit appraisal, proper execution of documentations, continuous monitoring and collection and recovery. The due diligence procedures included conducting research on the borrowers' background, evaluating its current business operations and financial conditions, market reputation and creditability, and conducting financial analysis and recoverability analysis. To minimise credit or investment risks, the Group may require personal guarantees and corporate guarantees in respect of certain loans.

客戶規模及多元化

	10%	13%	
		2,199,000	
		1,461,000	
51.71%		88.0%	100%
	100%		

	1,000,000
	1,000,000

主要內部監控

100%

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Upon completion of relevant account opening, Know-your-client and credit assessment procedures, the Group would grant a loan facility to such borrowers for their own financing needs. The Group has followed all forms and procedures prescribed under the provisions of the MLO when making relevant application for the renewal of Money Lender License and conducting our Money Lending Business. After drawdown of loan, the loan agreement will be filed with the loan documents properly. The Group maintains regular contact with the borrowers and carries out periodical review to assess the recovery of the loan based on the business development, financial status, repayment ability including such as recent settlement record and any litigations and bankruptcy orders against borrowers. The Group will take all necessary legal actions against the relevant borrowers to follow up the settlement of the outstanding loans.

Asset Management Services

The Group's fee income from asset management services for the Reporting Period was approximately HK\$440,000 (Corresponding Period: HK\$ Nil).

The Group has set up three open-ended fund companies (the "OFCs") to expand its asset management services business. The Company has set an investment target for one OFC and is currently fine-tuning the value investment strategy for the other. For the new Capital Investment Entrant Scheme announced by the Immigration Department of Hong Kong government, the Company has established a department dedicated to immigrant services and re-deployed its current employees to this newly formed business unit. Furthermore, the Company has brought on board skilled freelance professionals to manage these services and undertake research.

Supply Chain Financing

The supply chain financing business operates in a similar manner to the loan financing and margin financing business. It utilises the 3C Products being pledged by 3C wholesalers as collaterals to the Group, and in return, the Group provides financing and ancillary supply chain solution services to 3C wholesalers. The Group acts as a lender for 3C wholesalers, providing upfront financing and placing orders on their behalf with 3C suppliers. This supply chain service financially facilitates 3C wholesalers in their procurement of products, and enlarges their business scale. The Group generates stable, low-risk returns through interest income from the financing it provides.

資產管理服務

440,000

開放式基金型公司

開

供應鏈融資

3C
3C
3C
3C
3C
3C

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

The Group recorded interest income and service fees from supply chain financing of approximately HK\$8,430,000 for the Reporting Period (Corresponding Period: HK\$2,024,000). The gross procurement amount of clients was approximately HK\$769,729,000 for the Reporting Period (Corresponding Period: HK\$193,321,000).

	8,430,000
2,024,000	769,729,000
	193,321,000

Advisory Services

The Company has been granted with approval to carry out Type 4 regulated activity (advising on securities) by the Securities and Futures Commission under the SFO during the Reporting Period. This authorization enables the Group to provide a spectrum of advisory services related to investment advice and dealing in securities. The Company has already recruited employees who have extensive experience in the securities industry and is proactively engaging in identifying and courting potential clients. Currently, the Company is in the midst of negotiations with several potential clients, discussing the scope and terms of the services it proposes to offer.

諮詢服務

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Trust Service

Regarding its provision of trust services, the Group is targeting the provision of professional trust services to its high net worth clients, in order to fulfil their needs of asset protection, tax planning and wealth management. The Group has obtained all required licenses to launch its trust business and is in the process of developing an online service platform to enable clients to track the assets held in trust. The Company expects to complete the online service platform by the end of the second quarter of 2024.

信託服務

Other Services

In addition to the above business activities, the Group may on a case by case basis come across other services, the fee income from which is recorded as other revenue.

其他服務

The amount of other revenue generated by the Group in the Reporting Period was approximately HK\$910,000 (Corresponding Period: HK\$120,000).

910,000	120,000
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MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

PROSPECTS

Looking forward, the Group targets to develop as a diversified investment and financing services platform, linking up traditional with new generation financial products and services in the new era of virtual assets for the market. The Board also considers that the change of company name during the Reporting Period better reflects the current direction of the Group and could more directly reflect the diversified areas of future business development of the Group. The Board believes that the adoption of new English and Chinese names is seen as a step towards establishing a refreshed corporate identity, which is anticipated to support and enhance the Group's business growth moving forward.

The Company is taking appropriate steps and making progress to meet the resumption guidance as set out in the letter from the Stock Exchange dated 18 July 2023 ("**Resumption Guidance**"), with an aim to resume trading in the shares of the Company ("**Shares**") as soon as possible in full compliance with the GEM Listing Rules and in a manner satisfactory to the Stock Exchange.

Dealing with the future challenges, the management of the Group would review and adjust business strategies on a regular basis with a prudent and balanced risk management approach. The Group and the Board will continue to keep abreast of the latest development of the global financial market and updates on the regulatory requirements applicable to the Group and to strive to achieve the business objective to increase the Group's exposure and scale of operations and to capture a larger market share.

展望

引

股份

GEM

復牌指

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

FINANCIAL REVIEW

Key Financial Data

財務回顧

主要財務數據

	As at/Year ended 31 March 於／截至三月三十一日止年度		Approximate percentage change 概約百分比 變動
	2024 二零二四年	2023	
Results of operation (HK\$'000)			
Revenue	23,591	13,755	71.5%
Profit/(loss) before tax	9,616	(9,529)	200.9%
Total comprehensive income/(loss) for the year attributable to owners of the Company	8,887	(9,514)	193.4%
Financial position (HK\$'000)			
Current assets	217,700	188,481	15.5%
Current liabilities	70,436	53,085	32.7%
Net assets	153,895	143,805	7.0%
Key financial ratios			
Net profit margin	37.7%	(69.3%)	
Return on equity	5.8%	(6.6%)	
Return on total assets	3.9%	(4.8%)	
Current ratio	3.1 times倍	3.6 times	
Net debt to equity ratio	Net Cash Position 現金淨額狀況	Net Cash Position	
Gearing ratio	19.5%	10.2%	

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

The Group recorded a total revenue for the Reporting Period of approximately HK\$23,591,000, representing an increase of approximately 71.5% from approximately HK\$13,755,000 for the Corresponding Period. Details are stated as below:

	23,591,000		13,755,000	71.5%
(i) The Group's commission income from securities dealing and brokerage services increased by approximately 68.0% from approximately HK\$1,234,000 in the Corresponding Period to approximately HK\$2,073,000 in the Reporting Period;	(i)		1,234,000	68.0%
		2,073,000		
(ii) The Group generated fee and commission income from placing and underwriting activities of approximately HK\$2,436,000 in the Reporting Period (Corresponding Period: HK\$396,000);	(ii)		2,436,000	396,000
(iii) The Group's interest income from loan financing, margin financing and money lending services increased by approximately 11.5% from approximately HK\$8,061,000 in the Corresponding Period to approximately HK\$8,990,000 in the Reporting Period;	(iii)		8,061,000	11.5%
			8,990,000	
(iv) The Group's fee income from asset management services for the Reporting Period was approximately HK\$440,000 (Corresponding Period: HK\$ Nil);	(iv)			440,000
(v) The Group recorded interest income and service fees from supply chain financing of approximately HK\$8,430,000 for the Reporting Period (Corresponding Period: HK\$2,024,000);	(v)		8,430,000	2,024,000
(vi) The Group recorded advisory and restructuring fee income of approximately HK\$312,000 for the Reporting Period (Corresponding Period: HK\$1,920,000);	(vi)		312,000	
		1,920,000		
(vii) During the Reporting Period, the fair value changes on financial assets at fair value through profit or loss was at a gain of approximately HK\$6,704,000 (Corresponding Period: gain of approximately HK\$232,000); and	(vii)		6,704,000	232,000
(viii) Other revenue increased by 658.3% from approximately HK\$120,000 in the Corresponding Period to approximately HK\$910,000 in the Reporting Period.	(viii)		120,000	658.3%
			910,000	

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Other Gains

Other gains mainly consist of sundry income of approximately HK\$493,000 and government grants amounted to approximately HK\$1,092,000. The total other gains for the Reporting Period was approximately HK\$1,942,000 (Corresponding Period: approximately HK\$1,735,000).

其他收益

	493,000
	1,092,000
	1,942,000
	1,735,000

Commission Expenses

Commission expenses represent commission paid to the Group's accounts executives (including in-house and self-employed accounts executives) and commission paid to sub-placing agents or sub-underwriters engaged by the Group for the fund raising exercises participated by the Group. Total commission expenses increased by approximately 0.2% from approximately HK\$416,000 in the Corresponding Period to approximately HK\$417,000 in the Reporting Period which was mainly due to the increase in commission paid to accounts executives by approximately HK\$1,000.

佣金開支

	416,000	0.2%
	417,000	
	1,000	

Depreciation expenses for right-of-use assets

Upon implementation of HKFRS 16 effective from 1 January 2020, if the Group enters into any lease transaction as a lessee, it should recognise the right-of-use assets and will be regarded as an acquisition of asset under the GEM Listing Rules. Depreciation expenses for right-of-use assets represent the leasing period from the head office in Hong Kong. The depreciation expenses for right-of-use assets for the Reporting Period was approximately HK\$1,486,000 (Corresponding Period: HK\$1,318,000).

使用權資產的折舊開支

	16
	GEM
	1,486,000
	1,318,000

Staff Costs

Staff costs include Directors' emoluments, staff salaries, bonus, allowances and contribution to Mandatory Provident Fund. As at 31 March 2024, the Group had a total of 19 employees including Directors (31 March 2023: 20). Staff costs is one of the largest expense in the Group which accounted for approximately 31.7% of the total expenses of the Group in the Reporting Period (Corresponding Period: approximately 31.3%). Total staff costs in the Reporting Period was approximately HK\$7,317,000, representing a decrease of approximately 8.8% from approximately HK\$8,021,000 in the Corresponding Period.

員工成本

	19
	20
31.7%	31.3%)
	7,317,000
8,021,000	8.8%

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Other Operating Expenses

Other operating expenses primarily consist of legal and professional fees, entertainment expenses, office rent and rates, software and stock information expenses and various miscellaneous office expenses. Total other operating expenses increased by 22.5% from approximately HK\$8,594,000 in the Corresponding Period to approximately HK\$10,525,000 in the Reporting Period, and the breakdown is disclosed in note 11 to the financial statements contained in this report. The increase was mainly attributable to the increase in legal and professional fee.

其他經營開支

8,594,000	22.5%
10,525,000	11

Exchange Gain

The foreign exchange gain for the Reporting Period was approximately HK\$144,000 (the Corresponding Period: exchange loss HK\$3,023,000), which was mainly due to translation of USD to HKD in the supply chain financing segment.

匯兌收益

144,000
3,023,000

Impairment of Assets

Impairment of assets for the Reporting Period was approximately HK\$1,831,000 (Corresponding Period: HK\$2,322,000) which is all from an impairment loss on account receivables (Corresponding Period: all from an impairment on account receivables).

資產減值

1,831,000
2,322,000

The impairment loss on accounts receivables for the Reporting Period was made over a loan financing debtor. The loan was secured by listed shares owned by the debtor. Based on default by this debtor, GSL has obtained judgement against this debtor from the court in March 2021. In August 2023, the pledged shares were transferred to the borrower's securities account with GSL. GSL could then start disposing the pledged shares to recover the loan position. While the market value of the pledged listed shares has dropped, impairment was made accordingly.

GSL

GSL

GSL

Impairment assessment was performed on the Group's property and equipment and right-of-use assets for its head office, and no impairment loss was recorded for the Reporting Period.

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Profit for the Year

Profit for the Year was approximately HK\$8,890,000, as compared with a loss for the reporting period of approximately HK\$9,529,000 in the Corresponding Period. Basic earning per share in the Reporting Period was approximately HK0.44 cents, as compared with loss per share of approximately HK0.48 cents in the Corresponding Period. The turnaround was mainly due to the increase of sales and strict control of operating costs.

年內溢利

8,890,000
9,529,000
0.44
0.48

Dividend

The Board does not recommend the payment of any dividend for the Reporting Period (Corresponding Period: nil).

股息

Right-of-use Assets

As at 31 March 2024, the Group's right-of-use assets amounted to approximately HK\$7,146,000, which is lease arrangement for the Hong Kong office. Additions to the right-of use assets for the Reporting Period amounted to approximately HK\$7,496,000, due to renewal of existing Hong Kong office.

使用權資產

7,146,000
7,496,000

Investments at fair value through profit or loss

The investment at fair value through profit or loss held by the Company is shares of a Hong Kong listed company due to an underwriting engagement of its rights issue in March 2023, the fair value being the market value of these shares.

按公平值計入損益之投資

LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

For the Reporting Period, the Group mainly financed its operations, capital expenditure and other capital requirements by internal resources and a loan facility provided by the Company's controlling shareholder.

流動資金、財務資源及資本架構

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

As at 31 March 2024, the net current assets of the Group amounted to approximately HK\$147,264,000 (31 March 2023: approximately HK\$135,396,000), including cash and cash equivalents of approximately HK\$10,153,000 excluding cash held on behalf of customers (31 March 2023: approximately HK\$36,617,000). The current ratio of the Group, being the ratio of current assets to current liabilities, was approximately 3.1 times (31 March 2023: 3.6 times).

	147,264,000	
	135,396,000	
	10,153,000	
	36,617,000	
	3.1	
	3.6	

As at 31 March 2024, the Group had no bank borrowings outstanding (31 March 2023: HK\$nil).

The capital of the Group comprises only ordinary shares. Total equity attributable to owners of the Company amounted to approximately HK\$152,707,000 as at 31 March 2024 (31 March 2023: approximately HK\$143,820,000).

	152,707,000
	143,820,000

CHARGE ON GROUP ASSETS

As at 31 March 2024, the Group did not have any charges on its assets (31 March 2023: Nil).

本集團的資產抵押

EMPLOYEES AND REMUNERATION POLICIES

As at 31 March 2024, the Group had a total of 19 employees including Directors (31 March 2023: 20). Total staff costs (including Directors' emoluments, staff salaries, bonus, allowances and contribution to the Mandatory Provident Fund) for the Reporting Period were approximately HK\$7,317,000 (Corresponding Period: approximately HK\$8,021,000). Employees' remuneration was determined based on the employees' qualification, experience, position and seniority. The remuneration packages comprise mainly monthly fixed salaries and discretionary bonuses based on individual performance, which are paid to employees as recognition of, and reward for, their contributions.

僱員及薪酬政策

19	20
	7,317,000
	8,021,000

The Group regularly reviews its remuneration policies and employee benefits with reference to market practices and performance of individual employees. The Group is also committed to providing appropriate on-going training to staff members to equip them for future career development. There has been no major change in staff remuneration policies during the year ended 31 March 2024.

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

FOREIGN EXCHANGE EXPOSURE

The Group's exposure to foreign exchange risk is primarily related to transactions denominated in a currency other than Hong Kong dollars. The turnover and operation costs of the Group were principally denominated in Hong Kong dollars. The Group currently does not have a policy on hedges of foreign exchange risk. However, the Group will closely monitor the fluctuations in exchange rates and will consider to employ financial instrument for hedging should the needs arise.

GEARING RATIO

As at 31 March 2024, the gearing ratio of the Group, which was calculated by dividing the total debts by the total equity, was 19.5% (31 March 2023: 10.2%).

FUTURE PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

The Group did not have any future plans for material investments or capital assets as at the date of this report.

SIGNIFICANT INVESTMENTS

The Group hold shares of a Hong Kong listed company due to an underwriting engagement of its rights issue in March 2023. As at 31 March 2024, the book value of this investment at fair value stood at approximately HK\$13,842,000 (31 March 2023: HK\$7,962,000). During the Reporting Period, the fair value changes on financial assets at fair value through profit or loss was at a gain of approximately HK\$6,704,000 (Corresponding Period: gain of approximately HK\$232,000). Save as disclosed in this report, the Group did not hold any significant investments during the Reporting Period.

MATERIAL ACQUISITIONS OR DISPOSALS OF SUBSIDIARIES AND AFFILIATED COMPANIES

There was no material acquisition or disposal of subsidiaries, associates and joint ventures during the Reporting Period.

CAPITAL COMMITMENTS

The Group had no significant outstanding capital commitment as at 31 March 2024 (31 March 2023: nil).

外匯風險

資產負債比率

19.5%
10.2%

重大投資及資本資產的未來計劃

重大投資

13,842,000
7,962,000
6,704,000
232,000

附屬公司及聯屬公司的重大收購事項或出售事項

資本承擔

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

CONTINGENT LIABILITIES

The Group had no significant contingent liabilities as at 31 March 2024 (31 March 2023: nil).

CONTINUED SUSPENSION OF TRADING

References are made to the announcements of the Company dated (i) 28 June 2023 in relation to the decision of the GEM Listing Review Committee of the Stock Exchange and the suspension of trading in the Shares; (ii) 21 July 2023 in relation to the Resumption Guidance; and (iii) 28 September 2023, 28 December 2023 and 28 March 2024 in relation to, among others, the quarterly update on status of resumption. The Group has continued to develop its business notwithstanding the suspension of trading in Shares. In an effort to demonstrate its compliance with Rule 17.26 of the GEM Listing Rules, the Group has actively continued to develop, improve and strengthen its existing business capabilities with an aim to enhancing its long-term growth. The Company is taking appropriate steps and making progresses to meet the Resumption Guidance with an aim to resuming trading in the Shares as soon as possible in full compliance with the GEM Listing Rules and in a manner satisfactory to the Stock Exchange.

At the request of the Company, trading in the Shares on the Stock Exchange has been suspended with effect from 9:00 a.m. on 29 June 2023 and will remain suspended until the Company fulfils the Resumption Guidance. The Company will keep shareholders and potential investors informed of, amongst others, the latest progress of the resumption plan as and when appropriate and in accordance with the requirements of the GEM Listing Rules.

EVENTS AFTER THE REPORTING PERIOD

Save as disclosed in this report, the Directors are not aware of any significant event requiring disclosure that has been taken place subsequent to 31 March 2024 and up to the date of this report.

或然負債

繼續暫停買賣

	(i)	GEM	
		(ii)	
(iii)			
GEM		17.26	
		GEM	
			GEM

報告期後事件

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

PRINCIPAL RISKS AND UNCERTAINTIES

The Group's risk management objectives are to achieve a proper balance between risks and yield, minimise the adverse impacts of risks on the Group's operating performance, and maximise the benefits of the shareholders of the Company. The Group has in place a risk management structure and implemented compliance and operational manuals, which contain credit policies, operating procedures and other internal control measures for control of exposure to risks during the course of business activities.

Credit Risk

The Group is exposed to credit risk which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties.

In order to minimise the credit risk, the management of the Group has delegated a team responsible for the determination of credit limits, credit approvals and other monitoring procedures to ensure follow-up action is taken to recover overdue debts. In addition, the Group holds collateral to cover its credit risks associated with its accounts receivables from margin and loan clients and reviews the recoverables amount of each individual accounts receivables at the end of each reporting period to ensure adequate impairment losses are made for irrecoverable amounts. In this regard, the Directors consider that the Group's credit risk is significantly reduced.

Liquidity Risk

GSL is subject to liquid capital requirements under the Hong Kong Securities and Futures (Financial Resources) Rules ("SF(FR)R"). The management of the Group closely monitors, on a daily basis, the liquid capital level of GSL to ensure compliance with the requirements under the SF(FR)R.

The Group also has other monitoring systems to monitor and maintain a level of cash and cash equivalents deems adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows.

Operational Risk

The Group has responsible officers and compliance officers in charge of overseeing the day-to-day operations, controlling and monitoring compliance issues and solving dealing problems. They also formulate and update the compliance and operational manuals for each business function based on regulatory and industrial requirements to standardise the Group's operational procedures and reduce human errors.

主要風險及不確定因素

信貸風險

流動資金風險

GSL
證券及期貨(財政資源)規則

GSL

營運風險

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層履歷

EXECUTIVE DIRECTORS

Mr. Fok Yuk Tong (“Mr. Fok”), aged 60, was appointed as an executive Director on 20 November 2020 and as the chairman of the Board on 12 October 2021. Mr. Fok is currently a director of PF Group Holdings Limited, Dynamic Express Global Limited, Pacific Foundation Holdings Limited, GSL, GFL, Jovial Victory Global Limited, Chance Wise Holdings Limited, Brothers Worldwide Company Limited, Big Win Worldwide Company Limited, Excellence International Company Limited, UB Trust Company Limited and Perfect Ten Holdings Limited, all of which are subsidiaries of the Company. Mr. Fok has been engaging in the wholesale trading and distribution of telecommunications electronic products for over 20 years. Mr. Fok is the spouse of Ms. Hsieh Ching Chun and the father of Ms. Fok Kit Yee.

Ms. Hsieh Ching Chun (“Ms. Hsieh”), aged 63, was appointed as an executive Director on 20 November 2020. Ms. Hsieh is currently a director of PF Group Holdings Limited, Dynamic Express Global Limited, Pacific Foundation Holdings Limited, GSL, GFL, Jovial Victory Global Limited, Chance Wise Holdings Limited, Brothers Worldwide Company Limited, Big Win Worldwide Company Limited, Excellence International Company Limited, UB Trust Company Limited and Perfect Ten Holdings Limited, all of which are subsidiaries of the Company. Ms. Hsieh has been engaging in the wholesale trading and distribution of telecommunications electronic products for over 20 years. Ms. Hsieh is the spouse of Mr. Fok and the mother of Ms. Fok Kit Yee.

