

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



## **GOLDBOND GROUP HOLDINGS LIMITED**

**金榜集團控股有限公司**

*(Incorporated in Hong Kong with limited liability)*

**(Stock code: 00172)**

### **ANNOUNCEMENT OF THE ANNUAL RESULTS FOR THE YEAR ENDED 31 MARCH 2021**

The board of directors (the “Board”) of Goldbond Group Holdings Limited (the “Company”) is pleased to announce the consolidated results of the Company and its subsidiaries (the “Group”) for the year ended 31 March 2021 (the “Year”), which have been reviewed by the audit committee of the Company (the “Audit Committee”) and approved by the Board together with the comparative figures for the year ended 31 March 2020 as follows:

<b>FINANCIAL HIGHLIGHTS</b>	<b>2021</b>	<b>2020</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>
<b>OPERATING RESULTS</b>		
Revenue	<b>23,013</b>	57
Interest revenue - finance lease	<b>1,685</b>	–
Interest revenue - financing and factoring services	<b>533</b>	93
Loss for the year	<b>(63,757)</b>	(52,437)
Loss for the year attributable to owners of the Company	<b>(60,043)</b>	(52,437)
Basic loss per share	<b>HK(2.17) cents</b>	HK(1.90) cents
<b>FINANCIAL POSITION</b>		
Equity attributable to owners of the Company	<b>183,816</b>	233,727

## SUMMARY OF RESULTS

1. The business of the Group for the Year has been affected by various factors including (i) the focus on the conduct of the Investigation and relevant restructuring and reform works; and (ii) the outbreak of the COVID-19 pandemic.
2. Nevertheless, the Group recorded a substantial increase in revenue and operating scale as compared with last year.
3. The segmental results of the financial services business recorded a turnaround from loss to profit for the Year.
4. The loss for the Year was mainly attributable to (i) the increase in the professional fees in relation to the Investigation, resumption and business restructuring which are one-off in nature and are not directly related to our core business operating activities; (ii) the increase in share of loss in associates which is non-cash in nature, not directly related to our core business operating activities and has no effect on the cash flow of the Group; and (iii) the increase in staff costs (with number of staff increasing from 25 as at 31 March 2020 to 117 as at 31 March 2021) resulting from the commencement of the PropTech Business and expansion of the business of financial services.
5. The financial position of the Group remained very healthy as the Group did not have any loan and borrowing as at 31 March 2021.
6. It is expected that the existing businesses of the Group will register further and strong revenue growth for the year ending 31 March 2022. Looking forward, with the larger business scale and lessor professional fees, it is expected that the profitability of the Group will substantially improve for the year ending 31 March 2022.

## CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 March 2021

	Notes	2021 HK\$'000	2020 HK\$'000
<b>REVENUE</b>	5	23,013	57
Cost of services rendered		(10,188)	–
Interest revenue – finance lease		1,685	–
Interest revenue – financing and factoring services		533	93
Interest revenue – bank interest income		2,313	4,975
Other income		2,286	3,822
Operating expenses		(55,642)	(28,810)
Reversal of impairment loss/(impairment loss)			
on advances provided to customers		3,100	(6,753)
Fair value loss on financial assets			
at fair value through profit or loss		(455)	(1,564)
Finance costs		(1,668)	(1,511)
Share of loss of associates		(31,039)	(22,694)
<b>LOSS BEFORE TAXATION</b>	6	(66,062)	(52,385)
Income tax credits/(expenses)	7	2,305	(52)
<b>LOSS FOR THE YEAR</b>		(63,757)	(52,437)
<b>Other comprehensive income/(expense) after tax</b>			
<i>Items that will not be reclassified to profit or loss:</i>			
Exchange differences on translation to presentation currency attributable to:			
The Group		19,497	(17,288)
<i>Items that may be reclassified to profit or loss:</i>			
Exchange differences on translation to presentation currency attributable to:			
The Group		(6,849)	8,614
An associate		847	(2,443)
Exchange differences reclassified to profit or loss on disposal of a subsidiary attributable to the Group		(1,232)	–
Other comprehensive income/(expense) for the year		12,263	(11,117)
<b>TOTAL COMPREHENSIVE EXPENSE FOR THE YEAR</b>		<b>(51,494)</b>	<b>(63,554)</b>

	<i>Notes</i>	<b>2021</b> <b><i>HK\$'000</i></b>	2020 <i>HK\$'000</i>
<b>LOSS FOR THE YEAR ATTRIBUTABLE TO:</b>			
– Owners of the Company		<b>(60,043)</b>	(52,437)
– Non-controlling interests		<b>(3,714)</b>	–
		<u><b>(63,757)</b></u>	<u>(52,437)</u>
<b>TOTAL COMPREHENSIVE EXPENSE</b>			
<b>FOR THE YEAR ATTRIBUTABLE TO:</b>			
– Owners of the Company		<b>(50,520)</b>	(63,554)
– Non-controlling interests		<b>(974)</b>	–
		<u><b>(51,494)</b></u>	<u>(63,554)</u>
<b>LOSS PER SHARE</b>			
– Basic and diluted (HK cents)	<i>9</i>	<u><b>(2.17)</b></u>	<u>(1.90)</u>

