

耀才證券

BRIGHT SMART SECURITIES

耀才證券金融集團有限公司

Bright Smart Securities & Commodities Group Limited

(於開曼群島註冊成立之有限公司)

(Incorporated in the Cayman Islands with limited liability)

股份代號 Stock Code: 1428



屢創佳績 全賴有您
以心連心 毋懼疫市

Let's grow together!
Let's bright together!

2020/21

中期報告
Interim Report

Contents

目錄

Corporate Information	公司資料	2
Management Discussion and Analysis	管理層討論與分析	5
Other Information	其他資料	26
Consolidated Statement of Comprehensive Income	綜合全面收益表	31
Consolidated Statement of Financial Position	綜合財務狀況表	32
Consolidated Statement of Changes in Equity	綜合權益變動表	34
Condensed Consolidated Cash Flow Statement	簡明綜合現金流量表	35
Notes to the Unaudited Interim Financial Report	未經審核中期財務報告附註	36
Independent Auditor's Review Report	獨立核數師審閱報告	67

Corporate Information

公司資料

EXECUTIVE DIRECTORS

Mr. Yip Mow Lum (*Chairman*)
Mr. Hui Yik Bun (*Chief Executive Officer*)
Mr. Chan Wing Shing, Wilson

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Yu Yun Kong
Mr. Szeto Wai Sun
Mr. Ling Kwok Fai, Joseph

AUTHORISED REPRESENTATIVES

Mr. Hui Yik Bun
Mr. Chan Wing Shing, Wilson

COMPANY SECRETARY

Mr. Chan Kwan Pak

MEMBERS OF AUDIT COMMITTEE

Mr. Yu Yun Kong (*Chairman*)
Mr. Szeto Wai Sun
Mr. Ling Kwok Fai, Joseph

MEMBERS OF REMUNERATION COMMITTEE

Mr. Yu Yun Kong (*Chairman*)
Mr. Yip Mow Lum
Mr. Szeto Wai Sun
Mr. Ling Kwok Fai, Joseph

MEMBERS OF NOMINATION COMMITTEE

Mr. Yip Mow Lum (*Chairman*)
Mr. Yu Yun Kong
Mr. Szeto Wai Sun
Mr. Ling Kwok Fai, Joseph

執行董事

葉茂林先生 (*主席*)
許繹彬先生 (*行政總裁*)
陳永誠先生

獨立非執行董事

余韜剛先生
司徒維新先生
凌國輝先生

授權代表

許繹彬先生
陳永誠先生

公司秘書

陳筠栢先生

審核委員會成員

余韜剛先生 (*主席*)
司徒維新先生
凌國輝先生

薪酬委員會成員

余韜剛先生 (*主席*)
葉茂林先生
司徒維新先生
凌國輝先生

提名委員會成員

葉茂林先生 (*主席*)
余韜剛先生
司徒維新先生
凌國輝先生

Corporate Information

公司資料

MEMBERS OF RISK MANAGEMENT COMMITTEE

Mr. Yu Yun Kong (*Chairman*)
Mr. Yip Mow Lum
Mr. Hui Yik Bun
Mr. Szeto Wai Sun
Mr. Ling Kwok Fai, Joseph

REGISTERED OFFICE

P.O. Box 31119
Grand Pavilion, Hibiscus Way
802 West Bay Road
Grand Cayman
KY1-1205
Cayman Islands

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS

10th Floor and 23rd Floor, Wing On House
71 Des Voeux Road Central
Central, Hong Kong

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

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

風險管理委員會成員

余韜剛先生(主席)
葉茂林先生
許繹彬先生
司徒維新先生
凌國輝先生

註冊辦事處

P.O. Box 31119
Grand Pavilion, Hibiscus Way
802 West Bay Road
Grand Cayman
KY1-1205
Cayman Islands

總辦事處及主要營業地點

香港中環
德輔道中71號
永安集團大廈10樓及23樓

主要股份過戶登記處

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

Corporate Information

公司資料

HONG KONG SHARE REGISTRAR

Tricor Investor Services Limited
Level 54, Hopewell Centre
183 Queen's Road East
Hong Kong