Ms. Fok Kit Yee (“Ms. Fok”), aged 37, was appointed as an executive Director on 11 December 2020. Ms. Fok has been engaging in the wholesale trading and distribution of telecommunications electronic products for over 10 years. She holds a Bachelor of Business (Tourism & Hospitality) from La Trobe University and Diploma of Commerce from Melbourne Institute of Business and Technology. Ms. Fok is a daughter of Ms. Hsieh and Mr. Fok.

執行董事

霍玉堂先生 霍先生 60

PF Group Holdings Limited
Dynamic Express Global Limited
GSL GFL

Brothers Worldwide Company Limited
Big Win Worldwide Company Limited
Excellence International Company Limited
Perfect Ten Holdings Limited
20

謝青純女士 謝女士 63

PF Group Holdings Limited
Dynamic Express Global Limited
GSL GFL
Brothers Worldwide Company Limited
Big Win Worldwide Company Limited
Excellence International Company Limited
Perfect Ten Holdings Limited
20

霍潔儀女士 霍女士 37

10 (La Trobe University)
(Melbourne Institute of Business and Technology)

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層履歷

INDEPENDENT NON-EXECUTIVE DIRECTORS

Ms. Chan Hoi Wuen Katherine (“**Ms. Chan**”), aged 43, was appointed as an independent non-executive Director on 11 December 2020. Ms. Chan holds a Bachelor degree in Arts (first-class honours) and a Master degree in Philosophy at the University of Hong Kong as well as a Bachelor degree in Laws at the Manchester Metropolitan University. She is currently a practising solicitor in Hong Kong and a principal of Katherine Chan Law Office. She has a wide range of experience in corporate finance, private equity and acquisitions and is familiar with the Rules Governing the Listing of Securities on the Stock Exchange, corporate governance and compliance issues of listed companies.

獨立非執行董事

陳凱媛女士 陳女士 43

(Manchester Metropolitan University)

Katherine Chan

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層履歷

Mr. Tong Wing Chi (“**Mr. Tong**”), aged 42, was appointed as an independent non-executive Director on 6 October 2021. Mr. Tong obtained a degree of Bachelor of Arts (Honors) in Accountancy from The Hong Kong Polytechnic University in November 2004 and has been a member of the Hong Kong Institute of Certified Public Accountants since September 2008.

Mr. Tong has over 15 years of experience in auditing, accounting and financial reporting. Mr. Tong started his career in Deloitte Touché Tohmatsu from September 2004 to February 2010 with his last position as an audit senior. He then worked in DTZ Debenham Tie Leung Limited as a senior accountant from March 2010 to October 2011. Mr. Tong returned to Deloitte Touché Tohmatsu in October 2011 as an audit manager and his last held position was a manager of CXO advisory service when he left the company in February 2014. From April 2014 to April 2016, Mr. Tong worked in Suncity Group Commercial Consulting Limited, a limited company incorporated in Macau, as an assistant director (finance). From April 2016 to October 2016, he then worked in China Cinda (HK) Holdings Company Limited, a wholly owned subsidiary of China Cinda Asset Management Co., Ltd. which is a company listed on the Main Board of the Stock Exchange (Stock Code: 1359), as a deputy senior manager of the accounting and finance department. From October 2016 to March 2017, Mr. Tong worked in Huarong Investment Stock Corporation Limited (a company formerly listed on the Main Board of the Stock Exchange with original stock code 2277 before being privatised in November 2020), as a senior finance manager at the finance department. He then worked in Suncity Group Holdings Limited, a company listed on the Main Board of the Stock Exchange (Stock Code: 1383) from March 2017 to June 2018 as a financial controller and company secretary. Mr. Tong has been a managing director of Victory Success Consulting Limited since July 2018 and a managing partner of Edward & Stan Global Advisory Limited since November 2019. Also, Mr. Tong was a joint company secretary of China Bright Culture Group (stock code: 1859, a company listed on Main Board of The Stock Exchange of Hong Kong Limited) for the period from 21 July 2022 to 28 February 2023.

唐永智先生 唐先生 42

15

CXO

1359

2277

1383

1859

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT 董事及高級管理層履歷

Mr. Tong was an independent non-executive director of Trendzon Holdings Group Limited, a company listed on the Main Board of the Stock Exchange (Stock Code: 1865), from 21 September 2020 to 31 March 2022 and was an independent non-executive director of Greater Bay Area Dynamic Growth Holding Limited (Stock Code: 1189) from 19 September 2022 to 25 August 2023. He is an independent non-executive director of CHTC Fong's International Company Limited (stock code: 641, a company listed on the Main Board of The Stock Exchange of Hong Kong Limited) since 1 March 2022.

Mr. Kwan Tsz Chun Sun (“Mr. Kwan”), aged 44, was appointed as an independent non-executive Director on 11 October 2021. Mr. Kwan is currently a practising solicitor of a local law firm. Before joining the legal profession, Mr. Kwan served as a responsible officer for Types 4 and/or 9 regulated activities under the SFO for a number of financial institutions in Hong Kong. Prior to that, Mr. Kwan worked as an assistant investigator in the Operations Department of the Independent Commission Against Corruption of Hong Kong. Mr. Kwan obtained a degree of Bachelor of Business Administration from The Chinese University of Hong Kong in 2001, a degree of Bachelor of Laws from University of London in 2008 and a Postgraduate Certificate in Laws from The University of Hong Kong in 2013.

關子臻先生 關先生 44
4 9

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層履歷

SENIOR MANAGEMENT

Mr. Lee Ho Leung William (“Mr. Lee”), aged 52, he was an executive Director from 1 April 2023 to 2 January 2024. Mr. Lee is one of the Responsible Officers for the Group’s Type 1 and Type 9 regulated activities under the SFO. Mr. Lee was appointed as the Managing Director of GSL, one of the operating subsidiaries of the Company, on 5 November 2020 and was appointed as a director of GSL on 1 May 2021. Mr. Lee is the Manager-in-Charge (“MIC”) of GSL of the following Core Functions as defined under the Hong Kong Securities and Futures Commission’s MIC Regime (“MIC Regime”): Overall Management Oversight, Key Business Line (Asset management), Operational Control and Review, Risk Management, Compliance and Information Technology. Mr. Lee has over 20 years experiences in private equity, venture capital, structured finance investment and corporate finance. Mr. Lee had been Responsible Officer for Type 1, 4, 6 and/or 9 activities under the SFO for various financial institutions. Mr. Lee obtained a bachelor’s degree in accountancy from City University of Hong Kong, a Master of Business Administration degree from the Hong Kong University of Science and Technology and a Master of International and Public Affairs degree from the University of Hong Kong. Mr. Lee was admitted as a member to the Association of Chartered Certified Accountants in 1998 and became a fellow of the association in 2003. Mr. Lee has been a Chartered Financial Analyst (CFA) charterholder since 2001.

Mr. Fung Kin Chung (“Mr. Fung”), aged 46, is one of the Responsible Officers for the Group’s Type 1 and Type 9 regulated activities under the SFO and he is responsible for, among others, setting up and developing the External Asset Manager (EAM) business and Trust businesses for the Group. He is also a director of UB Trust Company Limited. Mr. Fung has around 17 years of experience in the Hong Kong’s finance industry, covering the fields of banking, insurance and securities. Prior to joining the Group in January 2023, Mr. Fung worked at I WIN SECURITIES LIMITED from 2021-2022 where he was the Director and one of the Responsible Officers (Type 1, 4 and 9 regulated activities). From 2016 to 2021, Mr. Fung worked for CHINA INDUSTRIAL SECURITIES INTERNATIONAL BROKERAGE LIMITED and Basel Capital Limited as Director of Sales, at which he is responsible for all sales related issues including the operation and compliances. Mr. Fung obtained a bachelor’s degree in Mechanical Engineering from the Hong Kong University of Science and Technology in November 1999. He has been a certified financial planner (CFP) of the Institute of Financial Planners of Hong Kong in Year 2009.

高級管理層

李浩良先生	李先生	52					
			1			9	
				GSL			
				GSL		GSL	
						核心職能主	
						管	
						核心職能主	
						管	
							20
			1	4	6		9
							(CFA)
馮健聰先生	馮先生	46					
			1				9
							17
							1
							4
							9

CORPORATE GOVERNANCE REPORT

企業管治報告

CORPORATE GOVERNANCE PRACTICES

The Board and senior management of the Company are committed to promoting high standards of corporate governance practices and procedures to ensure that sound and appropriate corporate governance practices are in place to grow the Group and safeguard the interests of shareholders and the Group's assets.

The Company has adopted the Corporate Governance Code (the "CG Code") as set out in Appendix C1 of the GEM Listing Rules as its own code of corporate governance. For the year ended 31 March 2024, to the best of the knowledge of the Board, the Company was in compliance with the relevant code provisions set out in the CG Code, except for the deviations explained below.

企業管治常規

GEM C1
企業管治守則

Code provision

守則條文

C.1.8

C.1.8

C.2.1

C.2.1

Reasons for the non-compliance and improvement actions taken or to be taken

不合規原因及已經或將會採取之改善行動

As the Company intends to solicit a suitable insurer at reasonable commercial terms and conditions, therefore has not arranged appropriate insurance cover in respect of legal action against its Directors for the year ended 31 March 2024.

The Company has not appointed a chief executive officer as role and functions of chief executive officer have been performed by all the executive Directors collectively. The Board believes that this arrangement enables the Company to make and implement decisions promptly, and thus achieve the Company's objectives effectively and efficiently in response to the changing environment. The Board will continuously assess whether any changes are necessary.

CORPORATE GOVERNANCE REPORT

企業管治報告

Code provision

守則條文

D.1.2

Reasons for the non-compliance and improvement actions took or to be taken

不合規原因及已經或將會採取之改善行動

The Company has not provided all members of the Board with monthly updates to enable the Board as a whole and each Director to discharge their duties. However, the Company has based on business situation, provided to the Board on a quarterly basis, updated business information to enable the Board as a whole and each Director to discharge their duties. The Company considers that such business information arising out of the ordinary business provided to the Board from time to time instead of monthly updates are sufficient for the Board to discharge its duties. In the event there are any significant updates to be provided, the Company will update all the Directors as early as practicable for discussion and resolution. Every Director could make enquiries with the Company about the business operation of the Group and give suggestions or feedback freely.

D.1.2

The Board will continue to review its corporate governance practices in order to enhance its corporate governance standards, comply with the increasingly complicated regulatory requirements, and meet with the rising expectations of the shareholders and respective investors of the Company.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the required standard of dealings (the "Required Standard of Dealings") set out in Rules 5.48 to 5.67 of the GEM Listing Rules as the code of conduct for dealing in securities of the Company by the Directors. Having made specific enquiries with all Directors, the Directors have confirmed that they have complied with the Required Standard of Dealings throughout the year ended 31 March 2024.

董事證券交易

GEM

5.48 5.67
交易必守標準

CORPORATE GOVERNANCE REPORT

企業管治報告

THE BOARD

The Board has the responsibility for leadership and control of the Group and the Directors are collectively responsible for promoting the success of the Group by directing and supervising the Group's affairs. The Board is accountable to shareholders for the strategic development of the Group with the goal of maximising long-term shareholder value, while balancing broader stakeholder interests. The Board is also responsible to communicate with shareholders and regulatory bodies and, where appropriate, will make recommendations to shareholders on final dividends and approve the declaration of any interim dividend. The Board has delegated the day-to-day responsibility to the executive Directors and senior management of the Company who will meet regularly to review the financial results and performance of the Group and make financial and operational decisions for the implementation of strategies and plans approved by the Board.

Composition of the Board

During the year ended 31 March 2024 and up to date of this report, the Board comprised the following Directors:

Executive Directors

Mr. Fok Yuk Tong (*Chairman*)
Ms. Hsieh Ching Chun
Ms. Fok Kit Yee
Mr. Lee Ho Leung William
(appointed on 1 April 2023 and resigned on
2 January 2024)
Mr. Zhong Chu Jian
(resigned on 1 April 2023)

Independent non-executive Directors

Ms. Chan Hoi Wuen Katherine
Mr. Tong Wing Chi
Mr. Kwan Tsz Chun Sun

As at the date of this report, the Board currently comprises six members, including three executive Directors and three independent non-executive Directors. The biographical details of them (including relationships between the Board members) are set out on pages 23 to 26 of this report.

董事會

董事會組成

執行董事

獨立非執行董事

23 26

Appointment and Re-election of Directors

In accordance with article 83(3) of the memorandum and articles of association of the Company (the “**Memorandum and Articles**”), the Directors shall have the power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy on the Board or as an addition to the existing Board. Any Director appointed by the Board to fill a casual vacancy shall hold office until the first general meeting of shareholders of the Company after his/her appointment and be subject to re-election at such meeting and any Director appointed by the Board as an addition to the existing Board shall hold office only until the next following annual general meeting of the Company and shall then be eligible for re-election.

In addition, in accordance with article 84 of the Memorandum and Articles, at each annual general meeting, one-third of the Directors for the time being (or if their number is not a multiple of three, then the number nearest to but not less than one-third) shall retire from office by rotation and being eligible offer themselves for re-election provided that every Director shall be subject to retirement by rotation at an annual general meeting at least once every three years. The Directors to retire by rotation in every year shall be those who have been longest in office since their last appointment or re-appointment.

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Mr. Fok is the chairman of the Board (the “**Chairman**”), in which he is responsible for ensuring that the Board is functioning properly, with good corporate governance practices and procedures.

As aforementioned, the Company has not appointed a chief executive officer as role and functions of chief executive officer have been performed by all the executive Directors collectively. They are responsible for implementing objectives, policies and strategies approved and delegated by the Board. They are also in charge of the Group’s day-to-day management and operations.

委任及重選董事

細則 83(3)

大綱及

84

主席及行政總裁

主席

CORPORATE GOVERNANCE REPORT

企業管治報告

INDEPENDENT NON-EXECUTIVE DIRECTORS

The independent non-executive Directors are seasoned individuals from diversified backgrounds and industries.

In compliance with rules 5.05(1) and (2), and 5.05A of the GEM Listing Rules, the Company has appointed three independent non-executive Directors representing more than one-third of the Board, and with at least one of them possessing the appropriate professional qualifications, or accounting or related financial management expertise.

The independent non-executive Directors are appointed an initial term of two years, and either party may terminate such appointment at any time by giving at least one month's prior notice in writing to the other and is subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Memorandum and Articles.

The Company has received an annual confirmation of independence from each of the independent non-executive Directors. The Company is of the view that all of them have met the guidelines for assessing independence as set out in rule 5.09 of the GEM Listing Rules and still considers them to be independent as at the date of this report.

CORPORATE GOVERNANCE FUNCTIONS

The Board is responsible for performing the corporate governance duties as set out in the code provision A.2.1 of the CG Code which include (a) developing and reviewing the Company's policies and practices on corporate governance and make recommendations; (b) reviewing and monitoring the training and continuous professional development of Directors and senior management; (c) reviewing and monitoring the Company's policies and practices on compliance with legal and regulatory requirements; (d) developing, reviewing and monitoring the code of conduct and compliance manual (if any) applicable to employees and Directors; and (e) reviewing the Company's compliance with the CG Code and disclosure in the Corporate Governance Report.

獨立非執行董事

GEM 5.05(1) (2)
5.05A

5.09 GEM

企業管治職能

A.2.1 (a)
(b) (c)
(d)
(e)

BOARD COMMITTEES

Audit Committee

The Company has established an audit committee (the “**Audit Committee**”) in compliance with rules 5.28 and 5.29 of the GEM Listing Rules and with the written terms of reference in compliance with the CG Code. The Audit Committee currently comprises three independent non-executive Directors, namely, Mr. Tong, Mr. Kwan and Ms. Chan. Mr. Tong is the chairman of the Audit Committee.

The primary duties of the Audit Committee are, among others, (i) to make recommendations to the Board on the appointment and removal of external auditors; (ii) to review and monitor the integrity of the Company’s financial statements and provide advices in respect of financial reporting; (iii) to oversee the financial reporting system, internal control and risk management systems of the Group; and (iv) to monitor any continuing connected transactions.

During the year ended 31 March 2024, the Audit Committee held four meetings to review the quarterly, interim and annual financial results of the Group. It has also reviewed the risk management and internal control systems of the Group, and met with the external auditor twice to discuss auditing, statutory compliance and financial reporting matters. The Audit Committee had reviewed the audited consolidated financial statements (the “**Consolidated Financial Statements**”) of the Group for the year ended 31 March 2024 and was of the opinion that the Consolidated Financial Statements complied with the applicable accounting standards, the GEM Listing Rules and other applicable legal requirements and that adequate disclosures were made therein.

董事委員會

審核委員會

GEM 5.28 5.29
審核委員會

(i)
(ii) (iii)
(iv)

綜合財務報表

GEM

CORPORATE GOVERNANCE REPORT

企業管治報告

Nomination Committee

The Company has established a nomination committee (the “**Nomination Committee**”) in compliance with rule 5.36A of the GEM Listing Rules and with written terms of reference in compliance with the CG Code. The Nomination Committee currently comprises two executive Directors, namely Mr. Fok and Ms. Fok, and three independent non-executive Directors, namely Ms. Chan, Mr. Kwan and Mr. Tong. Ms. Chan is the chairman of the Nomination Committee.

The primary duties of the Nomination Committee are, among others, (i) to review the structure, size, composition and to make recommendations to the Board after such review; (ii) to identify individuals suitably qualified to become Board members; (iii) to assess the independence of independent non-executive Directors; (iv) to make recommendations to the Board on relevant matters relating to the appointment or re-appointment of Directors; and (v) to review succession planning for Directors, the Nomination Policy (as defined below) and Board Diversity Policy (as defined below).

During the year ended 31 March 2024, one meeting was held to make recommendations on the re-election of Directors at the general meeting; reviewing the structure, size, composition and diversity of the Board; assessing the independence of the independent non-executive Directors; and reviewing the Nomination Policy (as defined below) and Board Diversity Policy (as defined below).

提名委員會

GEM 5.36A
提名委員會

- (i)
- (ii)
- (iii)
- (iv)
- (v)

Board Diversity Policy

The board diversity policy of the Group (the “**Board Diversity Policy**”) as adopted by the Board aims to achieve diversity in the Board in order to have a balance of skills, experience and diversity of perspectives in accordance with the business nature of the Group. The Company endorses and recognises the benefits of having a diversified Board. A summary of the Board Diversity Policy is set out below:

Measurable Objectives and Implementation

Selection of candidates will be based on a range of diversity perspectives, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service. The ultimate decision will be based on merit and contribution that the selected candidates will bring to the Board.

Monitoring and Reporting

The Nomination Committee will report annually, in this report, on the Board’s composition under diversified perspectives, and monitor the implementation of the Board Diversity Policy.

Review of the Board Diversity Policy

The Nomination Committee will review the Board Diversity Policy, as appropriate, to ensure the effectiveness of the Board Diversity Policy. The Nomination Committee will discuss any revisions that may be required, and recommend any such revisions to the Board for consideration and approval.

The Board currently comprises three females and three male Directors, the Board is satisfied that an adequate level of gender diversity has been achieved in respect of the Board. The Company, through its commitment to providing equal opportunities as well as selecting the right candidates based on objective criteria with due regard for the benefits of diversity, will ensure that gender diversity is emphasised and maintained at the Board level in respect of succession planning in order to make available a diverse pipeline of candidates for appointment to the Board in case of any vacancies. The Group is also committed to achieving gender diversity across the workforce (including Directors and senior management). As at the date of this report, the gender ratio in the workforce (including Directors and senior management) is approximately 1:1, the Board considers that the gender diversity in workforce is currently achieved.

董事會多元化政策

董事會多元化政策

可計量目標及實施

監督及匯報

檢討董事會多元化政策

1:1

CORPORATE GOVERNANCE REPORT

企業管治報告

Nomination Policy

The Board has adopted a nomination policy which sets out the nomination procedures, criteria and process in the nomination and appointment of Directors.

提名政策

Selection Criteria

The Nomination Committee shall consider the following criteria in evaluating and selecting candidates for directorships:

挑選準則

- | | | |
|---|---|---|
| <ul style="list-style-type: none"> • character and integrity; • qualifications including professional qualifications, skills, knowledge and experience and diversity aspects under the Board Diversity Policy that are relevant to the Company's business and corporate strategy; • any measurable objectives adopted for achieving diversity on the Board; • requirement in accordance with the GEM Listing Rules and whether the candidate would be considered independent with reference to the independence guidelines set out in the GEM Listing Rules (in case of independent non-executive Directors); • any potential contributions the candidate can bring to the Board in terms of qualifications, skills, experience, independence and gender diversity; • willingness and ability to devote adequate time to discharge duties as a member of the Board and/or Board committee(s) of the Company; and • any other perspectives that are appropriate to the Company's business and succession plan and where applicable, may be adopted and/or amended by the Board and/or the Nomination Committee from time to time for nomination of Directors and succession planning. | <ul style="list-style-type: none"> • • • • GEM • • • | <ul style="list-style-type: none"> • • • • GEM • • • |
|---|---|---|

Directors Nomination Procedures

The Board has the relevant procedures for Directors' nomination which are pursuant to the GEM Listing Rules and the Memorandum and Articles as below:

(a) *Appointment of New Director*

The Nomination Committee or the company secretary of the Company shall call for a meeting of the Nomination Committee upon receipt of any nominations of candidates. The Nomination Committee should evaluate such candidate based on the selection criteria mentioned above to determine whether such candidate is qualified for directorship. The Nomination Committee should then recommend to the Board to appoint the appropriate candidate for directorship. For any person that is nominated by a shareholder for election as a Director at the general meeting of the Company, the Nomination Committee and/or the Board should evaluate such candidate based on the same selection criteria as mentioned above to determine whether such candidate is qualified for directorship, and where appropriate, the Nomination Committee and/or the Board should make recommendation to the shareholders in respect of the proposed election of Director at the general meeting. The Board should have the final decision on all matters relating to its recommendation of candidates to stand for election at any general meeting.