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2021

	Notes	2021 HK\$'000	2020 HK\$'000
<b>Non-current assets</b>			
Property, plant and equipment		44,566	585
Right-of-use assets		10,135	9,753
Intangible assets		2,309	–
Interests in associates		21,940	52,132
Finance lease receivables		3,713	–
Advances provided to customers	10	391	–
Club debentures		39,295	37,100
Deferred tax assets		4,766	–
		<u>127,115</u>	<u>99,570</u>
<b>Current assets</b>			
Inventory		2,764	–
Finance lease receivables		32,818	–
Advances provided to customers	10	22,355	13,396
Accounts receivable	11	3,558	1,167
Contract assets		9,639	–
Prepayments, deposits and other receivables		11,900	1,650
Loan to an associate		1,470	1,470
Structured deposits		10,714	–
Short term bank deposits			
– with original maturity within three months		44,726	146,855
– with original maturity more than three months		–	102
Bank balances and cash		25,817	16,282
		<u>165,761</u>	<u>180,922</u>
<b>Current liabilities</b>			
Accounts payable	12	2,391	–
Other payables and accruals		28,147	24,826
Contract liabilities		51	–
Security deposits		17,002	1,233
Lease liabilities		6,127	4,886
Taxation		2,186	2,367
		<u>55,904</u>	<u>33,312</u>

	2021 <i>HK\$'000</i>	2020 <i>HK\$'000</i>
<b>Net current assets</b>	<u>109,857</u>	<u>147,610</u>
<b>Total assets less current liabilities</b>	<u>236,972</u>	<u>247,180</u>
<b>Non-current liabilities</b>		
Lease liabilities	4,214	5,014
Redeemable convertible preference shares	<u>9,704</u>	<u>8,439</u>
	<u>13,918</u>	<u>13,453</u>
<b>NET ASSETS</b>	<u><u>223,054</u></u>	<u><u>233,727</u></u>
<b>Capital and reserves</b>		
<b>Equity attributable to owners of the Company</b>		
Share capital	829,209	829,209
Reserves	<u>(645,393)</u>	<u>(595,482)</u>
	<u>183,816</u>	<u>233,727</u>
<b>Non-controlling interests</b>	<u>39,238</u>	<u>–</u>
<b>Total equity</b>	<u><u>223,054</u></u>	<u><u>233,727</u></u>

Notes:

## **1. CORPORATE INFORMATION**

The Company is a public limited company incorporated in Hong Kong with its shares listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) and have been suspended for trading since 28 June 2019. The addresses of the registered office and principal place of business of the Company are Unit 3901, 39/F, Tower One, Lippo Centre, 89 Queensway, Hong Kong.

The Company is an investment holding company. The principal activities of the Group is (i) the provision of financial services business including financing and finance lease services, factoring services and operating lease business; and (ii) the provision of property technology services in Hong Kong and the People’s Republic of China (the “PRC”).

The consolidated financial statements are presented in Hong Kong dollars (“HK\$”) while the functional currency of the Company is Renminbi (“RMB”) and all values are rounded to the nearest thousand (“HK\$’ 000”), unless otherwise stated. The reason for selecting Hong Kong dollar as the presentation currency is because the Company is a public company with its shares listed on the Stock Exchange, where most of its investors are located in Hong Kong.

## **2. BASIS OF PREPARATION**

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

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

## **3. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS**

In the current year, the Group has adopted all the new and revised HKFRSs issued by the HKICPA that are relevant to its operations and effective for its accounting year beginning on 1 April 2020. 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 accounting policies, presentation of the Group’s consolidated financial statements and amounts reported for the current year and prior years.

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

#### 4. OPERATING SEGMENT INFORMATION

The Group's operating segments, identified on the basis of internal reports about components of the Group that are regularly reviewed by the executive directors of the Company, being the chief operating decision maker ("CODM"), in order to allocate resources to the segments and to assess performance, are summarised as follows:

- (a) financial services business - factoring segment: provision of factoring services;
- (b) financial services business - financing segment: provision of financing and finance lease services;
- (c) financial services business - operating lease segment: provision of operating lease business; and
- (d) property technology segment: provision of property technology services.

The segment information is reported below.

##### Segment revenue and results

An analysis of the Group's revenue and results by reportable and operating segments is as follows:

	For the year ended 31 March 2021				Total HK\$'000
	Property technology service HK\$'000	Financial services business – operating lease HK\$'000	Financial services business – financing and finance lease HK\$'000	Financial services business – factoring HK\$'000	
Revenue from contracts with customers:					
Recognised at over time	15,625	–	–	–	15,625
	15,625	–	–	–	15,625
Revenue from other sources	–	7,143	245	–	7,388
Interest revenue – finance lease	–	–	1,685	–	1,685
Interest revenue – financing and factoring services	–	–	319	214	533
<b>Segment revenue</b>	<b>15,625</b>	<b>7,143</b>	<b>2,249</b>	<b>214</b>	<b>25,231</b>
<b>Segment results</b>	<b>(8,003)</b>	<b>1,297</b>	<b>1,128</b>	<b>(1,784)</b>	<b>(7,362)</b>
Unallocated interest revenue and other income					2,501
Net exchange loss					(2,887)
Central administration costs					(25,205)
Gain on bargain purchase					53
Fair value loss on financial assets at fair value through profit or loss					(455)
Finance costs					(1,668)
Share of loss of associates					(31,039)
Loss before taxation					<b>(66,062)</b>



	For the year ended 31 March 2020		
	Financial services business – financing <i>HK\$'000</i>	Financial services business – factoring <i>HK\$'000</i>	Total <i>HK\$'000</i>
Revenue from other sources	57	–	57
Interest revenue – financing and factoring services	39	54	93
<b>Segment revenue</b>	<b>96</b>	<b>54</b>	<b>150</b>
<b>Segment results</b>	<b>(7,844)</b>	<b>(2,283)</b>	<b>(10,127)</b>
Unallocated interest revenue and other income			4,992
Net exchange gain			3,583
Fair value loss on financial assets at fair value through profit or loss			(1,564)
Central administration costs			(25,064)
Finance costs			(1,511)
Share of loss of associates			(22,694)
Loss before taxation			<b>(52,385)</b>

Segment results represent the profit/(loss) earned by each segment, without allocation of fair value loss on financial assets at fair value through profit or loss, central administration costs, interest revenue and other income (primarily certain interest income from bank deposits), net exchange (loss)/gain, finance costs and share of profit/(loss) of associates. This is the measure reported to the CODM for the purpose of resource allocation and performance assessment.