PRINCIPAL BANKERS

Bank of China (Hong Kong) Limited
Bank of Communications Co., Ltd. Hong Kong Branch
China CITIC Bank International Limited
China Construction Bank (Asia) Corporation Limited
China Merchants Bank Co., Ltd., Hong Kong Branch
China Minsheng Banking Corp., Ltd., Hong Kong Branch
Chong Hing Bank Limited
CMB Wing Lung Bank Limited
Dah Sing Bank, Limited
DBS Bank (Hong Kong) Limited
Fubon Bank (Hong Kong) Limited
Hang Seng Bank Limited
Industrial and Commercial Bank of China (Asia) Limited
OCBC Wing Hang Bank Limited
Shanghai Commercial Bank Limited
The Bank of East Asia, Limited
The Hongkong and Shanghai Banking Corporation Limited

AUDITOR

KPMG
Certified Public Accountants
Public Interest Entity Auditor registered in accordance with the
Financial Reporting Council Ordinance

WEBSITE

<https://www.bsgroup.com.hk>

香港股份過戶登記處

卓佳證券登記有限公司
香港
皇后大道東183號
合和中心54樓

主要往來銀行

中國銀行(香港)有限公司
交通銀行股份有限公司香港分行
中信銀行(國際)有限公司
中國建設銀行(亞洲)股份有限公司
招商銀行股份有限公司香港分行
中國民生銀行股份有限公司香港分行
創興銀行有限公司
招商永隆銀行有限公司
大新銀行有限公司
星展銀行(香港)有限公司
富邦銀行(香港)有限公司
恒生銀行有限公司
中國工商銀行(亞洲)有限公司
華僑永亨銀行有限公司
上海商業銀行有限公司
東亞銀行有限公司
香港上海滙豐銀行有限公司

核數師

畢馬威會計師事務所
執業會計師
按照財務匯報局條例註冊之公眾利益實體
核數師

網站

<https://www.bsgroup.com.hk>

Management Discussion and Analysis

管理層討論與分析

MARKET REVIEW

The Hong Kong stock market in 2020 saw new hope after it was seemingly in the grip of a dead-end situation. Following last year's social turmoil in the city and interminable China-US trade war, the already ailing economy suffered another setback due to the pandemic this year. Fortunately, the pandemic only has a mild impact on the US and Hong Kong stock markets. The Hang Seng Index ("HSI") surged from the bottom to around 26,800 points at one time after it nosedived to 21,139 points from a high of 29,174 points at the beginning of 2020. Driven by the return of China concepts stocks and frequent record highs of new economy sectors, stock turnover stayed at a high level. Benefitting from this, the securities firms saw increasingly better results and created a miracle in the market.

Early this year, the COVID-19 pandemic was raging and swept across the world. The pandemic cast a deep gloom over Hong Kong, mainland China and the rest of the world, with rising confirmed cases and death toll. The global pandemic still ravages the world in the fourth quarter of this year. As long as vaccines have not yet been developed and mass-produced, it is believed that business activities around the world will not get back on track. All human beings are grounded by the rampaging pandemic. Lots of anti-pandemic efforts have been made, including working from home, banning parties and practising social distancing. The impact it caused are staggering. The retail, tourism, hospitality, aviation and shopping malls bore the brunt of the blow, and the knock-on effects spread to all walks of life. Industries are in a slump. The unemployment rate between July and September increased to a 16-year high of 6.4%. However, the worst is yet to come. Due to internal and external factors, Hong Kong's second-quarter GDP contracted 9% from a year earlier. The private consumption expenditures tumbled 14.2% in the second quarter, a sharper decline from a 10.6% drop in the first quarter. If the pandemic worsens again this winter, the road to recovery will be far away.