(b) *Re-election of Director at General Meeting*

Retiring Directors are eligible for nomination by the Board to stand for re-election at the general meeting according to the Memorandum and Articles. The Nomination Committee and/or the Board should review the overall contribution and service of the retiring Director to the Company, his/her level of participation and performance on the Board and determine whether the retiring Director continues to meet the above selection criteria. The Nomination Committee and/or the Board should then make recommendation to the shareholders in respect of the proposed re-election of Director at the general meeting.

董事提名程序

GEM

(a)

(b)

CORPORATE GOVERNANCE REPORT

企業管治報告

Remuneration Committee

The Company has established a remuneration committee (the “**Remuneration Committee**”) in compliance with the rule 5.34 of the GEM Listing Rules and with written terms of reference in compliance with the CG Code. The Remuneration Committee currently comprises one executive Director, namely Mr. Fok, and three independent non-executive Directors, namely Ms. Chan, Mr. Kwan and Mr. Tong. Mr. Kwan is the chairman of the Remuneration Committee.

The primary duties of the Remuneration Committee are, among others, (i) to review and make recommendations to the Board on the overall remuneration policy and structure relating to all Directors and senior management of the Group; (ii) to make recommendations to the Board on remuneration packages of individual executive Directors and non-executive Directors as well as the senior management of the Group; (iii) to review other remuneration-related matters, including benefits-in-kind and other compensation payable to the Directors and senior management; and (iv) to review performance based remunerations and to establish a formal and transparent procedure for developing policy in relation to remuneration.

During the year ended 31 March 2024, one meeting was held to make recommendation to the Board on the remuneration package of Directors and reviewing the policy and structure of the remuneration packages for Directors.

薪酬委員會

GEM 5.34
薪酬委員會

- (i)
- (ii)
- (iii)
- (iv)

CORPORATE GOVERNANCE REPORT

企業管治報告

DIRECTORS' ATTENDANCE AT MEETINGS

董事會議出席情況

During the year ended 31 March 2024, five meetings were held by the Board and two general meetings. The attendance of each member of the committees' meetings, Board meetings and general meetings held during the Reporting Period are recorded as follows:

Director 董事	Number of meetings attended/Number of meetings held (Note) 出席會議次數／舉行會議次數 (附註)				
	Board Meeting 董事會會議	Audit	Nomination	Remuneration	General Meeting 股東大會
		Committee Meeting 審核委員會會議	Committee Meeting 提名委員會會議	Committee Meeting 薪酬委員會會議	
Mr. Fok	5/5	–	1/1	1/1	2/2
Ms. Hsieh	4/5	–	–	–	2/2
Ms. Fok	4/5	–	1/1	–	2/2
Ms. Chan	4/5	4/4	1/1	1/1	2/2
Mr. Tong	4/5	4/4	1/1	1/1	2/2
Mr. Kwan	4/5	4/4	1/1	1/1	2/2
Mr. Lee (resigned on 2 January 2024)	3/3	–	–	–	2/2
Mr. Zhong (resigned on 1 April 2023)	–	–	–	–	–

Note:

Attendance of the Directors who were appointed and/or had resigned during the Reporting Period were made by reference to the number of such meetings held during their respective tenures.

CORPORATE GOVERNANCE REPORT

企業管治報告

ACCOUNTABILITY AND AUDIT

The Directors acknowledged their responsibilities to prepare the consolidated financial statements of the Group and other financial disclosures required under the GEM Listing Rules and the management has provided such explanation and information to the Board to enable it to make an informed assessment of the financial and other Board decisions. The Directors believe that they have selected suitable accounting policies and applied them consistently, made judgments and estimates that are prudent and reasonable and ensured the consolidated financial statements are prepared on a “going concern” basis. The statement of the auditors of the Company regarding their reporting responsibilities for the consolidated financial statements of the Group is set out in the Independent Auditors’ Report on pages 65 to 68 of this report.

問責及核數

GEM

65 68

DIRECTORS’ TRAINING AND CONTINUOUS PROFESSIONAL DEVELOPMENT

Every newly appointed Director will receive an induction to ensure that he has a proper understanding of the business and operations of the Group and that he is fully aware of his duties and responsibilities as a director under applicable rules and requirements.

董事培訓及持續專業發展

Pursuant to code provision C.1.4 of the CG Code, the Directors should participate in continuous professional development to develop and refresh their knowledge and skills to ensure that their contribution to the Board remains informed and relevant.

C.1.4

CORPORATE GOVERNANCE REPORT

企業管治報告

The Company provided regular updates and presentations on changes and developments relating to the Group's business and the legislative and regulatory environments to the Directors and encouraged Directors to participate in continuous professional developments. During the year ended 31 March 2024, the Directors have confirmed that they have received the training as follow:

**Attending or participating
in seminars/briefings
or reading regulatory
updates/journals relating
to director's duties**
出席或參與講座/
簡介會或閱讀監管
最新資料/董事職責
相關期刊

Executive Directors

執行董事

Mr. Fok	✓
Ms. Hsieh	✓
Ms. Fok	✓
Mr. Lee (resigned on 2 January 2024)	✓
Mr. Zhong (resigned on 1 April 2023)	-

Independent Non-executive Directors

獨立非執行董事

Ms. Chan	✓
Mr. Tong	✓
Mr. Kwan	✓

COMPANY SECRETARY

公司秘書

The Company engaged an external professional company secretarial services provider, Z.L. Global Corporate Services Limited ("ZLGCS"), to provide compliance and full range of company secretarial services to the Company in order to assist the Company to cope with the changing regulatory environment and to suit different commercial needs. Mr. Lam Man Kit ("Mr. Lam"), the representative of ZLGCS, was appointed as the named company secretary of the Company. His primary corporate contact person at the Company is Mr. Fok, the Chairman and an executive Director of the Company. According to rule 5.15 of the GEM Listing Rules, Mr. Lam has undertaken not less than 15 hours of relevant professional training for the Reporting Period.

智輪環球	
企業服務	
生	林先
	GEM
5.15	
15	

CORPORATE GOVERNANCE REPORT

企業管治報告

INDEPENDENT AUDITORS' REMUNERATION

獨立核數師酬金

During the year ended 31 March 2024, the remuneration paid or payable to the external auditors of the Company in respect of the audit and non-audit services were as follows:

Services rendered 所提供服務	Remuneration paid/payable 已付／應付酬金 HK\$'000
Audit services	
– Statutory audit services	680
Non-audit services	
– Tax advisory services	6
	686

DIVIDEND POLICY

股息政策

The Board approved and adopted a dividend policy (the “**Dividend Policy**”) which outlines general principles for the determination and payment of dividend to its shareholders. Dividends or distributions by the Company shall be determined and declared in accordance with the applicable laws and regulations, the Memorandum and Articles and the Dividend Policy. The Board may amend any provision in the Dividend Policy if it considers necessary.

股息
政策

Pursuant to the Dividend Policy, that, in recommending or declaring dividends, the Company shall maintain adequate and sufficient cash reserves for meeting its working capital requirements and future growth as well as its shareholder value. The Board has the absolute discretion to declare and distribute dividends from time to time to the shareholders, and any final dividend for a financial year will be subject to shareholders' approval. In proposing any dividend payout, the Board shall also take into account, among other things, the Group's financial results, financial position, cash flow situation, business conditions and strategies, expected future operations and earnings, capital requirements and expenditure plans, interests of shareholders, any restrictions on payment of dividends and any other factors the Board may consider relevant.

CORPORATE GOVERNANCE REPORT

企業管治報告

CONSTITUTIONAL DOCUMENTS

During the year ended 31 March 2024, the Memorandum and Articles were amended to, inter alia, (i) bringing the Memorandum and Articles in line with the latest legal and regulatory requirements, including the amendments made to Appendix 3 to the GEM Listing Rules and applicable laws and procedures of the Cayman Islands; (ii) making other consequential and housekeeping amendments; and (iii) update the name(s) of the Company from “PF Group Holdings Limited” to “Gaoyu Finance Group Limited” and the Chinese name “ ”.

Save as disclosed above, there was no significant change or other proposed change in the constitutional document during the year ended 31 March 2024. The latest version of the Company’s constitutional documents is available on the Company’s website and the Stock Exchange’s website.

RISK MANAGEMENT AND INTERNAL CONTROL

The Board acknowledges its overall responsibility for overseeing the risk management (including environmental, social and governance (“ESG”) risk) and internal control systems of the Group and reviewing their effectiveness. The Company’s risk management and internal control systems are designed to manage rather than eliminate risks of failure to achieve business objectives, and can only provide reasonable and not absolute assurance against material misstatement or loss. The Board is committed to implementing an effective and sound risk management and internal control systems to safeguard the interest of the shareholders and the Group’s assets. The Board has delegated to the management the implementation of the systems of risk management and internal control and review of all relevant financial, operational, compliance controls and risk management functions within the established framework, and the management has provided a confirmation to the Board on the effectiveness of these systems for the year ended 31 March 2024.

The Group has engaged an independent external professional consultant to conduct independent internal control review throughout the year. The review covered the risk management and internal control systems including financial, operational, compliance control and risk management functions. Such review will be conducted regularly throughout each year.

章程文件

	(i)	
GEM	(ii)	PF Group
Holdings Limited		Gaoyu Finance
Group Limited		

風險管理及內部監控

管治 環境、社會及

CORPORATE GOVERNANCE REPORT

企業管治報告

As the corporate and operating structure of the Group is not complex and a separate internal audit department may divert resources of the Group, the Group does not have an internal audit department. However, because the Group has engaged an independent external professional consultant to conduct internal control review, the Board through the Audit Committee, conducted an annual review of effectiveness of the risk management and internal control systems of the Group, includes reviewing the internal control review report issued by the independent external professional consultant and reviewing the need for a separate internal audit department.

The scope of work of the independent external professional consultant includes reviewing the design of the control and performing walkthrough of the processes. The independent external professional consultant has reported major findings and areas for improvement to the Audit Committee. All recommendations from the independent external professional consultant would be followed up closely to ensure that they are implemented within a reasonable period of time.

Key elements of the risk management and internal control systems of the Group is described below, they have been operating throughout the year and reviewed regularly by the Board up to the date of this report.

- management structure is clearly defined with lines of responsibilities and delegation of authority;
- high recruitment standards and formal career development and training to ensure the integrity and competence of the staff;
- regular and comprehensive information provided to management, covering financial results and non-financial performance indicators;
- procedures for the approval of capital expenditure, investments and acquisitions;
- detailed budgeting process in which top management is involved in budget setting, constant monitoring of key statistics and review of management accounts on a monthly basis, noting and investigating major variances; and
- consideration of mitigating measures against significant business risks at monthly management review meetings, with quarterly briefings to the Board.

The processes used to identify, evaluate and manage significant risks by the Group are summarised as follows:

Risk Identification

Identifies risks relating to changing regulatory and operating environment that may potentially affect the Group's business and operations.

Risk Assessment

Assesses the risks identified by using the assessment criteria developed by management; and considers the impacts of risks on the business caused by adverse events together with the likelihood of occurrence of these adverse events.

Response to Risks

Prioritizes the risks by comparing the results of the risk assessments; and determines the risk mitigation plan and internal control processes to prevent, avoid and mitigate the risks.

Risk Monitoring and Reporting

Performs ongoing and periodic monitoring of the risks and ensures that appropriate internal control processes are in place and resolve material internal control defects (if any); revises the risk mitigation plan and internal control processes in case of any significant change of situation; and reports the results and make appropriate suggestions of risk monitoring to management and the Board regularly.

風險識別

風險評估

對風險所作反應

風險監管及匯報

CORPORATE GOVERNANCE REPORT

企業管治報告

Procedures and Internal Control Measures for Handling and Dissemination of Inside Information

The Group has in place, as an element of its risk management and internal control systems, a policy on handling and dissemination of inside information, to ensure that inside information is handled and disseminated properly and in accordance with the applicable laws and regulations. The department heads within the Group and an executive Director are responsible for monitoring the changes and developments in their respective areas of operation and report any potential or suspected inside information events to the Board. Based on this information obtained through internal reporting, the Board assesses whether any of the information constitutes inside information which needs to be released to the public. Should public disclosure be required, the Board will determine the scope of information to be disclosed and the timing of disclosure. If and when appropriate, the Board may seek independent professional advice to ensure that the Company complies with the disclosure requirements.

Whistleblowing Policy

The Company is committed to achieving and maintaining a high standard of probity, openness, and accountability. A whistleblowing policy is in place to create a system for the employees and other stakeholders of the Company to raise concerns, in confidence, about possible improprieties. The identity of each whistleblower and all information provided in connection with a whistleblowing report will be treated with the strictest confidence.

Anti-Corruption Policy

The Group is committed to promoting a culture of compliance, ethical conduct and good corporate governance within the Group, and the Company prohibits all forms of corruption and is committed to preventing and investigating all forms of corruption. The Company has adopted an anti-corruption policy to set out the specific behavioural guidelines that the Group's personnel and business partners must follow to combat corruption and demonstrate the Group's commitment to the practice of ethical business conduct and the compliance of the anti-corruption laws and regulations that apply to its operations.

處理及發佈內幕消息之程序及內部監控措施

舉報政策

反貪污政策

During the Reporting Period, the Board reviewed the effectiveness of the Group's risk management and internal control system and considered the Group's risk management and internal control as adequate and effective.

INVESTOR RELATIONS

The Company believes that maintaining a high level of transparency is a key to enhance investor relations. It is committed to a policy of timely disclosure of corporate information to its shareholders and public investors.

Information of the Company shall be communicated to the shareholders and potential investors mainly through the Company's quarterly, interim and annual reports, annual general meetings and other general meetings that may be convened as well as by making available all the disclosure submitted to the Stock Exchange and the corporate communications and other corporate publications on the Company's website.

RIGHTS OF THE SHAREHOLDERS

Procedures for the Shareholders to Convene an Extraordinary General Meeting

Pursuant to article 58 of the Memorandum and Articles, any one or more members holding, at the date of deposit of the requisition, not less than one-tenth of the paid up capital of the Company carrying the right of voting at general meetings of the Company, shall at all times have the right, by written requisition to the Board or the company secretary of the Company, to require 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 twenty-one days of such deposit the Board fails to proceed to convene such meeting, the requisitionist(s) himself (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.

Procedures for Putting Forward Proposals by Shareholders at Shareholders' Meetings

The shareholders may include a resolution to be considered at an extraordinary general meeting. The requirements and procedures are set out above in the paragraph headed "Procedures for the Shareholders to Convene an Extraordinary General Meeting".

投資者關係

股東權利

股東召開股東特別大會的程序

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股東於股東大會上提呈建議的程序

CORPORATE GOVERNANCE REPORT

企業管治報告

Procedures for directing shareholders' enquiries to the Board

The shareholders may send their enquiries to the Board by addressing them to the principal place of business of the Company in Hong Kong (located at Room 4409, 44/F, COSCO Tower, 183 Queen's Road Central, Hong Kong) by post or by email to info@gysechk.com. Shareholders may at any time make a request for the Company's information to the extent such information is publicly available.

向董事會提交股東查詢的程序

183 44 4409
info@gysechk.com

Procedures for the Shareholders to Propose a Person for Election as a Director

The procedures for shareholders of the Company to propose a person for election as a Director are posted on the Company's website.

股東提名人士參選董事的程序

The Directors present their report and the audited consolidated financial statements of the Group for the year ended 31 March 2024.

PRINCIPAL ACTIVITIES

The Company is an investment holding company. The Group is principally engaged in the provision of (i) securities dealing and brokerage services (Hong Kong and US stocks); (ii) placing and underwriting services; (iii) financing services including loan financing, securities and IPO margin financing and money lending; (iv) asset management services; (v) supply chain financing; (vi) trust services; and (vii) advisory and restructuring services.

SUBSIDIARIES

Details of the Company's principal subsidiaries as at 31 March 2024 are set out in note 38 to the consolidated financial statements.

BUSINESS REVIEW

A detailed review and analysis on the Group's business performance and the material factors underlying its financial position during the year ended 31 March 2024, as well as the development and likely future prospects of the Group's business are provided throughout this report and in particular under the following separate sections:

- (i) review of the Company's business and financial position and development and future prospects of the Company's business are shown in the sections headed "Chairman's Statement" and the "Management Discussion and Analysis" of this report;
- (ii) details of key performance indicators are shown in the section headed "Management Discussion and Analysis" of this report;
- (iii) the principal risks and uncertainties facing the Company are shown in the paragraph headed "Principal Risks and Uncertainties" in the section headed "Management Discussion and Analysis";
- (iv) the Group's compliance with the relevant laws and regulations are shown in the paragraph headed "Compliance with Relevant laws and regulations" below and the "ESG Report 2024"; and

主要業務

- (i)
- (ii)
- (iii)
- (iv)
- (v)
- (vi)
- (vii)

附屬公司

38

業務回顧

REPORT OF THE DIRECTORS

董事會報告

- (v) the Group's key relationships with employees, customers and suppliers are shown in the paragraph headed "Key Relationships with Key Stakeholders" below and the "ESG Report 2024".

For details about the environmental policies and performance of the Group, please refer to the "ESG Report 2024" issued by the Company at the same time of the publication of the Annual Report 2024 of the Company. The Company's ESG Report 2024 was published in electronic form only under the Investor Relations section of the Company's website at www.gyf.com.hk and is also available on the website of HKEX at www.hkexnews.hk. If you wish to receive the printed version of the ESG Report 2024, you may send your request in writing to the Company's head office and principal place of business in Hong Kong.

The discussions referred to in the above form part of this report of the Directors.

SEGMENT INFORMATION

Details of segment reporting are set out in note 7 to the consolidated financial statements.

RESULTS AND DIVIDENDS

The results of the Group for the year ended 31 March 2024 and the financial position of the Group as at that date are set out in the consolidated financial statements from pages 69 to 71 of this report.

The Board does not recommend the payment of any dividend for the year ended 31 March 2024 (31 March 2023: nil).

FINANCIAL SUMMARY

A summary of the results and the assets and liabilities of the Group for each of the last five financial years is set out on page 140 of this report.

(v)

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分部資料

7

業績及股息

69 71

財務概要

140

MAJOR CUSTOMERS AND SUPPLIERS

During the year ended 31 March 2024, the revenue attributable to the Group's largest customer accounted for approximately 25.9% (31 March 2023: approximately 34.3%) of the Group's total revenue and the revenue attributable to the Group's five largest customers accounted for approximately 37.4% (31 March 2023: approximately 66.3%) of the Group's total revenue.

To the best of the Directors' knowledge, none of the Directors, their respective close associates (as defined under the GEM Listing Rules) nor any shareholder of the Company (who to the best of the knowledge of the Directors owns more than 5% of the issued shares of the Company) had an interest in any of the major customers above.

The Group had no supplier due to the nature of its principal business activities.

PROPERTY AND EQUIPMENT

Details of movements in the property and equipment of the Group during the year ended 31 March 2024 are set out in note 19 to the consolidated financial statements.

SHARE CAPITAL

Details of movements in the share capital of the Company during the year ended 31 March 2024 are set out in note 32 to the consolidated financial statements.

DEBENTURES

The Company did not issue any debentures during the year ended 31 March 2024.

RESERVES

Details of movements in the reserves of the Group and the Company during the year ended 31 March 2024 are set out in the consolidated statement of changes in equity and in note 34 to the consolidated financial statements, respectively.

DISTRIBUTABLE RESERVES OF THE COMPANY

As at 31 March 2024, the Company's reserves available for distribution to the shareholders of the Company amounted to approximately HK\$35,634,000 (31 March 2023: HK\$38,794,000).

主要客戶及供應商

25.9%
34.3%
37.4%
66.3%

GEM
5%

物業及設備

19

股本

32

債權證

儲備

34

本公司可供分派儲備

38,794,000
35,634,000

REPORT OF THE DIRECTORS

董事會報告

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the year ended 31 March 2024.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Memorandum and Articles or the laws of the Cayman Islands, the jurisdiction in which the Company was incorporated, which would oblige the Company to offer new shares on a pro-rata basis to existing shareholders of the Company.

SHARE OPTION SCHEME

A share option scheme (the "**Scheme**") was adopted by the shareholders of the Company and was effective on 5 December 2016. Unless otherwise cancelled or amended, the Scheme will remain in force for a period of 10 years from the date of its adoption on 5 December 2016. Subject to the terms of the Scheme, the Board shall be entitled to make an offer of the grant of an option (the "**Option**") to subscribe for shares (the "**Shares**") of the Company to any Directors, employees of the Group, consultants or advisers of the Group, providers of goods and/or services to the Group, customers of the Group, holders of securities issued by any member of the Group, or any other person, who at the sole discretion of the Board, has contributed to the Group (the "**Eligible Participants**"), whom the Board may select at its absolute discretion.

The purpose of the Scheme is to advance the interests of the Company and the shareholders by enabling the Company to grant Options to attract, retain and reward the Eligible Participants and to provide the Eligible Participants an incentive or reward for their contribution to the Group and by enabling such persons' contribution to further advance the interests of the Group.