For the purposes of monitoring segment performance and allocating resources between segments, the CODM monitors the tangible and financial assets attributable to each segment. All assets are allocated to reportable segments other than interests in associates, loan to an associate, part of short term bank deposits, bank balances and cash, and certain corporate assets for central administrative uses. All liabilities are allocated to reportable segments other than taxation, redeemable convertible preference shares and certain corporate liabilities incurred for central administrative purpose.

### Other segment information

An analysis of the Group's other amounts included in the measure of segment profit or loss or segment assets by reportable segments is as follows:

	For the year ended 31 March 2021					Total <i>HK\$'000</i>
	Property technology service <i>HK\$'000</i>	Financial services business – operating lease <i>HK\$'000</i>	Financial services business – financing and finance lease <i>HK\$'000</i>	Financial services business – factoring <i>HK\$'000</i>	Unallocated <i>HK\$'000</i>	
Expenditure for reportable segment non-current assets	781	38,438	7,574	–	17	46,810
Depreciation of property, plant and equipment	53	1,825	51	37	16	1,982
Depreciation on right-of-use assets	703	–	118	392	4,439	5,652

	For the year ended 31 March 2020				Total <i>HK\$'000</i>
	Financial services business – financing <i>HK\$'000</i>	Financial services business – factoring <i>HK\$'000</i>	Unallocated <i>HK\$'000</i>		
Expenditure for reportable segment non-current assets	452	–	22		474
Depreciation of property, plant and equipment	1	75	122		198
Depreciation on right-of-use assets	128	323	4,069		4,520

### Geographical information

Revenue reported above represents income generated from external customers located in the PRC of HK\$24,897,000 (2020: HK\$111,000), income generated from external customers located outside the PRC of HK\$334,000 (2020: HK\$39,000).

As at 31 March 2021, non-current assets other than financial instruments and interests in associates of HK\$61,034,000 (2020: HK\$1,056,000) and HK\$4,846,000 (2020: HK\$9,282,000) were located in the PRC and Hong Kong, respectively.

### Information about major customers

	2021 <i>HK\$'000</i>	2020 <i>HK\$'000</i>
Customer A in the property technology service segment	6,470	–
Customer B in the property technology service segment	4,344	–
Customer C in the financing and factoring service segment	–	111
Customer D in the financing service segment	–	39

## 5. REVENUE

The Group's revenue represents the net invoiced value of services rendered. An analysis of the Group's revenue is as follows:

	<b>2021</b> <i>HK\$'000</i>	2020 <i>HK\$'000</i>
<b>Revenue from contracts with customers</b>		
Property technology service	15,625	–
<b>Revenue from other sources</b>		
Finance lease income	179	–
Operating lease income	7,143	–
Income from financing service	66	57
	<u>23,013</u>	<u>57</u>
<b>Interest revenue – finance lease</b>	<u>1,685</u>	–
<b>Interest revenue – financing and factoring services</b>		
Interest income from financing service	319	39
Interest income from factoring service	214	54
	<u>533</u>	<u>93</u>
	<u><u>25,231</u></u>	<u><u>150</u></u>

During the year, HK\$4,820,000 of variable consideration from property technology services is recognised when it is highly probable that a significant revenue reversal will not occur.

Services to customers are normally made with credit terms of 60 days.

Disaggregation of revenue from contracts with customers:

<b>Segments</b>	<b>Property technology service HK\$'000</b>	2021 Total <i>HK\$'000</i>
<b>For the year ended 31 March 2021</b>		
Geographical markets		
The PRC	<u>15,625</u>	<u>–</u>
Timing of revenue recognition		
Over time	<u>15,625</u>	<u>15,625</u>

## 6. LOSS FOR THE YEAR

	2021 <i>HK\$'000</i>	2020 <i>HK\$'000</i>
The Group's loss for the year is stated after charging/(crediting):		
Salaries, allowances and other benefits	23,276	11,005
Retirement benefit scheme contributions	598	473
Equity-settled share-based payment expenses	609	582
<b>Total staff costs (including directors' remuneration)</b>	<b>24,483</b>	<b>12,060</b>
Auditor's remuneration		
– Audit service	900	780
– Non-audit services	240	208
Depreciation of property, plant and equipment	1,982	198
Depreciation on right-of-use assets	5,652	4,520
Amortization of intangible assets	303	–
Loss on written off of property, plant and equipment	–	6
Loss/(gain) on disposal of property, plant and equipment	182	(223)
Net exchange loss/(gain)	2,887	(3,583)
Expenses relating to short-term leases and leases of low-value assets	896	638
(Reversal of impairment loss)/impairment loss on advances provided to customers	(3,100)	6,753
Fair value loss on financial assets at fair value through profit or loss	455	1,564

## 7. INCOME TAX CREDITS/(EXPENSES)

	2021 <i>HK\$'000</i>	2020 <i>HK\$'000</i>
The charge comprises:		
Current tax		
Enterprise Income Tax in the PRC		
– Provision for the current year	(401)	(240)
– Over-provision in prior year	–	188
Deferred tax assets	2,706	–
	<b>2,305</b>	<b>(52)</b>

No provision for Hong Kong Profits Tax has been made in the consolidated financial statements as the Group's operation in Hong Kong had no assessable income during both years.