市場回顧

二零二零年本港股票市場可謂是「山重水複疑無路，柳暗花明又一村」。繼去年社會風波不斷，中美貿易戰無日無之，今年又受到疫情突襲，令原本已經疲弱的經濟再受重挫。慶幸的是，疫情對美股及港股市場所帶來的影響僅屬輕微，恒生指數（「恒指」）亦由年初高位29,174點，急挫至低位21,139點後，曾由谷底回升至約26,800點水平，在中概股強勢回歸潮以及新經濟板塊屢創新高的推動下，成交額居高不下，連帶證券業貨如輪轉，業績水漲船高，成為逆市奇葩。

今年初，新冠肺炎疫情來勢洶洶「殺埋身」，疫情於全球大爆發，本港、內地以至世界各國均愁雲慘霧，確診及死亡人數不斷攀升，直至今年第四季，環球疫情仍然揮之不去，疫苗一日尚未成功研製及大量生產運用，全世界的商業活動相信亦無法重回正軌。疫情肆虐令全人類禁足：在家工作、禁聚令及保持社交距離，實施大量防疫保護措施，影響可謂翻天覆地，零售業、旅遊業、酒店業、航空業及商場舖位市道，首當其衝受到重擊，連鎖效應波及各行各業，百業蕭條，拖累今年七至九月失業率急升至6.4%，創十六年新高，預計慘況仍未見底。內外夾擊之下，今年本港次季生產總值按年跌9%，同期私人消費開支激挫14.2%，較首季10.6%的跌幅加劇，冬季疫情若再次惡化，復甦之路料遙遙無期。

Management Discussion and Analysis

管理層討論與分析

On the contrary, the pandemic situation in mainland China has greatly improved due to strict control on people mobility in all provinces and municipalities. Take the National Day Golden Week as an example, a nationwide 'retaliatory' consumption boom emerged among mainlanders. The sales volume of milk tea alone stood at 1.1 billion cups within four days. Besides, China saw 637 million trips made during the long holiday, 79% of last year's total. Domestic tourism revenue even reached RMB466.56 billion, reflecting the strong spending power of the public and the gradual recovery of the domestic retail market. Compared with other countries, China has demonstrated the strong resilience and recovery of the country's economy.

The global economy and financial markets remain uncertain this year as the pandemic has yet to be brought under control and a vaccine is still not yet available. But countries should give the top priority to reviving their economies by taking trillions of dollars of relief measures and vigorously introducing loose fiscal and monetary policies to ease the liquidity crunch, which will help resume economic growth.

Although the market was volatile due to uncertainties such as the pandemic and the China-US conflict, as investors had spare time and idle money, and the pandemic swept across the world, otaku economy appeared and online shopping prevailed, which has created a growing demand for online investment. Lots of investors were enthusiastic about IPO subscriptions and kept an eye on new economy stocks for investment opportunities. The market turnover was very active. In addition, as many countries implemented loose monetary policies and injected a massive amount of funds into the market, bank balance in Hong Kong surpassed HK\$450 billion and inflows of northbound capital and foreign capital sent stock turnover high.

反觀，內地在全國各省市嚴控人流管理之下，疫情得到大大改善，以十一黃金週為例，「蟄伏」已久的內地民眾掀起全國「報復式」消費熱潮，單單奶茶的銷量已在四日之內達到11億杯；而整個長假期間全國共接待國內遊客6.37億人次，同比恢復79%，國內旅遊收入更達4,665.6億元人民幣，反映民眾消費力強勁，國內零售市場漸漸回暖。與其他國家相比而言，內地的經濟可謂展現出強勁的韌力及復甦力。

新冠疫情於全球仍未有效受控，疫苗面世之日只聞樓梯響，令今年環球經濟及金融市場屢添變數，惟各國須以全力振興經濟為重中之重，多番推出總規模達數以萬億的紓困措施，大力推行寬鬆的財政及貨幣政策，緩解市場資金緊張狀況，有助於經濟恢復增長。

雖然大市受累疫情及中美矛盾等不穩定因素而變得波動，但證券市場受惠於投資者多了「餘暇」及「餘資」，加上疫情肆虐，孕育了宅經濟及網上消費模式的盛行，網上投資需求日益殷切，吸引大批投資者熱衷大抽新股及留意新經濟股熱潮，從中尋找投資良機，帶動大市成交非常活躍。再加上多國實施寬鬆貨幣政策，向市場注入大量資金，本港銀行結餘衝破4,500億港元，北水及外資流入資產市場，推動股票市場成交水漲船高。