購買、出售或贖回本公司上市證券

優先購買權

購股權計劃

劃

10

格參與者

購股權
股份

該計

合資

The Board may in its absolute discretion specify such conditions as it thinks fit when granting an Option to an Eligible Participant (including, without limitation, as to any minimum period an Option must have been held or the minimum period of service or relationship with any member of the Group to be achieved before an Option can be exercised (or any part thereof), to the extent of the Option which can be exercised at any material time, or any performance criteria which must be satisfied by the Eligible Participant, the Company, and its subsidiaries, before an Option may be exercised), provided that such conditions shall not be inconsistent with any other terms and conditions of the Scheme and the relevant requirements under the applicable laws or the GEM Listing Rules.

GEM

The Option will be offered for acceptance for a period of ten business days from the date on which the Option is granted. The amount payable by the grantee to the Company on acceptance of the offer shall be a nominal amount to be determined by the Board. The subscription price in respect of any Option shall, subject to any adjustments made pursuant to the terms of the Scheme, be a price determined by the Board and notified to each grantee and shall be at least the highest of: (i) the closing price per share of the Company as stated in the Stock Exchange's daily quotations sheet on the date of grant of the Options, which must be a day on which the Stock Exchange is open for the business of dealing in securities ("**Trading Day**"); (ii) the average of the closing prices per share of the Company as stated in the Stock Exchange's daily quotations sheets for the five Trading Days immediately preceding the date of grant of the Options; and (iii) the nominal value of the shares of the Company on the date of grant of the Options.

(i)

交易日 (ii)

(iii)

REPORT OF THE DIRECTORS

董事會報告

The total number of shares of the Company which may be issued upon exercise of all Options to be granted under the Scheme and any other share option schemes of the Company shall not in aggregate exceed 10% of the total number of shares of the Company in issue as at 6 January 2017 (the "Listing Date") (i.e. 2,000,000,000 shares) unless the Company obtains a fresh approval from the shareholders. The Company may seek approval of shareholders in general meeting to renew the 10% limit above such that the total number of shares in respect of which Options may be granted by the Board under the Scheme and any other share option schemes of the Company in issue shall not exceed 10% of the total number of shares in issue as at the date of approval of the renewed limit. The Company may grant Options to specified participant(s) beyond the 10% limit set out above provided that the Options granted in excess of such limit are specifically approved by the shareholders in general meeting and the participants are specifically identified by the Company before such approval is sought. Notwithstanding the foregoing and subject to the maximum entitlement of each Eligible Participant, the maximum number of shares in respect of which Options may be granted under the Scheme together with any Options outstanding and yet to be exercised under the Scheme and any other share option schemes of the Company in issue shall not exceed 30% (or such higher percentage as may be allowed under the GEM Listing Rules) of the total number of shares in issue from time to time.

上市日期
2,000,000,000 10%

10%

10%
10%

30% GEM

The total number of shares of the Company issued and to be issued upon exercise of the Options granted to each Eligible Participant (including both exercised and outstanding Options under the Scheme) in the twelve-month period expiring on the offer date shall not exceed 1% of the issued share capital of the Company, unless approval of the shareholders of the Company has been obtained in accordance with the GEM Listing Rules. Where Options are proposed to be granted to a substantial shareholder or an independent non-executive Director or any of their respective associates, and the proposed grant of Options will, result in the total number of shares issued and to be issued upon exercise of all Options already granted and to be granted (including Options exercised, cancelled and outstanding) to such person in the twelve-month period up to and including the date of such grant representing in aggregate over 0.1% of the issued share capital of the Company and having an aggregate value, based on the closing price of the shares at the date of each grant, in excess of HK\$5,000,000, such grant must be approved by the shareholders of the Company at general meeting in accordance with the GEM Listing Rules.

GEM

1%

0.1%

5,000,000
GEM

An Option may be exercised in accordance with the terms of the Scheme at any time during a period as the Board may determine save that such period shall not exceed ten years from the date of acceptance of the offer subject to the provisions of early termination thereof.

As at the date of this report, the total number of shares available for issue under the Scheme is 200,000,000 shares, representing 10% of the issued share capital of the Company as at the date of this report. Since the adoption of the Scheme and up to 31 March 2024, no Option was granted by the Company.

200,000,000
10%

EQUITY-LINKED AGREEMENTS

Save and except for the Scheme as disclosed in the paragraph headed "Share Option Scheme" above, no equity-linked agreement that (i) will or may result in the Company issuing shares or (ii) requires the Company to enter into any agreement that will or may result in the Company issuing shares, was entered into by the Company during the year ended 31 March 2024 or subsisted at the end of the year.

股本掛鈎協議

(i) (ii)

CORPORATE GOVERNANCE

The principal corporate governance practices as adopted by the Company are set out in the section headed "Corporate Governance Report" of this report.

企業管治

COMPLIANCE WITH RELEVANT LAWS AND REGULATIONS

During the year ended 31 March 2024, to the best of knowledge of the Directors, there was no material breach of or non-compliance with the applicable laws and regulations by the Group that has a significant impact on the businesses and operations of the Group.

遵守相關法律及法規

Further discussion on the Group's compliance with laws and regulations is contained in the "ESG Report 2024".

REPORT OF THE DIRECTORS

董事會報告

KEY RELATIONSHIPS WITH KEY STAKEHOLDERS

As a responsible corporation, the Group is committed to maintaining a highly environmental and social standard to ensure sustainable development of its business. The Group has complied with all relevant laws and regulations in relation to its business including health and safety, workplace conditions, employment and the environment. The Group understands a better future depends on everyone's participation and contribution. It has encouraged employees, customers, suppliers and other stakeholders to participate in environmental and social activities which benefit the community as a whole. The Group maintains strong relationships with its employees, has enhanced cooperation with its suppliers and has provided high quality products and services to its customers so as to ensure sustainable development.

The ESG Report 2024 conducted by a professional third party for the Reporting Period will be published separately in compliance with the requirements of the GEM Listing Rules.

As at 31 March 2024, the Group has 288 (31 March 2023: 239) active securities accounts. The Group is committed to establish and maintain long term and harmonious relationships with its customers. In order to maintain the relationships with customers, various means have been established to strengthen the communications between the Group and the customers including email, telephone and face-to-face meeting. In addition, the Group will continue to expand the customer base by utilising the network it has and referrals from existing customers.

The Group had no supplier due to the nature of its principal business activities.

DONATION

The Group did not make any charitable donations during the year ended 31 March 2024 (31 March 2023: HK\$30,000).

與主要持份者的主要關係

GEM

288

239

捐款

30,000

DIRECTORS AND DIRECTORS' SERVICE CONTRACTS

The Directors of the Company during the Reporting Period and up to date of this report were as follows:

Executive Directors

Mr. Fok Yuk Tong (*Chairman*)
Ms. Hsieh Ching Chun
Ms. Fok Kit Yee
Mr. Lee Ho Leung William
(appointed on 1 April 2023 and resigned on 2 January 2024)

Mr. Zhong Chu Jian
(resigned on 1 April 2023)

Independent non-executive Directors

Ms. Chan Hoi Wuen Katherine
Mr. Tong Wing Chi
Mr. Kwan Tsz Chun Sun

Pursuant to the Memorandum and Articles, Ms. Fok Kit Yee and Mr. Tong Wing Chi will retire by rotation and, being eligible, offer themselves for re-election at the forthcoming annual general meeting of the Company (the "2024 AGM").

The executive Directors have entered into service contracts with the Company for a term of three years and be renewable automatically for successive terms of three years unless and until the termination by either party thereto by giving not less than three months' prior written notice and are subject to retirement by rotation and re-election in accordance with the Memorandum and Articles.

The independent non-executive Directors are appointed for a term of two years and either party may terminate such appointment at any time by giving at least one month prior notice in writing to the other and are subject to retirement by rotation and re-election in accordance with the Memorandum and Articles.

No Director proposed for re-election at the 2024 AGM has a service contract with the Company or any of its subsidiaries which is not determinable by the Company within one year without payment of compensation, other than the normal statutory compensation.

董事及董事服務合約

執行董事

獨立非執行董事

二四年股東週年大會

二零

REPORT OF THE DIRECTORS

董事會報告

CONFIRMATION OF INDEPENDENCE

The Company has received annual confirmation of independence from each of the independent non-executive Directors pursuant to the requirement of rule 5.09 of the GEM Listing Rules. The Company considers all independent non-executive Directors to be independent.

DIRECTORS' AND SENIOR MANAGEMENT'S BIOGRAPHIES

Biographical details of the Directors and the senior management of the Group are set out in the section headed "Biographical Details of Directors and Senior Management" of this report.

EMOLUMENT POLICY

The emolument policy of the Group is on the basis of the qualifications and contributions of individuals to the Group as well as the performance of the Group. The Company has adopted a share option scheme as an incentive to eligible participants, details of which are set out in the paragraph headed "Share Option Scheme".

The Remuneration Committee will review and determine the remuneration and compensation packages of the Directors with reference to their experience, responsibilities, workload and time devoted to the Group and performance of the Group.

Details of the emoluments of the Directors, five highest paid individuals and senior management by band are set out in notes 15, 16 and 36 to the consolidated financial statements respectively.

PERMITTED INDEMNITY PROVISION

Pursuant to the requirements of the Memorandum and Articles of Association and subject to applicable laws, every Director is entitled to be indemnified out of the assets of the Company against all losses or liabilities which he/she may sustain or incur in or about the execution of duties of his/her office or otherwise in relation thereto provided that such indemnity shall not extend to any matter in respect of fraud or dishonesty which may attach to the Director. Such permitted indemnity provision is currently in force and has become effective during the Reporting Period.

The Company did not arrange appropriate insurance cover for Directors' and officers' liabilities in respect of legal actions against its Directors and senior management arising out of corporate activities during the Reporting Period and up to the date of this report.

獨立性確認函

GEM 5.09

董事及高級管理層履歷

薪酬政策

15 16 36

獲准許的彌償條文

COMPETING INTERESTS

None of the Directors, the controlling shareholders of the Company nor their respective close associates (as defined in the GEM Listing Rules) had any interest in a business which competes or is likely to compete, either directly or indirectly, with the business of the Group during the year ended 31 March 2024 and up to the date of this report.

RELATED PARTY TRANSACTIONS AND CONNECTED TRANSACTIONS

Details of the Group's related party transactions during the year ended 31 March 2024 are disclosed in note 36 to the consolidated financial statements. None of such related party transactions constitutes a connected transaction which is subject to the reporting, annual review, announcement and/or shareholders' approval requirements under Chapter 20 of the GEM Listing Rules

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS

As at 31 March 2024, the 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) held by the Directors and chief executives of the Company (the "Chief Executives") which have 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 they were taken or deemed to have under such provisions of the SFO) or have to be entered in the register maintained by the Company pursuant to section 352 of the SFO, or as otherwise have to be notified to the Company and the Stock Exchange pursuant to rules 5.46 to 5.67 of the GEM Listing Rules are as follows:

競爭權益

GEM

關聯方交易及關連交易

36

20

GEM

董事及主要行政人員於本公司及其相聯法團的股份、相關股份及債權證的權益及淡倉

主要行政人員

XV

7 8

XV

352

GEM

5.46

5.67

REPORT OF THE DIRECTORS

董事會報告

Long position in ordinary shares of HK\$0.01 each of the Company

於本公司每股面值0.01港元的普通股中的好倉

Name of Director 董事姓名	Capacity/Nature of interest 身份／權益性質	Number of shares held 所持股份數目	Approximate percentage of shareholding 股權概約百分比
Mr. Fok (Note)	Interest of controlled corporation	1,199,640,000	59.98
Ms. Hsieh (Note)	Interest of controlled corporation	1,199,640,000	59.98
Ms. Fok	Beneficial interest	360,000	0.02

Note:

The issued share capital of Chance Wise Investments Limited (“CWIL”) is beneficially owned as to 30% by Mr. Fok and 70% by Ms. Hsieh respectively. Mr. Fok is the spouse of Ms. Hsieh. Therefore, Mr. Fok and Ms. Hsieh are deemed to be interested in the 1,199,640,000 shares of the Company held by CWIL by virtue of the SFO.

機穎投資

30% 70%

1,199,640,000

Save as disclosed above, as at 31 March 2024, none of the Directors or Chief Executives had any interests or short positions in the shares, underlying shares or debentures of the Company nor any of its associated corporations (within the meaning of Part XV of the SFO) which would have 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 they were taken or deemed to have under such provisions of the SFO) or which was required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or pursuant to rules 5.46 to 5.67 of the GEM Listing Rules to be notified to the Company and the Stock Exchange.

XV

XV

7 8

352

GEM

5.46

5.67

REPORT OF THE DIRECTORS 董事會報告

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY

So far as the Directors and the Chief Executives are aware, as at 31 March 2024, other than the Directors and the Chief Executives, the following person/corporation had or was deemed or taken to have an interest and/or short position in the shares or the underlying shares of the Company which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which would be recorded in the register of the Company required to be kept under section 336 of the SFO, or which would be, directly or indirectly, interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of the Company or any other members of the Group:

主要股東及其他人士於本公司股份及相關股份的權益及淡倉

XV 2 3
336

5%

Long position in ordinary shares of HK\$0.01 each of the Company

於本公司每股面值0.01港元的普通股中的好倉

Name 姓名／名稱	Capacity/Nature of interest 身份／權益性質	Number of shares held 所持股份數目	Approximate percentage of shareholding 股權概約百分比
CWIL (Note 1) 1	Beneficial interest	1,199,640,000	59.98
Mega Wise Group Limited ("MWGL") (Note 2) 巨智 2	Beneficial interest	300,000,000	15.00
Dr. Lee Chun Pong Bruce ("Dr. Lee") (Note 2) 李博士 2	Interest of a controlled corporation	300,000,000	15.00
Ms. Chow Nim Pui ("Ms. Chow") (Note 3) 周女士 3	Interest of spouse	300,000,000	15.00

REPORT OF THE DIRECTORS

董事會報告

Notes:

- | | | | | |
|----|---|----|---------|---------------|
| 1. | The issued share capital of CWIL is beneficially owned as to 30% by Mr. Fok and 70% by Ms. Hsieh respectively. Mr. Fok is the spouse of Ms. Hsieh. Therefore, Mr. Fok and Ms. Hsieh are deemed to be interested in the 1,199,640,000 shares of the Company held by CWIL by virtue of the SFO. | 1. | 30% 70% | 1,199,640,000 |
| 2. | MWGL is wholly-owned by Dr. Lee. Therefore, Dr. Lee is deemed to be interested in the 300,000,000 shares of the Company held by MWGL by virtue of the SFO. | 2. | | 300,000,000 |
| 3. | Ms. Chow is the spouse of Dr. Lee. Therefore, Ms. Chow is deemed to be interested in the 300,000,000 shares of the Company held by Dr. Lee through MWGL under the SFO. | 3. | | 300,000,000 |

Save as disclosed above, as at 31 March 2024, the Directors were not aware of any person or corporation (other than the Directors and the Chief Executives) who had any interest or short position in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or pursuant to section 336 of the SFO, which would have to be recorded in the register referred to therein.

XV 2 3
336

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed under the paragraphs headed "Directors' and Chief Executives' Interests and Short Positions in the Shares, Underlying Shares and Debentures of the Company and its Associated Corporations" and "Share Option Scheme" in this report, at no time during the year ended 31 March 2024 was the Company, or any of its subsidiaries or its parent company a party to any arrangements to enable the Directors and Chief Executives (including their respective spouse and children under 18 years of age) to acquire benefits by means of the acquisition of shares or underlying shares in, or debentures of, the Company or any of its associated corporation.

董事購買股份或債券的權利

18

INTERESTS IN SIGNIFICANT TRANSACTIONS, ARRANGEMENTS AND CONTRACTS

Save for those disclosed under the section headed “Related Party Transactions and Connected Transactions” above and those disclosed in note 36 to the consolidated financial statements, there was no transaction, arrangement or contract of significance in relation to the Group’s business which subsisted during or at the end of the year ended 31 March 2024 to which the Company, or any of its subsidiaries or its parent company was a party and in which a Director or a connected entity of that Director has or had, directly or indirectly, a material interest.

Save as disclosed herein, during the Reporting Period, there was no contract of significance entered into between the Company, or any of its subsidiaries, and any of the controlling shareholders (as defined in the GEM Listing Rules) of the Company or any of its subsidiaries.

MANAGEMENT CONTRACTS

No contracts, other than employment contracts, concerning the management and administration of the whole or any substantial part of the Group’s business were entered into or existed during the year ended 31 March 2024.

PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the best of the knowledge of the Directors, as at the date of this report, there is sufficient public float of 25% of the Company’s issued shares as required under rule 11.23(7) of the GEM Listing Rules.

AUDITORS

On 14 April 2021, HLB Hodgson Impey Cheng Limited (“HLB”) resigned as the auditor of the Company. Following the resignation of HLB, the Board appointed ZHONGHUI ANDA CPA Limited (“Zhonghui Anda”) as the new auditor of the Company with effect from 14 April 2021 to fill the casual vacancy.

於重大交易、安排及合約中的權益

36

GEM

管理合約

公眾持股量

11.23(7)
25%

GEM

核數師

國衛

中匯安達

REPORT OF THE DIRECTORS

董事會報告

The consolidated financial statements of the Group for the year ended 31 March 2024 were audited by Zhonghui Anda and a resolution will be proposed at 2024 AGM to re-appoint Zhonghui Anda as the auditor of the Company.

Save as disclosed above, there has been no change in the auditor of the Company during the past three years.

2024 AGM

The 2024 AGM is scheduled to be held on Wednesday, 25 September 2024. For determining the entitlement to attend and vote at the 2024 AGM, the transfer books and register of members of the Company will be closed from Friday, 20 September 2024 to Wednesday, 25 September 2024, both days inclusive. During such period, no share transfers will be effected. In order to qualify for attending and voting at the 2024 AGM, all share transfer documents, accompanied by the relevant share certificates, must be lodged with the Company's branch share registrar in Hong Kong, Union Registrars Limited at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong for registration no later than 4:00 p.m. on Thursday, 19 September 2024.

二零二四年股東週年大會

2 33 3301-04

338

On behalf of the Board

Fok Yuk Tong

Chairman and Executive Director

Hong Kong, 21 June 2024

霍玉堂

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告



TO THE SHAREHOLDERS OF
GAOYU FINANCE GROUP LIMITED
(Formerly known as PF Group Holdings Limited)
(Incorporated in the Cayman Islands with limited liability)

OPINION

We have audited the consolidated financial statements of Gaoyu Finance Group Limited (the “**Company**”) and its subsidiaries (collectively referred to as the “**Group**”) set out on pages 69 to 139, which comprise the consolidated statement of financial position as at 31 March 2024, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 March 2024, 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 (the “**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**”), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

致高裕金融集團有限公司
(前稱PF Group Holdings Limited)
列位股東

意見

我們
69 139
貴公司
團
貴集

香港會計師公會
香港財務報告準則

意見的基礎

香港審計準則

守則

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, 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.

ACCOUNTS RECEIVABLES

Refer to note 23 to the consolidated financial statements

The Group tested the amount of accounts receivables for impairment. This impairment test is significant to our audit because the balance of accounts receivables of HK\$152,466,000 as at 31 March 2024 is material to the consolidated financial statements. In addition, the Group's impairment test involves application of judgement and is based on estimates.

Our audit procedures included, among others:

- Assessing the Group's procedures on granting credit limits and credit periods to customers;
- Assessing the Group's relationship and transaction history with the customers;
- Evaluating the Group's impairment assessment;
- Assessing ageing of the debts;
- Assessing creditworthiness of the customers;
- Checking subsequent settlements from the customers;
- Assessing the value of the collateral for the debts; and
- Assessing the disclosure of the Group's exposure to credit risk in the consolidated financial statements.

We consider that the Group's impairment test for accounts receivables is supported by the available evidence.

關鍵審計事項

應收賬款

23

152,466,000

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

OTHER INFORMATION

The directors are responsible for the other information. The other information comprises all the information in the Company's annual report, but does not include 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 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.

其他資料

董事就綜合財務報表須承擔的責任

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. We report our opinion 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 HKSAs 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.

A further description of our responsibilities for the audit of the consolidated financial statements is located at the HKICPA's website at:

<https://www.hkicpa.org.hk/en/Standards-setting/Standards/Our-views/auditre>

This description forms part of our auditor's report.