Pursuant to the approval of the tax bureau, in accordance with the Enterprise Income Tax Law of the PRC (中華人民共和國企業所得稅法), three subsidiaries are subject to the tax rate of 20% on 25% of assessable profit, which assessable profits under RMB1,000,000, for Small Low-Profit Enterprises. Other subsidiaries located in the PRC are subject to the PRC Enterprise Income Tax at a rate of 25% (2020: 25%) on their assessable profits.

## 8. DIVIDENDS

The Directors do not recommend the payment of dividend for the year ended 31 March 2021 (2020: nil).

## 9. LOSS PER SHARE

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

	2021 <i>HK\$'000</i>	2020 <i>HK\$'000</i>
<b>Loss</b>		
Loss for the purposes of basic and diluted loss per share (Loss for the year attributable to owners of the Company)	<u><b>(60,043)</b></u>	<u>(52,437)</u>
<b>Number of shares (thousand) :</b>		
Weighted average number of ordinary shares for the purpose of basic and diluted loss per share	<u><b>2,761,913</b></u>	<u>2,761,913</u>

*Note:* The computation of diluted loss per share for the years ended 31 March 2021 and 2020 does not assume the exercise of the Company's outstanding share options because the exercise price of those share options was higher than the average market price of shares for both years.

## 10. ADVANCES PROVIDED TO CUSTOMERS

	2021 <i>HK\$'000</i>	2020 <i>HK\$'000</i>
Advances provided to customers	<b>352,565</b>	335,421
Less: Impairment allowances	<u><b>(329,819)</b></u>	<u>(322,025)</u>
	<b>22,746</b>	13,396
Less: Amounts shown under current assets	<u><b>(22,355)</b></u>	<u>(13,396)</u>
Amount due after one year	<u><b>391</b></u>	<u>–</u>

As at 31 March 2021, the advances provided to customers, which bore fixed interest at a rate of not more than 23.0% (2020: 23.0%) per annum, were repayable according to terms stipulated in the loan agreements and factoring facility agreements. Included in the balances, an aggregate amount of approximately HK\$6,353,000 was secured by 38,503,380 ordinary shares of China Rongzhong (2020: approximately HK\$10,396,000 was secured by 38,503,380 ordinary shares of China Rongzhong).

## 11. ACCOUNTS RECEIVABLE

	2021 <i>HK\$'000</i>	2020 <i>HK\$'000</i>
Accounts receivable		
– third parties	1,290	62,421
– non-controlling shareholder of a subsidiary	2,268	–
	<u>3,558</u>	<u>62,421</u>
Less: Impairment loss recognised on accounts receivable	–	(61,254)
	<u>3,558</u>	<u>1,167</u>

The Group normally allows credit period for trade customers of 60 days (2020: 60 days). The accounts receivable presented based on the invoice date, which approximated the respective revenue recognition dates, at the end of the reporting period was aged over 60 days. At the end of the reporting period, the accounts receivable were all past due.

Before accepting any new customer, the Group assesses the potential customer's credit quality and defines its credit limit. Credit sales are made to customers with appropriate credit history. Credit limits attributed to customers are reviewed regularly.

The aging analysis of accounts receivables at the end of the reporting period, based on the date the Group is entitled to receive, and net of allowance, is as follows:

	2021 <i>HK\$'000</i>	2020 <i>HK\$'000</i>
Within 3 months	3,337	–
More than 3 months but within 6 months	66	–
More than 6 months but within 1 year	15	–
More than 1 year	140	1,167
	<u>3,558</u>	<u>1,167</u>

## 12. ACCOUNTS PAYABLE

	2021 <i>HK\$'000</i>	2020 <i>HK\$'000</i>
Accounts payable	2,391	–
	<u>2,391</u>	<u>–</u>

An aged analysis of accounts payable as at the end of the reporting period, based on the invoice date, is as follows:

	<b>2021</b> <i>HK\$'000</i>	2020 <i>HK\$'000</i>
Within 30 days	<b>317</b>	–
31 to 90 days	<b>453</b>	–
Over 90 days	<b>1,621</b>	–
	<hr/> <b>2,391</b> <hr/>	<hr/> – <hr/>

The accounts payable are non-interest-bearing and are normally settled on 30-day terms.

### **13. EVENTS AFTER THE END OF THE REPORTING PERIOD**

#### **Potential Transaction**

On 24 May 2021, the Company entered into the non-legally binding letter of Intent (the “Letter of Intent”) with Wah Link Investments Limited (the “Vendor”), pursuant to which the Company intends to acquire from the Vendor, and the Vendor intends to sell, certain properties free from encumbrance (the “Potential Transaction”). The properties comprise certain commercial retail properties and residential properties in Hong Kong and are currently leased out to third parties.

Further details in relation to the Letter of Intent are set out in the announcement of the Company dated 24 May 2021.

As at the date of this announcement, no definitive legally-binding agreement in relation to the Potential Transaction has been entered into by the Group.

#### **Internal Control Review**

The internal control review (“Internal Control Review”) mentioned in the Company’s announcement dated 22 March 2021 to identify and rectify the internal control deficiencies was conducted by an independent internal control consultant (the “the IC Consultant”). As disclosed in the announcement of the Company dated 7 June 2021, the third phase (and also the final phase) of the Internal Control Review has been completed.