Management Discussion and Analysis

管理層討論與分析

According to the statistics of Hong Kong Exchanges and Clearing Limited (“HKEx”), the average daily turnover for the first half of this year (i.e. the second and third quarters of 2020) was approximately HK\$128.08 billion, a significant increase of approximately 49.9% from approximately HK\$85.45 billion for the same period of the previous year. Moreover, due to the tense relationship between the US and China in recent years, the business activities of Chinese enterprises have been limited, and they are even under pressure from possible suppression or sanctions. As a result, more China concept stocks returned to Hong Kong for listing. This created an opportunity for the city’s IPO market and enthusiasm was aroused. In the first nine months of 2020, there were 97 new listed companies in Hong Kong. Despite a slight year-on-year decline of 3% in the number of new listed companies, the amount of funds raised through IPOs in Hong Kong stood at HK\$211.4 billion, up 57.9% from HK\$133.9 billion in the same period of last year. In terms of funds raised, the city broke into the top three in the world.

The significant growth in funds raised was mainly due to the return of many US-listed China concept stocks to Hong Kong. Seven companies completed their secondary listing as of the end of this September, raising a total of HK\$102 billion, accounting for around 48% of the total money raised are large-sized IPOs. The amount of funds raised through the top ten IPOs reached HK\$142.7 billion, accounting for around 68% of the total money raised, which are all remarkable. The biggest highlight of the IPO market is none other than Ant Group (6688). As the largest IPO in the history of the world, Ant Group that sought a simultaneous A-share and H-share listing has attracted worldwide attention. Its IPO got an unprecedentedly strong investor response, which was expected to write a glorious chapter in the history of Hong Kong’s IPO market. Unfortunately, due to regulatory issues, Ant Group suddenly announced the suspension of the dual listing after the allotment, causing investors who subscribed the shares on margin to suffer losses before they could make profits. As a leader in the securities industry, the Group has been actively fulfilling its corporate social responsibilities and striving to protect investors’ benefits. It determined to give back the interest and administration fees arising from buying on margin to clients in cash. The Group alone will bear all losses, in a bid to minimize the damage to clients.

根據香港交易及結算所有限公司(「港交所」)的統計資料，本年度首半年(即二零二零年第二季及第三季)之每日平均交易額約為1,280.8億港元，較上年度同期之約854.5億港元，大幅上升約49.9%。另外，由於近年中美關係持續緊張，中資企業營商活動遭受限制，更甚恐會面臨打壓或制裁的壓力，促使更多中概股回流赴港上市，反而為本港新股市場創造契機，燃點熾熱氣氛。今年首九個月本港新增97家上市公司，雖然較去年同期輕微下滑3%，但本港首次公開招股(IPO)集資額達2,114億港元，較去年同期的1,339億港元上升57.9%，以集資金額計算，令香港躋身全球首三名之列。

集資額大幅上升，主要受惠於一眾已在美國上市的中概股回流赴港，直至今年九月底便有七家公司完成第二上市，共集資1,020億港元，約佔總集資金額的48%；當中亦迎來較多大型新股，光是首十大新股之集資額已達1,427億港元，約佔總集資金額的68%，可謂粒粒皆星，但數到新股市場的最大亮點卻非螞蟻集團(6688)莫屬。作為全球史上最大型之新股，螞蟻集團選擇A+H同步招股上市乃全球矚目，其招股反應更是空前踴躍，更有望為香港新股市場歷史寫下光輝的一頁。可惜其後螞蟻集團因監管問題，在招股完成後突然宣布暫緩A+H上市，令以孖展認購此股的一眾投資者未見其利，先見其害，無故遭受損失。本集團作為證券行業領先者，一直積極履行社會企業責任，更致力保障投資者的利益，希望盡一點企業良心，決定將所有孖展認購所產生的利息及手續費，全數以現金方式回贈給客戶，一力承擔所有損失，務求將客戶的傷害減到最低。