ZHONGHUI ANDA CPA Limited
Certified Public Accountants
Yeung Hong Chun
Audit Engagement Director
Practising Certificate Number P07374
Hong Kong, 21 June 2024

核數師就審計綜合財務報表須承 擔的責任

<https://www.hkicpa.org.hk/en/Standards-setting/Standards/Our-views/auditre>

中匯安達會計師事務所有限公司
楊匡俊

P07374

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

綜合損益及其他全面收益表

FOR THE YEAR ENDED 31 MARCH 2024

	Notes	2024 二零二四年 HK\$'000 千港元	2023 HK\$'000
Revenue			
Commission income from securities dealing and brokerage services		2,073	1,234
Fee and commission income from placing and underwriting activities		2,436	396
Interest income from margin and loan financing services		8,990	8,061
Supply chain financing		8,430	2,024
Advisory and restructuring fee incomes		312	1,920
Asset management services		440	–
Others		910	120
Total revenue	7	23,591	13,755
Bank interest income		690	384
Fair value change on investments at fair value through profit or loss		6,704	232
Other gains	8	1,942	1,735
Commission expenses	9	32,927	16,106
Depreciation expenses for property and equipment		(417)	(416)
Depreciation expenses for right-of-use assets		(1,750)	(1,766)
Staff costs	10	(1,486)	(1,318)
Other operating expenses	11	(7,317)	(8,021)
Impairment of assets	12	(10,525)	(8,594)
Finance costs	13	(1,831)	(2,322)
Exchange gain/(loss)		(129)	(175)
		144	(3,023)
Profit/(loss) before tax		9,616	(9,529)
Income tax expense	14	(726)	–
Profit/(loss) and total comprehensive income/(loss) for the year		8,890	(9,529)
Profit/(loss) and total comprehensive income/(loss) for the year attributable to:			
Owners of the company		8,887	(9,514)
Non-controlling interests		3	(15)
		8,890	(9,529)
Profit/(Loss) per share			
Basic and diluted	17	0.44	(0.48)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

AS AT 31 MARCH 2024

		2024 二零二四年 Notes HK\$'000 千港元	2023 HK\$'000
Non-current assets	非流動資產		
Property and equipment		19 3,840	5,564
Right-of-use assets		20 7,146	1,464
Deposits placed with stock exchange and clearing house		21 605	630
Loan receivables		22 –	1,016
		11,591	8,674
Current assets	流動資產		
Accounts receivables		23 152,466	108,882
Loan receivables		22 2,071	317
Rental and utility deposits		24 918	828
Prepayments and other receivables		1,981	1,663
Investments at fair value through profit or loss		25 13,842	7,962
Due from non-controlling shareholders		26 600	–
Cash and bank balances:			
Bank balance – house accounts		27 10,153	36,617
Cash held on behalf of customers		27 35,669	32,212
		217,700	188,481
Current liabilities	流動負債		
Accounts payables		28 37,715	35,780
Due to a related company		29 28,388	11,722
Other payables and accruals		30 1,423	2,878
Lease liabilities		31 2,184	2,705
Current tax payables		726	–
		70,436	53,085
Net current assets	流動資產淨值	147,264	135,396
Total assets less current liabilities	總資產減流動負債	158,855	144,070

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

AS AT 31 MARCH 2024

			2024 二零二四年 HK\$'000 千港元	2023 HK\$'000
		Notes		
Non-current liabilities	非流動負債			
Lease liabilities		31	4,960	265
NET ASSETS	資產淨值		153,895	143,805
Equity	權益			
Share capital		32	20,000	20,000
Reserves		34	132,707	123,820
Equity attributable to owners of the Company	本公司擁有人應佔權益		152,707	143,820
Non-controlling interests			1,188	(15)
TOTAL EQUITY	權益總額		153,895	143,805

Approved and authorised for issue by the Board of Directors on 21 June 2024 and signed on its behalf by:

Fok Yuk Tong
霍玉堂
Director

Hsieh Ching Chun
謝青純
Director

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

FOR THE YEAR ENDED 31 MARCH 2024

	Attributable to owners of the Company 本公司擁有人應佔				Total 總計 HK\$'000	Non- controlling interests 非控股權益 HK\$'000	Total 總計 HK\$'000
	Share capital 股本 HK\$'000 <i>(Note 32)</i> 32	Share premium 股份溢價 HK\$'000 <i>(Note 34(a))</i> 34(a)	Other reserves 其他儲備 HK\$'000 <i>(Note 34(b))</i> 34(b)	Retained profits 保留溢利 HK\$'000			
At 1 April 2022	20,000	48,229	9,762	75,343	153,334	-	153,334
Total comprehensive loss for the year	-	-	-	(9,514)	(9,514)	(15)	(9,529)
At 31 March 2023	20,000	48,229	9,762	65,829	143,820	(15)	143,805
At 1 April 2023	20,000	48,229	9,762	65,829	143,820	(15)	143,805
Total comprehensive loss for the year	-	-	-	8,887	8,887	3	8,890
Contribution by non-controlling shareholders of a subsidiary	-	-	-	-	-	1,200	1,200
At 31 March 2024	20,000	48,229	9,762	74,716	152,707	1,188	153,895

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

FOR THE YEAR ENDED 31 MARCH 2024

	2024 二零二四年 HK\$'000 千港元	2023 HK\$'000
CASH FLOWS FROM OPERATING ACTIVITIES		
		經營活動產生的現金流量
Profit/(loss) before tax	9,616	(9,529)
Adjustments for:		
Bank interest income	(690)	(384)
Finance costs	129	175
Depreciation of property and equipment	1,750	1,766
Depreciation of right-of-use assets	1,486	1,318
Loss on disposal of property and equipment	–	6
Fair value gain on investments at fair value through profit or loss	(6,704)	(232)
Impairment of assets	1,831	2,322
Operating profit/(loss) before working capital change	7,418	(4,558)
Change in bank balances – client accounts	(3,457)	4,833
Change in rental and utility deposits	(90)	24
Change in accounts receivable	(45,415)	(60,510)
Change in prepayments and other receivables	(293)	553
Change in loan receivables	(738)	345
Change in accounts payable	1,935	(2,384)
Change in other payables and accruals	(1,812)	435
Cash used in operating activities	(42,452)	(61,262)
Bank interest received	690	384
Net cash used in operating activities	(41,762)	(60,878)
		經營活動所用現金淨額
CASH FLOWS FROM INVESTING ACTIVITIES		
		投資活動產生的現金流量
Purchase of investments at fair value through profit or loss	–	(7,730)
Proceeds from disposals of investments at fair value through profit or loss	824	–
Purchases of property and equipment	(26)	(56)
Net cash generated from/(used in) investing activities	798	(7,786)
		投資活動產生／(所用)現金淨額

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

FOR THE YEAR ENDED 31 MARCH 2024

		2024 二零二四年 HK\$'000 千港元	2023 HK\$'000
CASH FLOWS FROM FINANCING ACTIVITIES	融資活動產生的現金流量		
Advance from a related company		16,666	11,722
Contribution by non-controlling shareholders of a subsidiary		600	–
Interest paid		–	(22)
Repayment of lease liabilities		(2,766)	(2,763)
Net cash generated from financing activities	融資活動產生的現金淨額	14,500	8,937
NET DECREASE IN CASH AND CASH EQUIVALENTS	現金及現金等價物減少淨額	(26,464)	(59,727)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	年初現金及現金等價物	36,617	96,344
CASH AND CASH EQUIVALENTS AT END OF YEAR	年末現金及現金等價物	10,153	36,617
ANALYSIS OF CASH AND CASH EQUIVALENTS	現金及現金等價物分析		
Bank balance – house accounts		10,153	36,617

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

FOR THE YEAR ENDED 31 MARCH 2024

1. GENERAL INFORMATION

Gaoyu Finance Group Limited (the “**Company**”) was incorporated in Cayman Islands with limited liability. The address of its registered office is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands. The address of its principal place of business is Room 4409, 44/F, COSCO Tower, 183 Queen’s Road Central, Hong Kong. The Company’s shares were listed on the GEM of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) on 6 January 2017.

Pursuant to a special resolution passed at the Company’s extraordinary general meeting held on 7 December 2023, the English name of the Company has been changed from “PF Group Holdings Limited” to “Gaoyu Finance Group Limited” and the Chinese name “ ” has been adopted as the new dual foreign name of the Company. Subsequently, the Certificate of Incorporation on Change of Name and the Certificate of Registration of Alternation of Name of Registered Non-Hong Kong Company were issued by the Registrar of Companies in the Cayman Islands and the Registrar of Companies in Hong Kong on 7 December 2023 and 21 December 2023 respectively to certify the change of the Company’s name.

The Company is an investment holding company. The principal activities of its subsidiaries are set out in note 38 to the consolidated financial statements.

2. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS

In the current year, the Group has adopted all the new and revised Hong Kong Financial Reporting Standards (“**HKFRSs**”) issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”) that are relevant to its operations and effective for its accounting year beginning on 1 April 2023. HKFRSs comprise Hong Kong Financial Reporting Standards (“**HKFRS**”); Hong Kong Accounting Standards (“**HKAS**”); and Interpretations. The adoption of these new and revised HKFRSs did not result in significant changes to the Group’s accounting policies, presentation of the Group’s consolidated financial statements and amounts reported for the current year and prior years.

1. 一般資料

本公司
Cricket
Square, Hutchins Drive, P.O. Box
2681, Grand Cayman, KY1-1111,
Cayman Islands
183
44 4409
聯交所 GEM

PF Group Holdings Limited
Gaoyu Finance Group Limited

38

2. 採納新訂及經修訂香港財務報告準則

香港會計師公會
香港
財務報告準則
報告準則
計準則
香港財務
報告準則

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

FOR THE YEAR ENDED 31 MARCH 2024

2. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS *(Continued)*

The Group has not applied the new and revised HKFRSs that have been issued but are not yet effective. The Group has already commenced an assessment of the impact of these new and revised HKFRSs but is not yet in a position to state whether these new and revised HKFRSs would have a material impact on its results of operations and financial position.

3. MATERIAL ACCOUNTING POLICIES

These consolidated financial statements have been prepared in accordance with HKFRSs issued by the HKICPA and the applicable disclosures required by the Rules Governing the Listing of Securities on the GEM of the Stock Exchange and by the Hong Kong Companies Ordinance.

These consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of investments at their fair values.

The preparation of consolidated financial statements in conformity with HKFRSs requires the use of certain key assumptions and estimates. It also requires the directors to exercise its judgements in the process of applying the accounting policies. The areas where assumptions and estimates are significant to these consolidated financial statements, are disclosed in note 4 to the consolidated financial statements.

The material accounting policies applied in the preparation of these consolidated financial statements are set out below.

2. 採納新訂及經修訂香港財務報告準則

3. 主要會計政策

GEM

4

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

FOR THE YEAR ENDED 31 MARCH 2024

3. MATERIAL ACCOUNTING POLICIES

(Continued)

Consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries made up to 31 March. Subsidiaries are entities over which the Group has control. 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. The Group has power over an entity when the Group has existing rights that give it the current ability to direct the relevant activities, i.e. activities that significantly affect the entity's returns.

When assessing control, the Group considers its potential voting rights as well as potential voting rights held by other parties, to determine whether it has control. A potential voting right is considered only if the holder has the practical ability to exercise that right.

Subsidiaries are consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date the control ceases.

Intragroup transactions, balances and unrealised profits are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests represent the equity in subsidiaries not attributable, directly or indirectly, to the Company. Non-controlling interests are presented in the consolidated statement of profit or loss and consolidated statement of financial position and consolidated statement of changes in equity within equity. Non-controlling interests are presented in the consolidated statement of profit or loss and other comprehensive income as an allocation of profit or loss and total comprehensive income for the year between the non-controlling shareholders and owners of the Company.

3. 主要會計政策

綜合賬目

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

FOR THE YEAR ENDED 31 MARCH 2024

3. MATERIAL ACCOUNTING POLICIES

(Continued)

Consolidation *(Continued)*

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

Changes in the Company's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions (i.e. transactions with owners in their capacity as owners). The carrying amounts of the controlling and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the owners of the Company.

Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "**functional currency**"). The consolidated financial statements are presented in Hong Kong dollars, which is the Company's functional and presentation currency.

(b) Transactions and balances in each entity's financial statements

Transactions in foreign currencies are translated into the functional currency on initial recognition using the exchange rates prevailing on the transaction dates. Monetary assets and liabilities in foreign currencies are translated at the exchange rates at the end of each reporting period. Gains and losses resulting from this translation policy are recognised in profit or loss.

3. 主要會計政策

綜合賬目

外幣換算

(a) 功能及呈列貨幣

功能貨幣

(b) 各個實體之財務報表中之交易及結餘

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

FOR THE YEAR ENDED 31 MARCH 2024

3. MATERIAL ACCOUNTING POLICIES

(Continued)

Foreign currency translation *(Continued)*

(b) Transactions and balances in each entity's financial statements *(Continued)*

Non-monetary items that are measured at fair values in foreign currencies are translated using the exchange rates at the dates when the fair values are determined.

When a gain or loss on a non-monetary item is recognised in other comprehensive income, any exchange component of that gain or loss is recognised in other comprehensive income. When a gain or loss on a non-monetary item is recognised in profit or loss, any exchange component of that gain or loss is recognised in profit or loss.

(c) Translation on consolidation

The results and financial position of all the Group entities that have a functional currency different from the Company's presentation currency are translated into the Company's presentation currency as follows:

- (i) Assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;
- (ii) Income and expenses are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the exchange rates on the transaction dates); and
- (iii) All resulting exchange differences are recognised in the foreign currency translation reserve.

On consolidation, exchange differences arising from the translation of the net investment in foreign entities and of borrowings are recognised in the foreign currency translation reserve. When a foreign operation is sold, such exchange differences are recognised in profit or loss as part of the gain or loss on disposal.

3. 主要會計政策

外幣換算

(b) 各個實體之財務報表中之交易及結餘

(c) 綜合賬目時換算

(i)

(ii)

(iii)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

FOR THE YEAR ENDED 31 MARCH 2024

3. MATERIAL ACCOUNTING POLICIES

(Continued)

Property and equipment

Property and equipment are stated at cost less accumulated depreciation and impairment losses.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are recognised in profit or loss during the period in which they are incurred.

Depreciation of property and equipment is calculated at rates sufficient to write off their cost less their residual values over the estimated useful lives on a straight-line basis. The principal annual rates are as follows:

Furniture and equipment	20%	20%
Leasehold improvement	Shorter of 20% and over the lease terms	20%
Motor vehicles	20%	20%

The residual values, useful lives and depreciation method are reviewed and adjusted, if appropriate, at the end of each reporting period.

The gain or loss on disposal of property, plant and equipment is the difference between the net sales proceeds and the carrying amount of the relevant asset, and is recognised in profit or loss.

Leases

The Group as lessee

Leases are recognised as right-of-use assets and corresponding lease liabilities when the leased assets are available for use by the Group. Right-of-use assets are stated at cost less accumulated depreciation and impairment losses. Depreciation of right-of-use assets is calculated at rates to write off their cost over the shorter of the asset's useful life and the lease term on a straight-line basis. The principal annual rates are as follows:

Land and buildings	over the lease term of 1 year to 3 years	1 3
Office equipment	over the lease term of 5 years	5

3. 主要會計政策

物業及設備

租賃

本集團作為承租人

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

FOR THE YEAR ENDED 31 MARCH 2024

3. MATERIAL ACCOUNTING POLICIES

(Continued)

Leases *(Continued)*

The Group as lessee *(Continued)*

Right-of-use assets are measured at cost comprising the amount of the initial measurement of the lease liabilities, lease payments prepaid, initial direct costs and the restoration costs. Lease liabilities include the net present value of the lease payments discounted using the interest rate implicit in the lease if that rate can be determined, or otherwise the Group's incremental borrowing rate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease term so as to produce a constant periodic rate of interest on the remaining balance of the lease liability.

Payments associated with short-term leases and leases of low-value assets are recognised as expenses in profit or loss on a straight-line basis over the lease terms. Short-term leases are leases with an initial lease term of 12 months or less. Low-value assets are assets of value below US\$5,000 (equivalent to approximately HK\$39,000).

Recognition and derecognition of financial instruments

Financial assets and financial liabilities are recognised in the consolidated statement of financial position when the Group becomes a party to the contractual provisions of the instruments.

Financial assets are derecognised when the contractual rights to receive cash flows from the assets expire; the Group transfers substantially all the risks and rewards of ownership of the assets; or the Group neither transfers nor retains substantially all the risks and rewards of ownership of the assets but has not retained control on the assets. On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received is recognised in profit or loss.

Financial liabilities are derecognised when the obligation specified in the relevant contract is discharged, cancelled or expires. The difference between the carrying amount of the financial liability derecognised and the consideration paid is recognised in profit or loss.

3. 主要會計政策

租賃

本集團作為承租人

	12
5,000	39,000

確認及取消確認金融工具

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

FOR THE YEAR ENDED 31 MARCH 2024

3. MATERIAL ACCOUNTING POLICIES

(Continued)

Financial assets

Financial assets are recognised and derecognised on a trade date basis where the purchase or sale of an asset is under a contract whose terms require delivery of the asset within the timeframe established by the market concerned, and are initially recognised at fair value, plus directly attributable transaction costs except in the case of investments at fair value through profit or loss. Transaction costs directly attributable to the acquisition of investments at fair value through profit or loss are recognised immediately in profit or loss.

Financial assets of the Group are classified under the following categories:

- Financial assets at amortised cost; and
- Investments at fair value through profit or loss

(i) Financial assets at amortised cost

Financial assets (including accounts and other receivables) are classified under this category if they satisfy both of the following conditions:

- the assets are held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

They are subsequently measured at amortised cost using the effective interest method less loss allowance for expected credit losses.

3. 主要會計政策

金融資產

(i) 按攤銷成本列賬之金融資產

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

FOR THE YEAR ENDED 31 MARCH 2024

3. MATERIAL ACCOUNTING POLICIES

(Continued)

Financial assets (Continued)

(ii) **Investments at fair value through profit or loss**

Financial assets are classified under this category if they do not meet the conditions to be measured at amortised cost and the conditions of debt investments at fair value through other comprehensive income unless the Group designates an equity investment that is not held for trading as at fair value through other comprehensive income on initial recognition.

Investments at fair value through profit or loss are subsequently measured at fair value with any gains or losses arising from changes in fair values recognised in profit or loss. The fair value gains or losses recognised in profit or loss are net of any interest income and dividend income. Interest income and dividend income are recognised in profit or loss.

Loss allowances for expected credit losses

The Group recognises loss allowances for expected credit losses on financial assets at amortised cost. Expected credit losses are the weighted average of credit losses with the respective risks of a default occurring as the weights.

At the end of each reporting period, the Group measures the loss allowance for a financial instrument at an amount equal to the expected credit losses that result from all possible default events over the expected life of that financial instrument (“**lifetime expected credit losses**”) for accounts receivable, or if the credit risk on that financial instrument has increased significantly since initial recognition.

3. 主要會計政策

金融資產

(ii) 按公平值計入損益之投資

預期信貸虧損之虧損撥備

貸虧損

全期預期信

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

FOR THE YEAR ENDED 31 MARCH 2024

3. MATERIAL ACCOUNTING POLICIES

(Continued)

Loss allowances for expected credit losses

(Continued)

If, at the end of the reporting period, the credit risk on a financial instrument (other than accounts receivable) has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to the portion of lifetime expected credit losses that represents the expected credit losses that result from default events on that financial instrument that are possible within 12 months after the reporting period.

The amount of expected credit losses or reversal to adjust the loss allowance at the end of the reporting period to the required amount is recognised in profit or loss as an impairment gain or loss.

Cash and cash equivalents

For the purpose of the consolidated statement of cash flows, cash and cash equivalents represent cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term highly liquid investments which are readily convertible into known amounts of cash and subject to an insignificant risk of change in value. Bank overdrafts which 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.

Financial liabilities and equity instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument under HKFRSs. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. The accounting policies adopted for specific financial liabilities and equity instruments are set out below.

3. 主要會計政策

預期信貸虧損之虧損撥備

12

現金及現金等價物

金融負債及股本工具

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

FOR THE YEAR ENDED 31 MARCH 2024

3. MATERIAL ACCOUNTING POLICIES

(Continued)

Accounts and other payables

Accounts and other payables are initially stated at their fair value and subsequently measured at amortised cost using the effective interest method unless the effect of discounting would be immaterial, in which case they are stated at cost.

Equity instruments

Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

Revenue from contracts with customers

Revenue is measured based on the consideration specified in a contract with a customer with reference to the customary business practices and excludes amounts collected on behalf of third parties. For a contract where the period between the payment by the customer and the transfer of the promised product or service exceeds one year, the consideration is adjusted for the effect of a significant financing component.

The Group recognises revenue when it satisfies a performance obligation by transferring control over a product or service to a customer. Depending on the terms of a contract and the laws that apply to that contract, a performance obligation can be satisfied over time or at a point in time. A performance obligation is satisfied over time if:

- the customer simultaneously receives and consumes the benefits provided by the Group's performance;
- the Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- the Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

3. 主要會計政策

應付賬款及其他應付款項

股本工具

來自客戶合約收益

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

FOR THE YEAR ENDED 31 MARCH 2024

3. MATERIAL ACCOUNTING POLICIES

(Continued)

Revenue from contracts with customers *(Continued)*

If a performance obligation is satisfied over time, revenue is recognised by reference to the progress towards complete satisfaction of that performance obligation. Otherwise, revenue is recognised at a point in time when the customer obtains control of the product or service.

Contracts with multiple performance obligations

For contracts that contain more than one performance obligations, the Group allocates the transaction price to each performance obligation on a relative stand-alone selling price basis.

The stand-alone selling price of the distinct good or service underlying each performance obligation is determined at contract inception. It represents the price at which the Group would sell a promised good or service separately to a customer. If a stand-alone selling price is not directly observable, the Group estimates it using appropriate techniques such that the transaction price ultimately allocated to any performance obligation reflects the amount of consideration to which the Group expects to be entitled in exchange for transferring the promised goods or services to the customer.

Commission income from securities dealing and brokerage services

Securities brokerage commission income is recognised on trade date basis when the relevant sale or purchase of securities transactions is executed.

Fee and commission income from placing and underwriting services and professional service fee income

Placing and underwriting commission and professional service fee income are recognised in accordance with the terms of the underlying agreement or deal mandate when the relevant significant act has been completed.

Advisory and structuring fee incomes

Fee income from advisory and structuring services is recognised as income in accordance with the terms of the agreements on the signature date. Advisory and structuring fee income are charged at a fixed amount by the agreement of each client.

3. 主要會計政策

來自客戶合約收益

包含多項履約責任的合約

證券交易及經紀服務的佣金收入

配售及包銷服務的收費及佣金收入以及專業服務費收入

顧問及組織費收入

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

FOR THE YEAR ENDED 31 MARCH 2024

3. MATERIAL ACCOUNTING POLICIES

(Continued)

Revenue from contracts with customers *(Continued)*

Fee income from asset management services

Fee income from asset management services is recognised as income in accordance with the terms of the agreements on the valuation date. Asset management fee income are charged at a fixed amount and a fixed percentage per month of the net asset value of the managed accounts under management of the Group. Investment advisory fee income is charged at a fixed amount per month for managing the investment portfolio of each client.