Details of the findings of the Internal Control Review, recommendations made by the IC Consultant and remedial actions taken by the Group as recommended by the IC Consultant are set out in the announcement of the Company dated 9 June 2021.

#### **Court judgement in relation to outstanding advance provided to customer**

In May 2021, a Chinese Court has awarded the Group a judgement in its favor on an outstanding advance provided to a customer demanding the debtor to repay the Group a total amount of RMB100 million (equivalent to approximate HK\$119 million) plus interest and charges.



## **BUSINESS REVIEW**

For the year ended 31 March 2021, the Group is principally engaged in the business of (i) the provision of financial services business including financing and finance lease services, factoring services and operating lease services; and(ii) the provision of property technology services.

On 25 June 2019, the former auditor of the Company issued a letter to the Audit Committee, in which the former auditor requested the Audit Committee to undertake an investigation (the “Investigation”) in respect of the trading transactions in chemical products by a former subsidiary of the Company involving an aggregate overdue account receivables for the Group in the amount of approximately RMB57,000,000 (equivalent to approximately HK\$65,000,000).

On 18 July 2019, an independent firm (the “Independent Firm”) was engaged to conduct the Investigation. The Independent Firm issued a first report on the Investigation (the “Investigation Report”) to the Audit Committee on 31 January 2020. The Audit Committee engaged the Independent Firm to conduct certain extended procedures relevant to the Investigation on 19 March 2020 (the “Supplemental Investigation”) and the Independent Firm issued a final report on the Supplemental Investigation (the “Supplemental Investigation Report”) on 4 September 2020 to the Audit Committee. Details of the key findings of the Investigation Report and Supplemental Investigation Report are set out in the announcements of the Company dated 31 January 2020 and 4 September 2020, respectively.

The business of the Group for the Year has been adversely affected by various factors including (i) the focus on the conduct of the Investigation and relevant restructuring and reform works; and (ii) the outbreak of the COVID-19 pandemic since early 2020 which caused certain disruption to the Group’s business in the People’s Republic of China (the “PRC”).

Nevertheless, the operation of the Group gradually resumed to normal since the second quarter of 2020, in particular, with the completion of the Investigation and the COVID-19 pandemic gradually coming under control in Hong Kong and the PRC. In addition, the Company strives to grow its core business and explore different opportunities through a series of initiatives, including the formation of new subsidiary to explore the market in property technology, and the acquisition of Optimus Financial Group Limited which is engaged in the business of financial lease and operating lease in the PRC.

With all the effort, the Group recorded a substantial increase in revenue and operating scale as compared with last year, indicating that our reform is on the right track.

## **Core business**

### ***Property technology services***

As disclosed in the announcement of the Company dated 26 June 2020, in April 2020, the Group has formed a subsidiary in Shenzhen, the PRC (the “SZ Subsidiary”) with a local non-controlling shareholder (the “Local Partner”). The SZ Subsidiary is engaged in the provision of property technology services (the “Proptech Business”), which uses and integrates software (e.g. programs and algorithms), hardware (e.g. internet-connected sensors and devices) and data to help individuals, landlords and property managers better manage and optimise the usage of their real estate, which is expected to capture the growing demand for property technology services in the PRC. The SZ Subsidiary is operated by the Group and the Local Partner where the Group contributes its development resources and business network while the Local Partner contributes its technology and brand resources, respectively.

During the year ended 31 March 2021, the provision of property technology segment realised a revenue of approximately HK\$15.6 million and the segment loss is approximately HK\$8.0 million.

### ***Financial service business – Operating lease***

The Group’s operating lease business is mainly conducted through Optimus and Huzhou Goldbond Car Leasing Services Company Limited\* (湖州金寓宏汽車租賃服務有限公司) (“Huzhou Goldbond”), a wholly-owned subsidiary of the Company, and its subsidiaries.

The Group established its first business of car operating lease in Huzhou, the PRC in March 2020, and in view of the strong momentum of such business, the Group has subsequently set up and expanded its operating lease business into new strategic locations in the PRC, including Ningbo (in May 2020), Shaoxing (in May 2020), Changsha (in August 2020), Jiaxing (in September 2020), Foshan (in October 2020), and an additional new location also in Huzhou (in October 2020).

In respect of the car operating lease business, the Group (being the lessor) delivers vehicles to the end users (being the lessee) who will in return make periodic lease payments to the Group.

During the year ended 31 March 2021, the operating lease segment realised a revenue of approximately HK\$7.1 million and the segment profit is approximately HK\$1.3 million.

### ***Financial service business – Financing and finance lease***

As disclosed in the section headed “Material acquisitions and disposals of subsidiaries, associated companies or joint ventures” below, during the Year, the Group acquired 51% of the total issued capital of Optimus Financial Group Limited (“Optimus”), which is engaged in the business of provision of finance lease and operating lease in the PRC.

During the year ended 31 March 2021, the finance service segment which comprised finance lease and other financial products, realised a revenue of approximately HK\$2.2 million (2020: approximately HK\$0.1 million) and the segment profit is approximately HK\$1.1 million (2020: loss of approximately HK\$7.8 million).

### ***Financial services business – Factoring***

The Group's factoring business is conducted through Optimus and Jiangsu Goldbond Factoring Co., Ltd, a wholly-owned subsidiary of the Company.

The Group provides customers with funds secured by, amongst others, their accounts receivable, and offers them accounts receivable management services, which include review of documents relating to the accounts receivable, collection of the accounts receivable, and reports regularly to customers on matters concerning their accounts receivable. In return, the Group receives interest income as well as professional fees for the services rendered.