Other revenue

Interest income is recognised on a time-proportion basis using the effective interest method.

Employee benefits

(a) Employee leave entitlements

Employee entitlements to annual leave and long service leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave and long service leave as a result of services rendered by employees up to the end of the reporting period.

Employee entitlements to sick leave and maternity leave are not recognised until the time of leave.

(b) Pension obligations

The Group operates a defined contribution Mandatory Provident Fund retirement benefits scheme ("**MPF Scheme**") in Hong Kong under the Hong Kong Mandatory Provident Fund Schemes Ordinance, for those employees who are eligible to participate in the MPF Scheme. Contributions are made based on a percentage of the employees' basic salaries and are charged to profit or loss as they become payable in accordance with the rules of the MPF Scheme. The assets of the MPF Scheme are held separately from those of the Group in an independently administered fund. The Group's employer contributions vest fully with the employees when contributed into the MPF Scheme.

3. 主要會計政策

來自客戶合約收益

來自資產管理服務的收費收入

其他收益

僱員福利

(a) 僱員應享假期

(b) 退休金責任

劃

強積金計

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

FOR THE YEAR ENDED 31 MARCH 2024

3. MATERIAL ACCOUNTING POLICIES

(Continued)

Employee benefits *(Continued)*

(c) Termination benefits

Termination benefits are recognised at the earlier of the dates when the Group can no longer withdraw the offer of those benefits and when the Group recognises restructuring costs and involves the payment of termination benefits.

Government subsidies

A government subsidy is recognised when there is reasonable assurance that the Group will comply with the conditions attaching to it and that the grant will be received.

Taxation

Income tax represents the sum of the current tax and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit recognised in profit or loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences, unused tax losses or unused tax credits can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

3. 主要會計政策

僱員福利

(c) 離職福利

政府補貼

稅項

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

FOR THE YEAR ENDED 31 MARCH 2024

3. MATERIAL ACCOUNTING POLICIES

(Continued)

Taxation *(Continued)*

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised, based on tax rates that have been enacted or substantively enacted by the end of the reporting period. Deferred tax is recognised in profit or loss, except when it relates to items recognised in other comprehensive income or directly in equity, in which case the deferred tax is also recognised in other comprehensive income or directly in equity.

The measurement of deferred tax assets and liabilities reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

3. 主要會計政策

稅項

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

FOR THE YEAR ENDED 31 MARCH 2024

3. MATERIAL ACCOUNTING POLICIES

(Continued)

Segment reporting

Operating segments and the amounts of each segment item reported in the financial statements are identified from the financial information provided regularly to the Group's most senior executive management for the purpose of allocating resources and assessing the performance of the Group's various lines of business.

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 or 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.

Related parties

A related party is a person or entity that is related to the Group.

- (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 Company or of a parent of the Company.

3. 主要會計政策

分部報告

關聯方

- (a)
- (i)
 - (ii)
 - (iii)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

FOR THE YEAR ENDED 31 MARCH 2024

3. MATERIAL ACCOUNTING POLICIES

(Continued)

Related parties *(Continued)*

(b) An entity is related to the Group if any of the following conditions applies:

(i) The entity and the Company 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. If the Group is itself such a plan, the sponsoring employers are also 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 Company or to a parent of the Company.

3. 主要會計政策

關聯方

(b)

(i)

(ii)

(iii)

(iv)

(v)

(vi)

(a)

(vii) (a)(i)

(viii)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

FOR THE YEAR ENDED 31 MARCH 2024

3. MATERIAL ACCOUNTING POLICIES

(Continued)

Impairment of assets

At the end of each reporting period, the Group reviews the carrying amounts of its assets except investments and receivables, to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of any impairment loss. Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of 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.

If the recoverable amount of an asset or cash-generating unit is estimated to be less than its carrying amount, the carrying amount of the asset or cash-generating unit is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset or cash-generating unit is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised for the asset or cash-generating unit in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

3. 主要會計政策

資產減值

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

FOR THE YEAR ENDED 31 MARCH 2024

3. MATERIAL ACCOUNTING POLICIES

(Continued)

Provisions and contingent liabilities

Provisions are recognised for liabilities of uncertain timing or amount when the Group has a present 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 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 is remote.

Events after the reporting period

Events after the reporting period that provide additional information about the Group's position at the end of the reporting period or those that indicate the going concern assumption is not appropriate are adjusting events and are reflected in the consolidated financial statements. Events after the reporting period that are not adjusting events are disclosed in the notes to the consolidated financial statements when material.

3. 主要會計政策

撥備及或然負債

報告期後事項

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

FOR THE YEAR ENDED 31 MARCH 2024

4. KEY SOURCES OF ESTIMATION UNCERTAINTY

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

Impairment loss for bad and doubtful debts

The Group makes impairment loss for bad and doubtful debts based on assessments of the recoverability of the accounts receivables, deposits, loan receivables and other receivables, including the current creditworthiness and the past collection history of each debtor. Impairments arise where events or changes in circumstances indicate that the balances may not be collectible. The identification of bad and doubtful debts requires the use of judgement and estimates. Where the actual result is different from the original estimate, such difference will impact the carrying value of the accounts receivable, deposits, loan receivables and other receivables and doubtful debt expenses in the year in which such estimate has been changed.

5. FINANCIAL INSTRUMENTS

Categories of financial instruments

4. 估計不確定因素的主要來源

呆壞賬減值虧損

5. 金融工具

金融工具之分類

	2024 二零二四年 HK\$'000 千港元	2023 HK\$'000
Financial assets:		
Investments at fair value through profit or loss	13,842	7,962
Financial assets at amortised cost (including cash and cash equivalents)	204,461	181,882
Financial liabilities:		
Financial liabilities at amortised cost	73,574	52,619

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

FOR THE YEAR ENDED 31 MARCH 2024

5. FINANCIAL INSTRUMENTS *(Continued)*

Financial risk management objectives and policies

The Group's risk management objectives are to achieve a proper balance between risks and yield, minimise the adverse impacts of risks on the Group's operating performance, and maximise the benefits of the shareholders. Based on these risk management objectives, the Group's basic risk management strategy is to identify and analyse the various risks the Group is exposed to, and to establish an appropriate tolerance for risk management practice, so as to monitor, notify and respond to the risks regularly and effectively and to control risks at an acceptable level.

The risks the Group is exposed to in its daily operating activities mainly include market risk (including currency risk and interest rate risk), credit risk and liquidity risk. The Group has established policies and procedures accordingly to identify and analyse the risks. The Group has set up appropriate risk indicators, risk limits, risk policies and internal control process. The Group also manages risks with information system on a continuous monitoring basis.

There has been no change to the types of the Group's exposure in respect of financial instruments or the manner in which it manages and measures the risks.

The management of the Group manages and monitors these exposures to ensure appropriate measures are implemented in a timely and effective manner.

5. 金融工具

金融風險管理目標及政策

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

FOR THE YEAR ENDED 31 MARCH 2024

5. FINANCIAL INSTRUMENTS (Continued)

Market risk

Interest rate risk

At the end of the reporting period, the cash flow interest rate risk mainly arises from the Group's bank balances (house account), which are financial instruments carried at variable interest rates. Based on the year end interest bearing bank balances (house account), if interest rates had been 50 basis points higher/lower and all other variables were held constant, the Group's profit before tax for the financial year ended 31 March 2024 would increase/decrease by approximately HK\$51,000 (2023: approximately HK\$183,000).

The due to a related company bear interest at fixed interest rates and therefore are subject to fair value interest rate risk.

Currency risk

Currency risk is the risk of loss due to adverse movements in foreign exchange rates relating to foreign currency deposits with banks, due to a related company and accounts receivables. The carrying amounts of the Group's foreign currency denominated monetary assets at the end of the reporting period are as follows:

5. 金融工具

市場風險

利率風險

50

51,000

183,000

貨幣風險

		2024 二零二四年 HK\$'000 千港元	2023 HK\$'000
Bank balances	USD	595	8,741
	RMB	31	11
Due to a related company	USD	28,388	11,722
Accounts receivables	USD	115,150	38,994

As USD is pegged to HK\$, the Group does not expect any significant movement in the USD/HK\$ exchange rate. The following table demonstrates the sensitivity at the end of the reporting period to a reasonably possible change in the RMB exchange rates, with all other variables held constant, of the Group's profit before tax.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

FOR THE YEAR ENDED 31 MARCH 2024

5. FINANCIAL INSTRUMENTS (Continued)

Market risk (Continued)

Currency risk (Continued)

5. 金融工具

市場風險

貨幣風險

As at 31 March		Decrease/increase in loss before tax	
		2024	2023
		除稅前虧損減少／增加	
		二零二四年	二零二三年
		HK\$'000	HK\$'000
		千港元	
If Hong Kong Dollar strengthens/weakens against RMB by 5%	5%	2	1

Credit risk and impairment assessment

信貸風險及減值評估

At the end of the reporting period, the Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties is arising from the carrying amount of accounts receivables, loan receivables, other receivables, due from non-controlling shareholders and cash and bank balances as stated in the consolidated statement of financial position. As at 31 March 2024, the Group has concentration of credit risk on accounts receivable as 75.53% (2023: 93.38%) of the total accounts receivable was due from top five largest customers and HK\$9,614,000 (2023: nil) of the total accounts receivable was due from a clearing house.

75.53%

93.38%

9,614,000

The Group applies the simplified approach to provide for expected credit losses prescribed by HKFRS 9, which permits the use of the lifetime expected credit losses provision for all accounts receivable relate to revenue from contracts with customers under HKFRS 15. To measure the expected credit losses, accounts receivable has been grouped based on shared credit risk characteristics. The Group has performed historical analysis and identified the key economic variables impacting credit risk and expected credit losses. It considers available reasonable and supportive forwarding-looking macroeconomic data (for example, the economic growth rates which reflect the general economic conditions of the industry in which debtors operate).

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

FOR THE YEAR ENDED 31 MARCH 2024

5. FINANCIAL INSTRUMENTS *(Continued)*

Market risk *(Continued)*

Credit risk and impairment assessment (Continued)

In order to minimise the credit risk, the Group makes periodic assessment on the recoverability of the accounts receivables by measurement of expected credit losses. The management of the Group has delegated a team responsible for determination of credit limits, credit approvals and other monitoring procedures to all clients including cash and margin clients. This ensure that follow-up action is taken to recover overdue debts. Cash clients are required to place deposits as prescribed by the Group's credit policy before execution of any purchase transaction. Receivables due from cash clients are normally due within two trading days after the trade date. Because of the prescribed deposit requirements and the short settlement period involved, credit risk arising from the accounts receivables from cash clients is considered insignificant. In addition, the Group holds collateral to cover its credit risks associated with its accounts receivables from margin clients, loan financing clients and supply chain financing clients as mentioned in Note 23 and reviews the recoverable amount of each individual accounts receivables at the end of the reporting period to ensure that adequate impairment losses are made for irrecoverable amounts. The Group assesses the credit losses of its margin clients, loan financing clients and supply chain financing clients using the general approach and assessment individually. The Group assesses whether the credit risk of the accounts receivables from margin clients, loan financing clients and supply chain financing clients have increased significantly since their initial recognition, and apply a three-stage impairment model to calculate their expected credit losses, the management assesses impairment loss using the risk parameter modelling approach that incorporates key measurement parameters, including probability of default, loss given default and exposure at default, with the consideration of forward-looking information. In this regard, the directors of the Company consider that the Group's credit risk is significantly reduced. Generally, accounts receivables are written off if past due for more than two years. Other than concentration of credit risk on accounts receivables, the Group does not have any other significant concentration of credit risk.

5. 金融工具

市場風險

信貸風險及減值評估

23

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

FOR THE YEAR ENDED 31 MARCH 2024

5. FINANCIAL INSTRUMENTS *(Continued)*

Market risk *(Continued)*

Credit risk and impairment assessment (Continued)

Further quantitative data in respect of the collaterals and the Group's exposure to credit risk arising from accounts receivables are disclosed in Note 23 to the consolidated financial statements.

The Group assesses the credit losses of its loan receivables clients using the general approach and assessment individually. The Group assesses whether the credit risk of the loan receivables have increased significantly since their initial recognition, and apply a three-stage impairment model to calculate their expected credit losses, the management assesses impairment loss using the risk parameter modelling approach that incorporates key measurement parameters, including probability of default, loss given default and exposure at default, with the consideration of forward-looking information. In this regard, the directors of the Company consider that the Group's credit risk is significantly reduced.

As at 31 March 2024 and 2023, the carrying amounts of other receivables and deposits were approximately of HK\$2,397,000 (2023: approximately of HK\$2,838,000). The credit risks on these balances are low because the counterparties have a low risk of default and do not have any past-due amounts and concluded the expected credit losses on these balances are insignificant at 12-month expected credit losses for both years.

Due from non-controlling shareholders are closely monitored by directors of the Company.

As at 31 March 2024 and 2023, the Group limits its exposure to credit risk by placing deposits with several banks with high credit rating. The credit risk on liquid funds and accounts receivable from clearing house is limited because the counterparties are bank and a clearing house with high credit ratings assigned by international credit rating agencies. Other than concentration of credit risk on liquid funds and accounts receivable, the Group does not have any other significant concentration of credit risk.

5. 金融工具

市場風險

信貸風險及減值評估

23

2,397,000
2,838,000

12

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

FOR THE YEAR ENDED 31 MARCH 2024

5. FINANCIAL INSTRUMENTS (Continued)

Market risk (Continued)

Liquidity risk

In the management of the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deems adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows.

The tables below present the cash flows payable by the Group within the remaining contractual maturities at the end of the reporting period. The amounts disclosed in the tables are the contractual undiscounted cash flows. The tables include both interest and principal cash flows. To the extent that interest rates are floating, the undiscounted amount is derived from interest rate at the end of the reporting period.

5. 金融工具

市場風險

流動資金風險

	Weighted average interest rate 加權 平均利率 %	On demand or less than 1 year 按要求或 1年內 HK\$'000	Between 1 to 2 years 1至2年 HK\$'000	Between 2 to 5 years 2至5年 HK\$'000	Total undiscounted cash flow 未貼現 現金流量總額 HK\$'000	Carrying amount 賬面值 HK\$'000
At 31 March 2024						
						於二零二四年 三月三十一日
Other payables	-	246	-	-	246	246
Dividends payables	-	81	-	-	81	81
Due to a related company	-	28,388	-	-	28,388	28,388
Accounts payable arising from the business of dealing in securities:						
- Cash clients	-	35,061	-	-	35,061	35,061
- Margin clients	-	2,654	-	-	2,654	2,654
Lease liabilities	5.38	2,540	2,529	2,750	7,819	7,144
		68,970	2,529	2,750	74,249	73,574
At 31 March 2023						
Other payables	-	2,071	-	-	2,071	2,071
Dividends payables	-	76	-	-	76	76
Due to a related company	-	11,722	-	-	11,722	11,722
Accounts payable arising from the business of dealing in securities:						
- Clearing house	-	2,544	-	-	2,544	2,544
- Cash clients	-	31,155	-	-	31,155	31,155
- Margin clients	-	2,081	-	-	2,081	2,081
Lease liabilities	4.42	2,766	242	27	3,035	2,970
		52,415	242	27	52,684	52,619

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

FOR THE YEAR ENDED 31 MARCH 2024

6. FAIR VALUE MEASUREMENTS

The fair value of financial assets and financial liabilities are determined as follows:

- (i) the fair value of financial assets and financial liabilities (including derivative instruments) with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market bid prices and ask prices respectively;
- (ii) the fair value of other financial assets and financial liabilities (including derivative instruments) are determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices or rates from observable current market transactions as input; and
- (iii) the fair values of derivative instruments are calculated using quoted prices. Where such prices are not available, a discounted cash flow analysis is performed using the applicable yield curve for the duration of the instruments for non-optional derivatives, and option pricing models for optional derivatives.

Except as detailed in the following tables, the directors consider that the carrying amounts of financial assets and financial liabilities recorded in the consolidated financial statements approximate their fair values.

6. 公平值計量

- (i)
- (ii)
- (iii)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

FOR THE YEAR ENDED 31 MARCH 2024

6. FAIR VALUE MEASUREMENTS (Continued)

Fair value measurements recognised in the consolidated statement of financial position

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable:

- | | |
|---|-------|
| (i) Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities; | (i) |
| (ii) Level 2 fair value measurements are those derived from inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly (i.e. prices) or indirectly (i.e. derived from prices); and | (ii) |
| (iii) Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs). | (iii) |

Disclosures of level in fair value hierarchy as at 31 March 2024

6. 公平值計量

於綜合財務狀況表確認的公平值計量

於二零二四年三月三十一日的公平值層級水平披露

Fair value
measurements
using:
使用以下層級
的公平值計量：
Level 1
第一級
HK\$'000
千港元

Financial assets

金融資產

Investments at fair value through profit or loss
Listed securities in Hong Kong

13,842

There were no transfers between Level 1, 2 and 3 during the years.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

FOR THE YEAR ENDED 31 MARCH 2024

6. FAIR VALUE MEASUREMENTS (Continued)

Disclosures of level in fair value hierarchy as at 31 March 2023

6. 公平值計量

Fair value
measurements
using:

Level 1

HK\$'000

Financial assets

金融資產

Investments at fair value through profit or loss

Listed securities in Hong Kong

7,962

There were no transfers between Level 1, 2 and 3 during the years.

7. REVENUE AND SEGMENT INFORMATION

The chief operating decision maker (“CODM”) of the Group, being the executive directors and senior management of the Group, regularly review revenue analysis by major services to make decisions about resource allocation. No discrete financial information other than revenue is regularly provided to the CODM. The management assesses the performance of the Group based on the revenue and profit as presented in the consolidated statement of profit or loss and other comprehensive income.

No segment assets or liabilities is presented as the CODM does not review segment assets and liabilities.

7. 收益及分部資料

決策人

主要營運

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

FOR THE YEAR ENDED 31 MARCH 2024

7. REVENUE AND SEGMENT INFORMATION

(Continued)

Revenue from major services

The Group provides seven types of services:

- (a) securities dealing and brokerage services, which primarily generate commission on securities dealing;
- (b) placing and underwriting services, which primarily generate fee and commission from equity and debt securities placing and underwriting;
- (c) financing services, including securities and IPO margin financing, loan financing and money lending, which generate interest income from margin and loan financing clients;
- (d) supply chain financing is an alternative financial service under the margin and loan financing and money lending which provides supply chain financing and logistic services to wholesalers for their trading businesses in respect of 3C (computer, communication and consumer electronics) products;
- (e) asset management services, which primarily generate management fee and performance fee;
- (f) advisory and restructuring services, which provide professional advice and money lending for restructuring;
- (g) trust services, which provide professional trust services to its high net worth clients, in order to fulfil their needs of asset protection, tax planning and wealth management; and
- (h) other services, which primarily generate fee income (such as agency fee, professional service fee, loan commitment fees and referral fees) from other services provided.

Revenue represents the aggregate of the amounts received and receivable from third parties, income from securities dealing and brokerage services, placing and underwriting services and advisory and restructuring services. Revenue recognised during the years are as followings:

7. 收益及分部資料

主要服務所得收益

3C

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

FOR THE YEAR ENDED 31 MARCH 2024

7. REVENUE AND SEGMENT INFORMATION

(Continued)

Revenue from major services (Continued)

Disaggregation of revenue from contracts with customers:

7. 收益及分部資料

主要服務所得收益

來自客戶合約收益的劃分：

	2024 二零二四年 HK\$'000 千港元	2023 HK\$'000
Securities dealing and brokerage services	2,073	1,234
Placing and underwriting services	2,436	396
Professional service fee income	910	120
Advisory and restructuring fee incomes	312	1,920
Asset management services	440	–
Revenue from contracts with customers	6,171	3,670
Revenue from other sources		
Interest income from margin financing services	8,061	6,104
Interest income from loan financing and money lending	929	1,957
Interest income from supply chain financing	8,430	2,024
	17,420	10,085
	23,591	13,755
Timing of revenue recognition:		
A point in time	6,171	3,670

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

FOR THE YEAR ENDED 31 MARCH 2024

7. REVENUE AND SEGMENT INFORMATION

(Continued)

Geographical information

The Group's non-current assets are located in Hong Kong. The Group operates in Hong Kong and its revenue is derived from its operations in Hong Kong.

Information about major customers

Revenue from major customers contributing over 10% of the total revenue of the Group are as follows:

		2024 二零二四年 HK\$'000 千港元	2023 HK\$'000
Customer A	A	6,333	2,024
Customer B	B	6,113	4,715

7. 收益及分部資料

地區資料

主要客戶資料

10%

8. OTHER GAINS

	2024 二零二四年 HK\$'000 千港元	2023 HK\$'000
Government subsidies	1,092	360
Settlement and handling fee	-	318
Sundry income	850	1,057
	1,942	1,735

8. 其他收益

9. COMMISSION EXPENSES

	2024 二零二四年 HK\$'000 千港元	2023 HK\$'000
Commission to account executives	288	416
Commission to others	129	-
	417	416

9. 佣金開支

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

FOR THE YEAR ENDED 31 MARCH 2024

10. STAFF COSTS

10. 員工成本

		2024 二零二四年 HK\$'000 千港元	2023 HK\$'000
Salaries and bonus		5,244	5,407
Contributions to Mandatory Provident Fund		174	214
Directors' emoluments (Note 15)	15		
– Fees		1,833	2,352
– Contributions to Mandatory Provident Fund		66	48
		7,317	8,021

11. OTHER OPERATING EXPENSES

11. 其他經營開支

		2024 二零二四年 HK\$'000 千港元	2023 HK\$'000
Auditor's remuneration			
– audit services		680	600
– non-audit services		6	6
Bank charges		44	39
Donations		–	30
Entertainment expenses		169	132
Legal and professional fee		6,044	2,770
Office management charges		531	300
Expenses related to short-term leases		–	1,958
Rates		143	152
Office supplies and utilities		291	330
Software and stock information expenses		1,630	1,860
Travelling and transportation expenses		178	–
Others		809	417
		10,525	8,594

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

FOR THE YEAR ENDED 31 MARCH 2024

12. IMPAIRMENT OF ASSETS

12. 資產減值

	2024 二零二四年 HK\$'000 千港元	2023 HK\$'000
Impairment loss on account receivables	1,831	2,322

13. FINANCE COSTS

13. 融資成本

	2024 二零二四年 HK\$'000 千港元	2023 HK\$'000
Interest on due to a related company	-	22
Interest on lease liabilities	129	153
	219	175

14. INCOME TAX EXPENSE

14. 所得稅開支

	2024 二零二四年 HK\$'000 千港元	2023 HK\$'000
Current tax: Hong Kong Profits Tax	726	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

FOR THE YEAR ENDED 31 MARCH 2024

14. INCOME TAX EXPENSE (Continued)

Hong Kong Profits Tax has been provided at the rate of 8.25% on assessable profits up to HK\$2,000,000 and 16.5% on any part of assessable profits over HK\$2,000,000 for the year end 31 March 2024. No provision for Hong Kong Profits Tax has been made for the year ended 31 March 2023 as the Group did not generate any assessable profits arising in Hong Kong during that year.

The tax charge for the year can be reconciled to profit/ (loss) before tax per the consolidated statement of profit or loss and other comprehensive income as follows:

		2024 二零二四年 HK\$'000 千港元	2023 HK\$'000
Profit/(loss) before tax		9,616	(9,529)
Tax at the Hong Kong Profits Tax rate of 16.5% (2023: 16.5%)	16.5% 16.5%	1,587	(1,572)
Tax relief of 8.25% on first HK\$2 million assessable profit	2,000,000 8.25%	(165)	–
Tax effect of expenses not deductible for tax purpose		812	1,241
Tax effect of income not taxable for tax purpose		(1,433)	(123)
Tax effect of temporary differences not recognised		187	382
Tax effect of utilisation of tax losses not previously recognised		(276)	(47)
Tax effect of tax losses not recognised		14	119
Tax expenses for the years		726	–

14. 所得稅開支

	2,000,000	8.25%
	2,000,000	16.5%

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

FOR THE YEAR ENDED 31 MARCH 2024

14. INCOME TAX EXPENSE (Continued)

As at 31 March 2024 and 2023, the Group had no material deferred tax assets or liabilities arising from deductible or taxable temporary differences.

At the end of the Reporting Period, the Group has estimated tax losses of approximately HK\$19,667,000 (2023: HK\$22,029,000) available for offset against future profits. No deferred tax asset has been recognised in respect of remaining HK\$3,295,000 (2023: HK\$3,635,000) due to the unpredictability of future profit streams. The tax losses may be carried forward indefinitely.

14. 所得稅開支

19,667,000	
22,029,000	
	3,295,000
	3,635,000

15. DIRECTORS' EMOLUMENTS

For the year ended 31 March 2024

15. 董事酬金

截至二零二四年三月三十一日止年度

Name	姓名	Director fees	Salaries	Contributions to Mandatory Provident Fund	Total
		董事袍金 HK\$'000 千港元	薪金 HK\$'000 千港元	強制性 公積金供款 HK\$'000 千港元	總計 HK\$'000 千港元
Executive director:		執行董事：			
Mr. Fok Yuk Tong		782	–	18	800
Ms. Fok Kit Yee		240	–	12	252
Ms. Hsieh Ching Chun		360	–	18	378
Mr. Lee, Ho Leung William (Note i)	i	91	900	18	1,009
Independent non-executive director:		獨立非執行董事：			
Ms. Chan, Katherine Hoi Wuen		120	–	–	120
Mr. Tong Wing Chi		120	–	–	120
Mr. Kwan Tsz Chun Sun		120	–	–	120
Total for 2024	二零二四年總計	1,833	900	66	2,799

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

FOR THE YEAR ENDED 31 MARCH 2024

15. DIRECTORS' EMOLUMENTS (Continued)

For the year ended 31 March 2023

15. 董事酬金

Name	姓名	Director fees	Contributions to Mandatory Provident Fund	Total
		HK\$'000	HK\$'000	HK\$'000
Executive director:	執行董事：			
Mr. Fok Yuk Tong		1,272	18	1,290
Ms. Fok Kit Yee		240	12	252
Ms. Hsieh Ching Chun		360	18	378
Mr. Zhong Chu Jian (Note ii)	ii	120	–	120
Independent non-executive director:	獨立非執行董事：			
Ms. Chan, Katherine Hoi Wuen		120	–	120
Mr. Tong Wing Chi		120	–	120
Mr. Kwan Tsz Chun Sun		120	–	120
Total for 2023	二零二三年總計	2,352	48	2,400

Notes:

- (i) Mr. Lee, Ho Leung William was appointed as an executive director on 1 April 2023 and resigned on 2 January 2024. (i)
- (ii) Mr. Zhong Chu Jian was resigned on 1 April 2023. (ii)

The directors' emoluments shown above were for their services as directors of the Company and subsidiaries undertaking of the Company.

The bonuses are discretionary and determined with reference to the Group's and the individuals' performance.

During the year ended 31 March 2024, no directors of the Company waived any emoluments and no emoluments were paid by the Group to any of the directors of the Company as an inducement to join or upon joining the Group or as compensation for loss of office (2023: nil).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

FOR THE YEAR ENDED 31 MARCH 2024

16. HIGHEST PAID INDIVIDUALS

Of the five individuals with the highest emoluments in the Group, three (2023: two) out of the five individuals were directors of the Company whose emoluments are included in the disclosures in Note 15 above. The emolument of the remaining two (2023: three) individuals were as follows:

16. 最高薪人士

15

	2024 二零二四年 HK\$'000 千港元	2023 HK\$'000
Basic salaries and allowances	1,080	1,899
Contribution to retirement benefit schemes	33	42
	1,113	1,941

The number of the highest paid individuals (excluding directors) whose emoluments were within the following band:

		Number of employees 僱員人數	
		2024 二零二四年	2023
Nil to HK\$1,000,000	1,000,000	2	2
HK\$1,000,001 to HK\$1,500,000	1,000,001 1,500,000	-	1

Bonuses are discretionary and determined with reference to the Group's and the individuals' performance. No emoluments have been paid to these individuals as an inducement to join or upon joining the Group or as compensation for loss of office during the year.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

FOR THE YEAR ENDED 31 MARCH 2024

17. PROFIT/(LOSS) PER SHARE

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

	2024 二零二四年 HK\$'000 千港元	2023 HK\$'000
Profit/(loss)		
	溢利／(虧損)	
Profit/(loss) for the purpose of calculating basic income/(loss) per share:		
Profit/(loss) for the year attributable to owners of the Company	8,887	(9,514)

	2024 二零二四年 '000 千股	2023 '000
Number of shares		
Weighted average number of ordinary shares for the purpose of calculating basic loss per share	2,000,000	2,000,000

The calculation of basic profit/(loss) per share is based on the profit/(loss) attributable to owners of the Company of approximately HK\$8,887,000 (2023: loss approximately HK\$9,514,000) and the weighted average number of 2,000,000,000 ordinary shares in issue for both years.

8,887,000
9,514,000
2,000,000,000

Diluted profit/(loss) per share were same as the basic profit/(loss) per share as there were no potential dilutive ordinary shares in existences during the years ended 31 March 2024 and 2023.

18. DIVIDENDS

The Board does not recommend the payment of a final dividend to shareholders of the Company for the years ended 31 March 2024 and 2023.

17. 每股溢利／(虧損)

18. 股息

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

FOR THE YEAR ENDED 31 MARCH 2024

19. PROPERTY AND EQUIPMENT

19. 物業及設備

		Furniture and equipment 傢俬及設備 HK\$'000	Leasehold improvement 租賃物業裝修 HK\$'000	Motor vehicles 汽車 HK\$'000	Total 總計 HK\$'000
Cost	成本				
At 1 April 2022		3,084	3,669	6,198	12,951
Additions		56	–	–	56
Written off		(259)	–	–	(259)
At 31 March 2023 and 1 April 2023		2,881	3,669	6,198	12,748
Additions		17	9	–	26
Written off		–	(52)	–	(52)
At 31 March 2024		2,898	3,626	6,198	12,722
Accumulated depreciation	累計折舊				
At 1 April 2022		2,756	2,192	723	5,671
Provided for the year		115	412	1,239	1,766
Impairment loss		(253)	–	–	(253)
At 31 March 2023 and 1 April 2023		2,618	2,604	1,962	7,184
Provided for the year		97	414	1,239	1,750
Written off		–	(52)	–	(52)
At 31 March 2024		2,715	2,966	3,201	8,882
Carrying amount	賬面值				
At 31 March 2024	於二零二四年三月三十一日	183	660	2,997	3,840
At 31 March 2023		263	1,065	4,236	5,564

The Group carried out reviews of the recoverable amount of its plant and equipment in 2024 as a result of the deterioration of the markets of the Group's services. The recoverable amount of the relevant assets of HK\$3,840,000 (2023: HK\$5,564,000) has been determined on the basis of their value in use using discounted cash flow method (level 3 fair value measurements). The discount rate used was 12 per cent (2023: 12 per cent).

3,840,000
5,564,000

12%

12%

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

FOR THE YEAR ENDED 31 MARCH 2024

20. RIGHT-OF-USE ASSETS

Disclosures of lease-related items:

	2024 二零二四年 HK\$'000 千港元	2023 HK\$'000
At 31 March:		
Right-of-use assets		
– Land and buildings	7,111	1,418
– Office equipment	35	46
	7,146	1,464

The maturity analysis, based on undiscounted cash flows, of the Group's lease liabilities is as follows:

– Less than 1 year	1	2,540	2,766
– Between 1 and 2 years	1 2	2,529	242
– Between 2 and 5 years	2 5	2,750	27
		7,819	3,035

	2024 二零二四年 HK\$'000 千港元	2023 HK\$'000
Year ended 31 March:		
截至三月三十一日止年度：		
Depreciation charge of right-of-use assets		
– Land and buildings	1,475	1,309
– Office equipment	11	9
	1,486	1,318
Expenses related to short-term leases	–	1,958
Lease interest expenses	129	153
Total cash outflow for leases	2,766	4,721
Additions to right-of-use assets	7,496	55

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

FOR THE YEAR ENDED 31 MARCH 2024

20. RIGHT-OF-USE ASSETS (Continued)

The Group leases land and buildings and office equipment. Lease agreements are typically made for fixed period of 1 – 5 years (2023: 1 – 5 years). Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions.

The Group carried out reviews of the recoverable amount of its right-of-use assets in 2024 as a result of the deterioration of the markets of the Group's services. The recoverable amount of the relevant assets of HK\$7,146,000 (2023: HK\$1,464,000) has been determined on the basis of their value in use using discounted cash flow method (level 3 fair value measurements). The discount rate used was 12 per cent (2023: 12 per cent).

20. 使用權資產

		1	5
		7,146,000	
		1,464,000	
	12%		12%

21. DEPOSITS PLACED WITH STOCK EXCHANGE AND CLEARING HOUSE

21. 存放於證券交易所及結算所的按金

	2024 二零二四年 HK\$'000 千港元	2023 HK\$'000
Deposits with Hong Kong Stock Exchange	300	300
Stamp duty with Hong Kong Stock Exchange	5	30
Deposits with Hong Kong Securities Clearing Company Limited:		
Admission fee	150	150
Guarantee fund	150	150
	605	630

Details of impairment assessment of deposits placed with Stock Exchange and clearing house for the year ended 31 March 2024 and 2023 are set out in Note 5 to the consolidated financial statements.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

FOR THE YEAR ENDED 31 MARCH 2024

22. LOAN RECEIVABLES

22. 應收貸款

	2024 二零二四年 HK\$'000 千港元	2023 HK\$'000
Loan receivables	2,199	1,461
Provision for loss allowance	(128)	(128)
	2,071	1,333

Loan receivables are denominated in Hong Kong dollars with interest rate of 2.75% – 48% per annum. The loan amount with 1 – 5 years period term was lent to an independent third party. The directors of the Group monitored the collectability of the loan receivables closely with reference to their respective current creditworthiness. The Group has policy for impairment allowance which is based on the evaluation of collectability of accounts and on management's judgment, including the current creditworthiness, collaterals and the past collection history of each client.

2.75% 48% 1 5

The maturity profile of loan receivables net of allowance at the end of reporting period, analysed by the remaining period to the contractual maturity date is as follows:

	2024 二零二四年 HK\$'000 千港元	2023 HK\$'000
Within one year	2,071	317
In the second year – five years	–	1,016
	2,071	1,333

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

FOR THE YEAR ENDED 31 MARCH 2024

22. LOAN RECEIVABLES (Continued)

Reconciliation of loss allowance for loan receivables:

	2024 二零二四年 HK\$'000 千港元	2023 HK\$'000
At the beginning and ending of the reporting period	128	128

Details of impairment assessment of loan receivables for the years ended 31 March 2024 and 2023 are set out in Note 5 to the consolidated financial statements.

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22. 應收貸款

23. ACCOUNTS RECEIVABLES

Accounts receivable arising from the business of dealing in securities:

	2024 二零二四年 HK\$'000 千港元	2023 HK\$'000
Accounts receivable arising from the business of dealing in securities:		
– Clearing house	9,614	–
– Cash clients	375	1,597
– Margin clients	24,464	60,790
Accounts receivable arising from loan financing	14,376	17,183
Accounts receivable arising from supply chain financing	115,150	38,994
	163,979	118,564
Provision for loss allowance	(11,513)	(9,682)
	152,466	108,882

23. 應收賬款

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

FOR THE YEAR ENDED 31 MARCH 2024

23. ACCOUNTS RECEIVABLES *(Continued)*

Accounts receivable from clearing house and cash clients represent trades pending settlement arising from business of dealing in securities which are normally due within two trading days after the trade date. All accounts receivable from clearing house and cash clients are included in “neither past due nor impaired” category. The management believes that no impairment allowance is necessary in respect of these balances as the balances are considered fully recoverable.

Accounts receivable from margin clients are recoverable on demand or according to agreed repayment schedules, and bearing interest at rates ranged from 5.38% to 48.00% as at 31 March 2024 (2023: 5.38% to 48.00%). The credit facility limits to margin clients are determined by the discounted market value of the collateral securities accepted by the Group. The Group maintains a list of approved stocks for margin lending at a specified loan-to-collateral ratio. A margin call may occur when the balances of the accounts receivable from margin clients exceed the permitted margin loan limit, or when the discounted market value of the collateral security is less than the balances of the accounts receivable from margin clients.

Accounts receivable from margin clients as at 31 March 2024 and 2023 were secured by securities or debt instrument, which were pledged to Gaoyu Securities Limited (Formerly known as Pacific Foundation Securities Limited)(“**GSL**”), the Company’s subsidiary, as collaterals. The securities had a fair value of approximately HK\$165,613,000 as at 31 March 2024 (2023: approximately HK\$473,907,000). The Group is not prohibited to sell the collaterals upon customers’ default or repledge the collaterals upon receiving customers’ authorisation.

23. 應收賬款

5.38% 48.00%
5.38% 48.00%

GSL

165,613,000
473,907,000

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

FOR THE YEAR ENDED 31 MARCH 2024

23. ACCOUNTS RECEIVABLES *(Continued)*

As at 31 March 2024, the Group held securities and debt instrument as collaterals over these balances. As at 31 March 2024, 100% (2023: 100%) of the accounts receivable from margin clients were secured by sufficient collaterals on an individual basis. The management of the Group has assessed the market value of the pledged securities of each individual customer as at the end of each reporting period and considered that no impairment allowance is necessary taking into consideration of client's credit quality, collaterals provided and subsequent repayment of monies. Except as described above, all accounts receivable from margin clients are included in "neither past due nor impaired" category.

As at 31 March 2024, accounts receivable from margin clients include accounts receivable from directors of the Company of approximately HK\$886,000 (2023: HK\$692,000).

Except for the ageing of accounts receivable from margin clients which are past due but not impaired, no ageing analysis is disclosed for accounts receivable arising from the business of dealing in securities as, in the opinion of directors of the Company, the ageing analysis does not give additional value in view of the nature of broking business.

Accounts receivable arising from loan financing are denominated in Hong Kong dollars with interest rate of 8% (2023:8%) per annum. The loan amount with 5 months period term was lent to an independent third party and secured by the underlying listed shares and personal guarantee provided by the shareholder of the borrower. Before approving any loan to its clients in the business of securities dealing and brokerage services, the Group has assessed the potential client's credit quality and defined credit limits individually. The Group has policy for impairment allowance which is based on the evaluation of collectability of accounts and on management's judgment, including the current creditworthiness, collaterals and the past collection history of each client.

23. 應收賬款

100%	100%
	886,000
	692,000
8%	8%
5	5

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

FOR THE YEAR ENDED 31 MARCH 2024

23. ACCOUNTS RECEIVABLES (Continued)

The loan financing was defaulted in early 2020, GSL has been taking legal actions against the borrower and the guarantor. The pledged shares were not deposited in the securities account of the borrower with GSL at the time of loan drawn down until the court granted an order to force sell the pledged shares in July 2023. In August 2023, the pledged shares were transferred to the borrower's securities account with GSL. GSL could then start disposing the pledged shares to recover the loan position.

Given the pledged shares have been trading on HKEX, market prices of the pledged shares were therefore used as the benchmarks for estimating the loss allowance. The recoverability of the loan is obviously related to the market value of the underlying collaterals.

Reconciliation of loss allowance for accounts receivable arising from loan financing

	2024 二零二四年 HK\$'000 千港元	2023 HK\$'000
At the beginning of the Reporting Period	9,682	7,360
Increase in loss allowance for the year	1,831	2,322
At the ending of the Reporting Period	11,513	9,682

Accounts receivable arising from supply chain financing are denominated in US dollars with interest rate of 1.2% per months. The loan amount with 90 days period term and secured by the inventories stored in a warehouse, which are controlled by the Chance Wise Holding Limited ("Chance Wise"), the Company's subsidiary, as collaterals. The Group is not prohibited to sell the collaterals upon customers' default.

1.2% 90

機穎

23. 應收賬款

GSL
GSL
GSL

2024
二零二四年
HK\$'000
千港元

9,682 7,360
1,831 2,322

11,513 9,682

1.2% 90

機穎

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

FOR THE YEAR ENDED 31 MARCH 2024

23. ACCOUNTS RECEIVABLES (Continued)

Before approving any loan to its clients in supply chain financing, the Group has assessed the potential client's credit quality and defined credit limits individually. The Group has policy for impairment allowance which is based on the evaluation of collectability of accounts and on management's judgment, including the current creditworthiness, collaterals and the past collection history of each client.

As at 31 March 2024, the management of the Group has assessed the current creditworthiness, collaterals and the past collection history of each client of each individual debtor and no impairment allowance is necessary taking into consideration. All accounts receivable from supply chain financing are included in "neither past due nor impaired" category.

Subsequent to date of report, all the accounts receivable arising from supply chain financing were fully settled.

The Group applies the simplified approach under HKFRS 9 to provide for expected credit losses using the lifetime expected loss provision for all accounts receivable. To measure the expected credit losses, accounts receivables have been grouped based on shared credit risk characteristics and the days past due. The expected credit losses also incorporate forward looking information.

23. 應收賬款

9

		Current	Over 30 days past due	Over 60 days past due	Over 120 days past due	Total
		即期	逾期 超過30天	逾期 超過60天	逾期 超過120天	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
At 31 March 2024	於二零二四年 三月三十一日					
Weighted average expected loss rate	加權平均預期虧損率	0%	0%	0%	80%	
Accounts receivables (HK\$'000)	應收賬款 (千港元)	149,603	-	-	14,376	163,979
Loss allowance (HK\$'000)	虧損撥備 (千港元)	-	-	-	11,513	11,513
At 31 March 2023						
Weighted average expected loss rate		0%	0%	0%	56%	
Accounts receivables (HK\$'000)		101,381	-	-	17,183	118,564
Loss allowance (HK\$'000)		-	-	-	9,682	9,682

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

FOR THE YEAR ENDED 31 MARCH 2024

24. RENTAL AND UTILITY DEPOSITS

24. 租金及水電費按金

	2024 二零二四年 HK\$'000 千港元	2023 HK\$'000
Rental deposits	778	778
Utility deposits	140	50
	918	828

25. INVESTMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

25. 按公平值計入損益之投資

	2024 二零二四年 HK\$'000 千港元	2023 HK\$'000
Equity securities, at fair value Listed in Hong Kong	13,842	7,962

26. DUE FROM NON-CONTROLLING SHAREHOLDERS

26. 應收非控股股東款項

The amounts due from non-controlling shareholder are unsecured, interest-free and have no fixed repayment terms.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

FOR THE YEAR ENDED 31 MARCH 2024

27. CASH AND BANK BALANCES

Bank balances represent demand deposits at bank which bear interest at the prevailing market rates.

The Group maintains segregated bank accounts to hold customers' deposits arising from normal business transactions. The Group has recognised the corresponding amount in accounts payable. The cash held on behalf of customers is restricted and governed by the Securities and Futures (Client Money) Rules under the Securities and Futures Ordinance.