Before granting loans to potential customers, the Group assesses the potential borrower's credit quality and/or receivables' quality and defines the credit limits granted to the borrowers. The credit limits attributed to the borrowers are reviewed by the management regularly.

During the year ended 31 March 2021, the Group recorded a revenue of HK\$0.2 million from factoring service segment (2020: approximately HK\$54,000). The segment loss decreased from approximately HK\$2.3 million in 2020 to a loss of approximately HK\$1.8 million in 2021.

The overall results of the financial service segment improved significantly from a loss of approximately HK\$10.1 million in 2020 to a profit of approximately HK\$0.7 million for the Year.

### **Investments**

#### ***Interest in an associate: 34.86% of China Rongzhong***

China Rongzhong and its subsidiaries ("China Rongzhong Group"), is primarily engaged in finance leasing business through Rongzhong International Financial Leasing Co., Ltd., which provides finance lease services to customers in Hubei Province, the PRC.

In relation to the results of China Rongzhong for the year ended 31 March 2021, the Group recognized a share of loss and other comprehensive expense of HK\$31.6 million and HK\$1.1 million, respectively during the year. The Group has no capital commitment to China Rongzhong as at 31 March 2021. Share of loss and other comprehensive expense of China Rongzhong of HK\$10.7 million and HK\$0.4 million respectively was not recognised by the Group as such loss exceeds its interest in the associate.

China Rongzhong suffered from a high level of impairment allowances on loan receivable and lease receivables and receivables arising from sale and leaseback arrangements, amount for HK\$1.1 million and HK\$97.0 million respectively, which resulted in significant loss for the years ended 31 March 2021. As at 31 March 2021, the carrying amount of the Group's interest in China Rongzhong was nil.

## **PROSPECT AND OUTLOOK**

With the gradual administration of vaccines to the general population, the COVID-19 pandemic is coming under control in many countries, and the worldwide economy is recovering gradually. Despite the short-term economic downturn resulting from, inter alia, the COVID-19 pandemic, the Directors are optimistic about the economic development of the PRC in the long run and consider that the demands for property technology services and financial service in the PRC will remain strong and sustainable. During the year, the Group has expanded its business through a series of initiatives as mentioned above, which are expected to bring significant contribution to the Group in a long run.

In addition, the loss for the Year was mainly attributable to (i) the increase in the professional fees (including but not limited to the fees to the IC Constant, legal advisors, financial advisors, market research and consulting firm and forensic investigation firm) in relation to the Investigation, resumption and business restructuring which are one-off in nature and are not directly related to our operating activities; (ii) the increase in share of loss in associates which is non-cash in nature, not directly related to our core business operating activities and has no effect on the cash flow of the Group; (iii) the increase in staff costs (with number of staff increasing from 25 as at 31 March 2020 to 117 as at 31 March 2021) resulting from the commencement of the PropTech Business and expansion of the business of financial services.

The business of the Group is on the right track after a series of initiatives having been taken. In particular, our PropTech Business has successfully entered into sale contracts with a number of customers. As the PropTech Business is a technology-based model through the provision of IoT smart property solutions, the fixed costs of the PropTech Business (including staff costs) will not increase as much as the increase in revenue. Accordingly, the PropTech Business will benefit from the scale of economy with increasing revenue and is expected to bring significant contribution to the Group. Furthermore, the financial services business has resumed normal since the second quarter of 2020 and is recording a growing trend. It is expected that the existing businesses of the Group will register further and strong revenue growth for the year ending 31 March 2022. Looking forward, with the larger business scale and lessor professional fees, it is expected that the profitability of the Group will substantially improve for the year ending 31 March 2022.

Despite the hardship in the past two years, the controlling shareholder if the Company is always committed to support the business of the Group and the financial position of the Group remained very healthy as the Group did not have any loan and borrowing as at 31 March 2021. The Group will continue to strengthen its competitive strengths in its core businesses, i.e. property technology services, finance lease and commencement of new business of operating lease, and continue its business strategy of building an asset portfolio with a good balance of recurring income streams and growth opportunities.

## **FINANCIAL REVIEW**

### **Overall revenue**

The Group realised revenue for the Year of approximately HK\$23.0 million, representing an increase of approximately HK\$22.9 million as compared to the previous financial year. The increase was due to the change in operation strategy and provision of operating lease services and property technology services which contributed to the Group a new source of income during the Year.

### **Revenue – property technology services**

The Group realised a new source of revenue from property technology services in Hong Kong and the PRC for the Year of approximately HK\$15.6 million.

### **Revenue – financial services**

The Group realised another new source of revenue from operating lease services in the PRC for the Period of approximately HK\$7.1 million.

The Group also realised revenue from finance lease and financial services for the Year of approximately HK\$0.2 million, representing an increase of approximately HK\$0.19 million as compared to last year. The increase was mainly contributed from finance lease and financing services in the PRC during the Period.

#### **Interest revenue – finance lease**

The Group realised interest revenue from new finance lease in the PRC for the Year of approximately HK\$1.7 million.

#### **Interest revenue – financing and factoring services**

The Group realised interest revenue from financing and factoring services for the Year of approximately HK\$0.5 million, representing an increase of approximately HK\$0.44 million as compared to last year. The increase was mainly contributed by interest income from small loan financing in Hong Kong during the Year.

#### **Staff costs**

Staff costs of the Group amounted to approximately HK\$24.5 million, which increased by approximately HK\$12.4 million or 103.0% compared to last year. Such increase was mainly attributable to the increase in number of headcount resulting from the commencement of the Proptech Business and expansion of the business of financial services during the Year.