Segregated accounts

From the Group's ordinary business in provision of securities brokerage and related services, the Group receives and holds money deposited by clients in the course of the conduct of the regulated activities. These clients' monies are maintained in segregated bank accounts at market interest rates. The Group has recognised the corresponding accounts payables to respective clients. At 31 March 2024, the segregated accounts with authorised institutions in securities relation to its brokerage business totaled HK\$35,669,000 (2023: HK\$32,212,000).

House accounts

Cash and bank balances comprise cash held by the Group and bank deposits at variable interest rate with original maturity of three months or less.

28. ACCOUNTS PAYABLES

Accounts payable arising from the business of dealing in securities:

– Clearing house	–	2,544
– Cash clients	35,061	31,155
– Margin clients	2,654	2,081
	37,715	35,780

27. 現金及銀行結餘

獨立賬戶

35,669,000
32,212,000

公司賬戶

28. 應付賬款

2024	2023
二零二四年	
HK\$'000	HK\$'000
千港元	

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

FOR THE YEAR ENDED 31 MARCH 2024

28. ACCOUNTS PAYABLES *(Continued)*

Accounts payable to clearing house represent trades pending settlement arising from business of dealing in securities which are normally due within two trading days after the trade date.

The accounts payable to cash clients and margin clients are repayable on demand except where certain balances represent trades pending settlement or deposits received from clients for their trading activities under the normal course of business. Only the amounts in excess of the required deposits are repayable on demand.

Accounts payable to cash clients include amounts payable to directors of the Company of approximately HK\$1,000 as at 31 March 2024 (2023: HK\$50,000).

Accounts payable arising from the business of dealing in securities are interest-bearing, except for amounts representing pending trades payable to the clearing house, cash clients and margin clients.

No ageing analysis is disclosed for accounts payable arising from the business of dealing in securities as, in the opinion of directors of the Company, the ageing analysis does not give additional value in view of the nature of broking business.

29. DUE TO A RELATED COMPANY

The advances are denominated in US\$, unsecured, interest-free and have no fixed repayment terms.

28. 應付賬款

1,000	50,000
-------	--------

29. 應付一間關聯公司款項

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

FOR THE YEAR ENDED 31 MARCH 2024

30. OTHER PAYABLES AND ACCRUALS

30. 其他應付款項及應計費用

	2024 二零二四年 HK\$'000 千港元	2023 HK\$'000
Accruals	1,096	731
Dividends payables	81	76
Other payables	246	2,071
	1,423	2,878

31. LEASE LIABILITIES

31. 租賃負債

	Minimum lease payments 最低租賃付款		Present value of minimum lease payments 最低租賃付款現值	
	2024 二零二四年 HK\$'000 千港元	2023 HK\$'000	2024 二零二四年 HK\$'000 千港元	2023 HK\$'000
Within one year	2,540	2,766	2,184	2,705
Over one year but within five years	5,279	269	4,960	265
	7,819	3,035	7,144	2,970
Less: Future finance charges	(675)	(65)	-	-
Present value of lease obligations	7,144	2,970	7,144	2,970
Less: Amount due for settlement within 12 months (shown under current liabilities)		12	(2,184)	(2,705)
Amount due for settlement after 12 months		12	4,960	265

At 31 March 2024, the average effective borrowing rate was 5% – 5.75% (2023: 3.48% – 5%). Interest rates are fixed at the contract dates and thus expose the Group to fair value interest rate risk.

5% 5.75%
3.48% 5%

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

FOR THE YEAR ENDED 31 MARCH 2024

32. SHARE CAPITAL

32. 股本

		Number of ordinary shares 普通股數目 '000	Amount 金額 HK\$'000
Ordinary shares of HK\$0.01 (2023: HK\$0.01) each	0.01 0.01		
Authorised: At 1 April 2022, 31 March 2023, 1 April 2023 and 31 March 2024		8,000,000	80,000
Issued and fully paid: At 1 April 2022, 31 March 2023, 1 April 2023 and 31 March 2024		2,000,000	20,000

Capital management

The Group manages its capital to ensure that it will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged during the reporting periods.

The capital structure of the Group consists of cash and cash equivalents and equity attributable to owners of the Company.

GSL is registered with the Hong Kong Securities and Futures Commission ("SFC") for the business in which it operates and is subject to liquid capital requirements under the Hong Kong Securities and Futures (Financial Resources) Rules ("SF(FR)R"). Under the SF(FR)R, it is required to maintain liquid capital in excess of HK\$3 million or 5% of the total adjusted liabilities, whichever is higher. GSL had complied with the capital requirements imposed by the SF(FR)R throughout the reporting periods.

Other than GSL, the Group is not subject to any externally imposed capital requirements.

資本管理

GSL
證監會
證券及期貨(財政資源)規則

3,000,000
5%

GSL

GSL

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

FOR THE YEAR ENDED 31 MARCH 2024

32. SHARE CAPITAL (Continued)

Gearing ratio

The management of the Group reviews the capital structure on an ongoing basis. As part of this review, the management of the Group considers the cost of capital and the risks associated with each class of capital.

The gearing ratio at the end of each reporting periods are as follows:

		2024 二零二四年 HK\$'000 千港元	2023 HK\$'000
	Notes		
Debts	(a)	35,532	14,692
Equity	(b)	153,895	143,805
Debt to equity ratio		23.1%	10.2%

Notes:

- | | | | |
|--|-----|----|----|
| (a) Debts represent due to a related company and lease liabilities as set out in Note 29 and Note 31 to the consolidated financial statements. | (a) | 31 | 29 |
| (b) Equity includes all capital and reserves. | (b) | | |

32. 股本

資產負債比率

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

FOR THE YEAR ENDED 31 MARCH 2024

33. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

33. 本公司財務狀況表

		2024 二零二四年 Notes HK\$'000 千港元	2023 HK\$'000
Non-current assets	非流動資產		
Property and equipment		150	200
Investments in a subsidiary		78	78
		228	278
Current assets	流動資產		
Prepayments		1,156	999
Amounts due from subsidiaries		54,763	56,304
Bank balances		60	1,449
		55,979	58,752
Current liabilities	流動負債		
Other payables and accruals		573	236
Net current assets	流動資產淨值	55,406	58,516
Net assets	資產淨值	55,634	58,794
Equity	權益		
Share capital		32	20,000
Reserves		34	38,794
TOTAL EQUITY	權益總額	55,634	58,794

Approved and authorised for issue by the Board of Directors on 21 June 2024 and signed on its behalf by:

Fok Yuk Tong
霍玉堂
Director

Hsieh Ching Chun
謝青純
Director

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

FOR THE YEAR ENDED 31 MARCH 2024

34. RESERVES

(a) Share premium

Share premium is the net amount of (i) excess of the proceeds received over the nominal value of the shares of the Company issued at a premium, less expenses incurred in connection with the issue of the shares; and (ii) capitalisation issue of shares.

(b) Other reserves

Other reserves represent (i) deemed capital contribution of approximately HK\$3,640,000 from Mr. Lo Tak Wing Benson arising from the disposal of a subsidiary during the year ended 31 March 2016; and (ii) the amount due to Mr. Lo Tak Wing Benson of approximately HK\$6,122,000 which was capitalised during the year ended 31 March 2017.

34. 儲備

(a) 股份溢價

(i)

(ii)

(b) 其他儲備

(i)

3,640,000

(ii)

6,122,000

A summary of the Company's reserves is as follows:

	Share premium 股份溢價 HK\$'000	Accumulated losses 累計虧損 HK\$'000	Total 總計 HK\$'000
At 1 April 2022	48,229	(4,629)	43,600
Loss and total comprehensive loss for the year	-	(4,806)	(4,806)
At 31 March 2023 and 1 April 2023	48,229	(9,435)	38,794
Loss and total comprehensive loss for the year	-	(3,160)	(3,160)
At 31 March 2024	48,229	(12,595)	35,634

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

FOR THE YEAR ENDED 31 MARCH 2024

35. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The following table shows the Group's changes in liabilities arising from financing activities during the year:

	Due to a related company 應付一間 關聯公司款項 HK\$'000	Lease liabilities 租賃負債 HK\$'000	Total 總計 HK\$'000
At 31 March 2022	–	5,525	5,525
Changes in cash flows	11,700	(2,763)	8,937
Non-cash changes			
– interest charged	22	153	175
– additions of lease liabilities	–	55	55
At 31 March 2023 and 1 April 2023			
	11,722	2,970	14,692
Changes in cash flows	16,666	(2,766)	13,900
Non-cash changes			
– interest charged	–	129	129
– additions of lease liabilities	–	6,811	6,811
At 31 March 2024	28,388	7,144	35,532

35. 融資活動所產生負債對賬

36. RELATED PARTY TRANSACTIONS

During the year, the Group entered into the following transactions with related parties:

	2024 二零二四年 HK\$'000 千港元	2023 HK\$'000
Commission income from securities dealing and brokerage services received or receivable from:		
已收或應收來自證券交易及經紀服務的佣金收入：		
Directors of the Company	22	14
Interest income from margin financing received or receivable from:		
已收或應收來自保證金融資的利息收入：		
Directors of the Company	40	103
Expenses related to short-term leases paid to:		
已支付與短期租賃有關的開支：		
Entity controlled by a director of the Company	–	1,958

36. 關聯方交易

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

FOR THE YEAR ENDED 31 MARCH 2024

36. RELATED PARTY TRANSACTIONS (Continued)

The balances with related parties have been disclosed in Notes 23 and 28 to the consolidated financial statements.

Compensation of key management personnel

Key management includes directors and senior management of the Group. The remuneration of key management, including directors as disclosed in Note 15 to the consolidated financial statement, are as follows:

	2024 二零二四年 HK\$'000 千港元	2023 HK\$'000
Salaries, allowances and benefits in kind	3,813	4,251
Retirement benefit scheme contributions	99	90
	3,912	4,341

The remuneration of senior management who are not the directors of the Company whose emoluments fell within the following band:

		Number of individuals 僱員人數	
		2024 二零二四年	2023
Nil to HK\$1,000,000	1,000,000	2	2
HK\$1,000,001 to HK\$1,500,000	1,000,001 1,500,000	-	1

37. OFFSETTING FINANCIAL ASSETS AND FINANCIAL LIABILITIES

The Group offsets the following financial assets and financial liabilities since it currently has a legally enforceable right to set off the balances, and intends either to settle on a net basis, or to realise the balances simultaneously.

Under the agreement signed between the Group and the selected customers, money obligations receivable and payable with the same customers on the same settlement date are settled on net basis.

36. 關聯方交易

23 28

主要管理人員報酬

15

37. 抵銷金融資產及金融負債

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

FOR THE YEAR ENDED 31 MARCH 2024

37. OFFSETTING FINANCIAL ASSETS AND FINANCIAL LIABILITIES (Continued)

Under the continuous net settlement, money obligations receivable and payable with Hong Kong Securities Clearing Company Limited and other brokers on the same settlement date are settled on a net basis.

Financial assets and financial liabilities subject to offsetting

The gross amounts of the recognised financial assets and financial liabilities and their net amounts as presented in the consolidated statement of financial position are as follows:

As at 31 March 2024

37. 抵銷金融資產及金融負債

可予抵銷的金融資產及金融負債

於二零二四年三月三十一日

	Gross amounts of recognised financial assets	Gross set off in the consolidated statement of financial position	Net amounts of financial assets presented in the consolidated statement of financial position	Related amounts not set off in the consolidated statement of financial position Financial collateral received 未於綜合財務狀況表抵銷的相關金額已收取的金融抵押品	Net amount
	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Type of financial assets					
Deposits placed with stock exchange and clearing house	605	-	605	-	605
Accounts receivables arising from the business of dealing in securities:					
- Clearing house	23,455	(13,841)	9,614	-	9,614
- Cash clients	375	-	375	-	375
- Margin clients	24,464	-	24,464	(24,464)	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

FOR THE YEAR ENDED 31 MARCH 2024

37. OFFSETTING FINANCIAL ASSETS AND FINANCIAL LIABILITIES (Continued)

Financial assets and financial liabilities subject to offsetting (Continued)

As at 31 March 2024 (Continued)

37. 抵銷金融資產及金融負債

可予抵銷的金融資產及金融負債

於二零二四年三月三十一日

	Gross amounts of financial assets set off in the consolidated statement of financial position	Gross amounts of financial liabilities set off in the consolidated statement of financial position	Net amounts of financial liabilities presented in the consolidated statement of financial position	Related amounts not set off in the consolidated statement of financial position	Net amount
	於綜合財務狀況表抵銷所確認金融資產總額	於綜合財務狀況表抵銷所確認金融負債總額	於綜合財務狀況表呈列的金融負債淨額	未於綜合財務狀況表抵銷的相關金額已收取的金融抵押品	淨額
	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Type of financial liabilities					
Accounts payables arising from the business of dealing in securities:					
- Clearing house	13,841	(13,841)	-	-	-
- Cash clients	35,061	-	35,061	-	35,061
- Margin clients	2,654	-	2,654	-	2,654

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

FOR THE YEAR ENDED 31 MARCH 2024

37. OFFSETTING FINANCIAL ASSETS AND FINANCIAL LIABILITIES (Continued)

Financial assets and financial liabilities subject to offsetting (Continued)

As at 31 March 2023

37. 抵銷金融資產及金融負債

可予抵銷的金融資產及金融負債

	Gross amounts of financial assets	Gross amounts of financial liabilities set off in the consolidated statement of financial position	Net amounts of financial assets presented in the consolidated statement of financial position	Related amounts not set off in the consolidated statement of financial position Financial collateral received	Net amount
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Type of financial assets					
Deposits placed with stock exchange and clearing house	630	-	630	-	630
Accounts receivables arising from the business of dealing in securities:					
- Clearing house	1,722	(1,722)	-	-	-
- Cash clients	1,791	(194)	1,597	-	1,597
- Margin clients	60,860	(70)	60,790	(60,790)	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

FOR THE YEAR ENDED 31 MARCH 2024

37. OFFSETTING FINANCIAL ASSETS AND FINANCIAL LIABILITIES (Continued)

Financial assets and financial liabilities subject to offsetting (Continued)

As at 31 March 2023 (Continued)

37. 抵銷金融資產及金融負債

可予抵銷的金融資產及金融負債

	Gross amounts of recognised financial assets set off in the consolidated statement of financial position	Gross amounts of recognised financial liabilities	Net amounts of financial liabilities presented in the consolidated statement of financial position	Related amounts not set off in the consolidated statement of financial position	Financial collateral received	Net amount
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Type of financial liabilities						
Accounts payables arising from the business of dealing in securities:						
– Clearing house	4,266	(1,722)	2,544	–	–	2,544
– Cash clients	31,349	(194)	31,155	–	–	31,155
– Margin clients	2,151	(70)	2,081	–	–	2,081

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

FOR THE YEAR ENDED 31 MARCH 2024

38. PARTICULARS OF SUBSIDIARIES OF THE COMPANY

38. 本公司附屬公司的詳情

Name of subsidiary 附屬公司名稱	Place of incorporation 註冊成立地點	Place of operation 營業地點	Date of incorporation 註冊成立日期	Issued and paid up capital 已發行及繳足股本	Equity attributable to the Group At 31 March 本集團應佔股權 於三月三十一日		Principal activities 主要業務
					2024 二零二四年	2023	
Direct							
直接							
PF Group Holdings Limited	Hong Kong	Hong Kong	11 October 2023	HK\$10,000,000	100%	N/A	Investment holding
Dynamic Express Global Limited	British Virgin Islands	Hong Kong	1 June 2015	US\$1,000,000	100%	100%	Investment holding
Perfect Ten Holdings Limited	British Virgin Islands	Hong Kong	15 January 2021	US\$10,000,000	100%	100%	Investment holding
Indirect							
間接							
Pacific Foundation Holdings Limited	Hong Kong	Hong Kong	7 October 1993	HK\$7,000,000	100%	100%	Investment holding
GSL	Hong Kong	Hong Kong	17 June 1987	HK\$10,000,000,000	100%	100%	Provision of (i) securities dealing and brokerage services; (ii) placing and underwriting services; (iii) financing services including securities and IPO margin financing; and (iv) asset management services (i) (ii) (iii) (iv)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

FOR THE YEAR ENDED 31 MARCH 2024

38. PARTICULARS OF SUBSIDIARIES OF THE COMPANY (Continued)

38. 本公司附屬公司的詳情

Name of subsidiary 附屬公司名稱	Place of incorporation 註冊成立地點	Place of operation 營業地點	Date of incorporation 註冊成立日期	Issued and paid up capital 已發行及繳足股本	Equity attributable to the Group At 31 March 本集團應佔股權 於三月三十一日		Principal activities 主要業務
					2024 二零二四年	2023	
Gaoyu Finance Limited (Formerly known as PF Finance Limited)	Hong Kong	Hong Kong	15 November 2019	HK\$1,000,000 1,000,000	100%	100%	Money lending services
Jovial Victory Global Limited	British Virgin Islands	Hong Kong	15 November 2021	US\$5,000 5,000	100%	100%	Investment holding
Chance Wise	Hong Kong	Hong Kong	15 November 2021	HK\$10,000 10,000	100%	100%	Supply chain services
Brothers Worldwide Company Limited	British Virgin Islands	Hong Kong	27 September 2022	US\$50,000 50,000	100%	100%	Investment holding
Big Win Worldwide Company Limited	British Virgin Islands	Hong Kong	27 September 2022	US\$50,000 50,000	100%	100%	Investment holding
Excellence International Company Limited	British Virgin Islands	Hong Kong	27 September 2022	US\$50,000 50,000	100%	100%	Investment holding

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

FOR THE YEAR ENDED 31 MARCH 2024

38. PARTICULARS OF SUBSIDIARIES OF THE COMPANY (Continued)

38. 本公司附屬公司的詳情

Name of subsidiary 附屬公司名稱	Place of incorporation 註冊成立地點	Place of operation 營業地點	Date of incorporation 註冊成立日期	Issued and paid up capital 已發行及繳足股本	Equity attributable to the Group At 31 March 本集團應佔股權 於三月三十一日		Principal activities 主要業務
					2024 二零二四年	2023	
UB Trust Company Limited	Hong Kong	Hong Kong	10 November 2022	HK\$3,000,000 3,000,000	60%	60%	Investment holding
Gaoyu High Yield Income Fund OFC	Hong Kong	Hong Kong	18 December 2023	US\$1 1	100%	N/A	Open-ended fund
Gaoyu Global Master Fund OFC	Hong Kong	Hong Kong	18 December 2023	US\$1 1	100%	N/A	Open-ended fund
Gaoyu Global Infrastructure OFC	Hong Kong	Hong Kong	25 March 2024	US\$1 1	100%	N/A	Open-ended fund

None of the subsidiaries had issued any debt securities at the end of the year.

The above table lists the subsidiaries of the Group, which, in the opinion of the directors, principally affected the results or assets of the Group. To give details of other subsidiaries would, in the opinion of the directors, result in particulars of excessive lengths.

39. APPROVAL FOR CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements were approved and authorised for issue by the Board of Directors on 21 June 2024.

39. 批准綜合財務報表

FIVE-YEAR FINANCIAL SUMMARY

五年財務概要

RESULTS

業績

	For the year ended 31 March 截至三月三十一日止年度				
	2024 二零二四年 HK\$'000 千港元	2023 HK\$'000	2022 HK\$'000	2021 HK\$'000	2020 HK\$'000
Revenue					
Commission income from securities dealing and brokerage services	2,073	1,234	2,957	7,837	6,956
Fee and commission income from placing and underwriting activities	2,436	396	–	508	10,986
Interest income from margin and loan financing and money lending services	8,990	8,061	4,404	5,036	8,506
Supply chain financing	8,430	2,024	–	–	–
Advisory fee incomes	312	1,920	–	–	–
Fee income from asset management services	440	–	–	1,567	662
Others	910	120	83	1,500	3,795
Total revenue	23,591	13,755	7,444	16,448	30,905
Bank interest income	690	384	171	256	346
Fair value change on investment at fair value through profit or loss	6,704	232	–	–	–
Other gains	1,942	1,735	2,313	2,379	739
Total	32,927	16,106	9,928	19,083	31,990
Commission expenses	(417)	(416)	(1,246)	(2,850)	(8,717)
Depreciation expenses for property and equipment	(1,750)	(1,766)	(1,663)	(250)	(251)
Depreciation expenses for right-of-use assets	(1,486)	(1,318)	(3,146)	(4,727)	(3,545)
Staff costs	(7,317)	(8,021)	(8,601)	(15,967)	(15,023)
Other operating expenses	(10,525)	(8,594)	(7,866)	(11,220)	(10,396)
Finance costs	(129)	(175)	(176)	(129)	(274)
Exchange gain/(loss)	144	(3,023)	–	–	–
Impairment of assets	(1,831)	(2,322)	(12,021)	–	–
Profit/(loss) before tax	9,616	(9,529)	(24,791)	(16,060)	(6,216)
Income tax expense	(726)	–	–	–	–
Profit/(loss) for the year	8,890	(9,529)	(24,791)	(16,060)	(6,216)

ASSETS AND LIABILITIES

資產及負債

	As at 31 March 於三月三十一日				
	2024 二零二四年 HK\$'000 千港元	2023 HK\$'000	2022 HK\$'000	2021 HK\$'000	2020 HK\$'000
Total assets	229,291	197,155	199,466	226,874	299,904
Total liabilities	(75,396)	(53,350)	(46,132)	(48,749)	(55,752)
Net assets	153,895	143,805	153,334	178,125	244,152



高裕金融集團有限公司
Gaoyu Finance Group Limited