#### **Other operating expenses**

Other operating expenses were approximately HK\$31.2 million, which increased by approximately HK\$14.4 million or 85.7% as compared to last year. The increase was mainly attributable to (i) the increase in the professional fees (including but not limited to the fees to the IC Constant, legal advisors, financial advisors, market research and consulting firm and forensic investigation firm) in relation to the Investigation, resumption and business restructuring which are one-off in nature and are not directly related to our operating activities; (ii) the increase in research and development fees on the new property technology services; and (iii) the increase in staff costs (with number of staff increasing from 25 as at 31 March 2020 to 117 as at 31 March 2021) resulting from the commencement of the Proptech Business and expansion of the business of financial services.

#### **Share of loss of associates**

Share of loss of associates mainly composed of the share of loss of China Rongzhong of approximately HK\$31.6 million (2020: loss of approximately HK\$22.9 million) and the share of profit of the Fund Manager of approximately HK\$1.3 million (2020: profit of approximately HK\$1.0 million), offset by the share of loss of the Fund of approximately HK\$0.7 million (2020: approximately HK\$0.8 million).

The share of loss of associates is non-cash in nature, not directly related to our core business operating activities and has no effect on the cash flow of the Group.

#### **Loss for the Year attributable to the owners of the Company**

As a result of the foregoing, loss for the Year attributable to the owners of the Company was approximately HK\$60.0 million (2020: approximately HK\$52.4 million).

## **Other comprehensive income/(expense) for the Year**

Other comprehensive income for the Year represented exchange differences arising on translation to presentation currency of approximately HK\$12.3 million (2020: expense of approximately HK\$11.1 million).

## **Liquidity, financial resources and capital structure**

The Group always seeks to maintain a healthy liquid position and retain sufficient capital for business development. The Group generally finances its operations through its internal resources. As at 31 March 2021, the aggregate sum of cash, bank balances and short term bank deposits amounted to approximately HK\$70.5 million (31 March 2020: approximately HK\$163.2 million) and there was no bank borrowing (31 March 2020: nil). The working capital (current assets less current liabilities) and the total equity attributable to owners of the Group were approximately HK\$109.9 million (31 March 2020: approximately HK\$147.6 million) and approximately HK\$183.8 million (31 March 2020: approximately HK\$233.7 million) respectively. No gearing ratio was calculated as the Group had no debt as at 31 March 2021.

## **Key Financial Ratio – Net asset value per share**

	2021	2020
Net asset value per share (HK cents)	8.4	8.5

The decrease in the net asset value per share in the Year was mainly attributable to the share of loss of China Rongzhong.

## **Foreign Currency Risk**

The Group reports its operating result in Hong Kong dollar but major operations of the Group are carried out in the PRC, transacted and recorded in RMB with some monetary assets and liabilities denominated in other foreign currencies. The Group is, thus, exposed to the fluctuation in exchange rates between RMB, Hong Kong dollar and other currencies. On the other hand, our cash and cash equivalents are primarily in RMB and Hong Kong Dollars. During the Year, the Group has not entered into any hedging or other instrument to reduce currency risks. The management will closely monitor the Group's exposure to the fluctuation of exchange rates and take appropriate measures as necessary to minimise any adverse impact that may be caused by such fluctuation.

## **Charges on group assets**

As at 31 March 2021, there was no charge on the Group's assets (2020: Nil).

## **Contingent liabilities**

As at 31 March 2021, there was no contingent liability (2020: Nil).

## **Future plans for material investments**

Save as disclosed in this announcement, there was no other specific plan for material investments or capital assets as at 31 March 2021.



## **Material acquisitions and disposals of subsidiaries, associated companies or joint ventures**

### ***Acquisition of Optimus Financial Group Limited***

On 26 June 2020, Goldbond Investment Group Limited (“Goldbond Investment”), a wholly-owned subsidiary of the Company, entered into the sale and purchase agreement with the Quan Tai Limited (“Quan Tai”), pursuant to which Goldbond Investment has agreed to purchase, and Quan Tai has agreed to sell, 17,110,500 issued shares of Optimus, representing 51% of the total issued share capital of the Target Company (the “Acquisition”). Optimus and its subsidiary are principally engaged in finance lease and operating lease in the PRC. The completion of the Acquisition took place on 30 June 2020. Upon completion of the Acquisition, Optimus and its subsidiaries have become non wholly-owned subsidiaries of the Company. The Acquisition constituted a discloseable transaction of the Company under Chapter 14 of the Listing Rules.

Further details of the Acquisition are set out in the announcement of the Company dated 26 June 2020.

### ***Formation of a subsidiary***

As disclosed in the announcement of the Company dated 26 June 2020, in April 2020, the Group has formed the SZ Subsidiary with the Local Partner. The SZ Subsidiary is engaged in the provision of property technology services, which uses and integrates software (e.g. programs and algorithms), hardware (e.g. internet-connected sensors and devices) and data to help individuals, landlords and property managers better manage and optimise the usage of their real estate, which is expected to capture the growing demand for property technology services in the PRC. The SZ Subsidiary shall be operated by the Group and the Local Partner where the Group shall contribute its development resources and business network while the Local Partner shall contribute its technology and brand resources, respectively.

Save as disclosed above, the Group did not have other material acquisition or disposal of subsidiaries, associated companies or joint ventures for the year ended 31 March 2021.

### **Subsequent events**

Events subsequent to 31 March 2021 are set out in note 13 to the audited consolidated financial statements in this announcement.

### **Employees and remuneration policy**

As at 31 March 2021, the Group had 117 (31 March 2020: 25) staff located in both Hong Kong and the PRC. The increase in the number of staff was due to the commencement of the Proptech and expansion of the business of financial services. The Group remunerates these employees based on their performance, experience and prevailing industry practices. Other benefits offered to these employees include medical insurance, retirement scheme and training subsidies. In addition, the Group has set up a share option scheme for the purpose of providing incentives to the eligible directors and employees.

In Hong Kong, the Group participates in the Mandatory Provident Fund Scheme (the “MPF Scheme”) established under the Mandatory Provident Fund Schemes Ordinance (Cap 485 of the Laws of Hong Kong). The assets of the MPF Scheme are held separately from those of the Group and administered by an independent trustee. Under the MPF Scheme, the Group and its employees are each required to make a contribution to the MPF Scheme at 5% of the employees’ relevant monthly income subject to a cap, which is currently set at HK\$1,500.

The employees employed by the subsidiaries in the PRC are members of the state-managed retirement benefit schemes operated by the PRC government. The PRC subsidiaries are required to contribute a certain percentage of payroll cost to the retirement benefits scheme to fund the benefits. The only obligation of the Group with respect to the retirement benefits scheme is to make specified contributions.

## **Dividend**

The Board did not recommend the payment of dividend for the Year (2020: Nil).

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

There was no purchase, sale or redemption by the Company, or any of its subsidiaries, of any listed securities of the Company during the Year.

## **CORPORATE GOVERNANCE**

The Board is committed to the maintenance of good corporate governance practices and procedures. The Company believes that good corporate governance provides a framework that is essential for effective management, a healthy corporate culture, successful business growth and enhancing shareholders' value. During the Year, The Company has applied the principles and complied with all code provisions of the Corporate Governance Code as set out in Appendix 14 to the Listing Rules.

## **CODE OF CONDUCT FOR SECURITIES TRANSACTIONS BY DIRECTORS**

The Company has adopted a code of conduct regarding securities transactions by the Directors on terms no less exacting than the required standard of the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules. The Company, having made specific enquiry to all Directors, confirmed that all Directors have complied with the required standard of dealings set out therein throughout the Year.

## **AUDIT COMMITTEE AND AUDITOR**

The Audit Committee of the Company has reviewed the Group's annual results for the year ended 31 March 2021. The Audit Committee of the Company consists of three independent non-executive Directors, namely, Mr. Cheng Yuk Wo, Mr. Ma Ho Fai (GBS JP) and Mr. Yeh Shing Hang Kevin Arthur. The Audit Committee is chaired by Mr. Cheng Yuk Wo who possesses professional accounting qualification. The primary duties of the Audit Committee of the Company are to assist the Board to fulfill the functions of reviewing and monitoring the financial reporting procedure and internal control of the Company and to perform other duties and responsibilities as assigned by the Board. The figures in respect of this announcement of the Group's results for the year ended 31 March 2021 have been agreed by the Group's auditor, ZHONGHUI ANDA CPA Limited ("ZHONGHUI ANDA"), to the amounts set out in the Group's consolidated financial statements for the Year. The work performed by ZHONGHUI ANDA in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the HKICPA and consequently no assurance has been expressed by ZHONGHUI ANDA on this preliminary results announcement.



## **PUBLICATION ON ANNUAL RESULTS AND ANNUAL REPORT**

This audited annual results announcement is available for viewing on the website of the Stock Exchange at [www.hkex.com.hk](http://www.hkex.com.hk) and on the website of the Company at <http://www.goldbondgroup.com/en/>. The annual report for the year ended 31 March 2021 of the Company will be despatched to the shareholders of the Company in due course, and will be made available for viewing at the aforesaid websites.

## **DELISTING DECISION**

On 19 March 2021, the Company received a letter (the “Letter”) from the Stock Exchange stating that the Listing Committee of the Stock Exchange (the “Listing Committee”) has decided that the Company has failed to fulfill Resumption Guidance 3 and Resumption Guidance 4 (as further described below) by the resumption deadline of 28 December 2020 and decided to cancel the Company’s listing under Rule 6.01A of the Listing Rules (the “Delisting Decision”). Details of the Delisting Decision are set out in the announcement of the Company dated 22 March 2021.

As disclosed in the announcement of the Company dated 26 March 2021, the Company has on 26 March 2021 submitted a written request for the Delisting Decision be referred to the Listing Review Committee for review pursuant to Chapter 2B of the Listing Rules.

The Listing Committee conducted a hearing on 10 June 2021 in relation to the Review. The Company hereby reminds the Shareholders and potential investors that the outcome of the Review is uncertain as at the date of this announcement. The Company will make further announcement(s) in this regard as and when appropriate and in accordance with the Listing Rules. Shareholders and potential investors who have any queries about the implications of the Delisting Decision are advised to seek professional advice as they may consider appropriate.

## **CONTINUED SUSPENSION OF TRADING**

Trading in the shares of the Company on the Stock Exchange has been suspended with effect from 9:00 a.m. on 28 June 2019 and will remain suspended until further notice.

**Shareholders of the Company and potential investors should exercise extreme caution when dealing in the shares of the Company.**

By order of the Board  
**Goldbond Group Holdings Limited**  
**Wong Yu Lung, Charles**  
*Chairman*

Hong Kong, 30 June 2021

*As at the date of this announcement, the Board comprises Mr. Wong Yu Lung, Charles, Ms. Wong, Michelle Yatyee and Mr. Wong Ming Bun, David (all being executive directors of the Company), Mr. Ma Ho Fai GBS JP, Mr. Cheng Yuk Wo and Mr. Yeh Shing Hang Kevin Arthur (all being independent non-executive directors of the Company).*