Management Discussion and Analysis

管理層討論與分析

Even Ant Group's blockbuster IPO experienced an unexpected "anticlimax", not to mention that investors should always tip their toe and conduct risk management amid the complicated and volatile political and economic situation. In particular, the US presidential election takes place this year, and stock market will fluctuate surrounding the election time due to outburst of news and rumours. So, it is more difficult for investors to master. In recent years, the conflicts between China and the US have intensified, with the two countries competing with each other in technology, economy, national defence, etc. They both strive to become the "world's No. 1 power". Therefore, no matter which candidate will be the President of the United States of the next term, the United States is expected to take a tough stance towards China in the coming years. At the same time, in a bid to save their economy hit hard by the pandemic, governments tend to adopt quantitative easing monetary policy. This has increased the financial risk to the staggering global economy. Investors should be prepared for a turbulent global economy in the future.

OPERATING RESULTS

As of the six months ended 30 September 2020 (the "Period"), Bright Smart Securities & Commodities Group Limited (the "Company") and its subsidiaries (collectively, the "Group"), recorded revenue of HK\$582.9 million (2019: HK\$393.8 million), representing a year-on-year increase of 48.0%. Profit attributable to equity shareholders for the Period amounted to HK\$346.1 million (2019: HK\$211.5 million), representing an increase of 63.6% as compared to that for the corresponding period last year. Basic and diluted earnings per share were 20.39 HK cents (2019: 12.46 HK cents). The board (the "Board") of directors (the "Directors") of the Company does not recommend the payment of any interim dividend for the Period (2019: Nil).

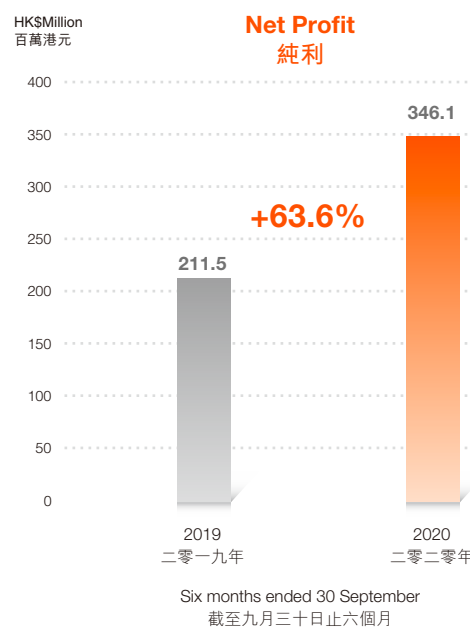
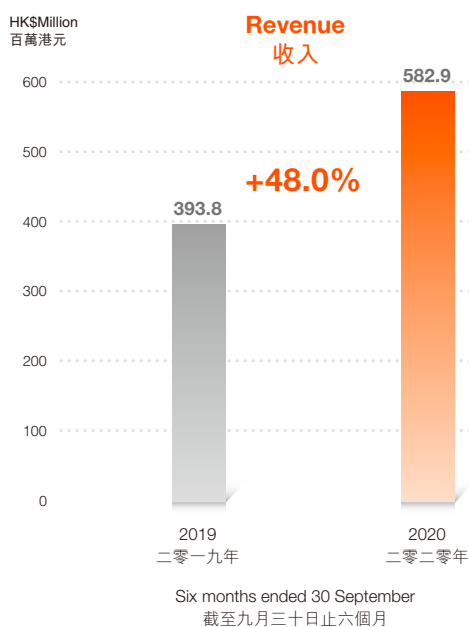
即使如螞蟻集團此等重磅新星上市亦出現「反高潮」，令人大跌眼鏡，更遑論投資者在面對複雜多變的政經局勢時，在風雨飄搖下須時刻保持審慎，做好風險管理，尤其今年適逢美國總統大選之年，在大選前後，股市因種種選舉消息而浮沉，對投資者而言更難駕馭。而且近年中美矛盾加劇，彼此在科技、經濟、國防等層面上均處於競爭關係，務求成為「世界第一哥」，因此無論哪位候選人成功當選美國總統，未來數年美國對華方針料是強硬。與此同時，各國政府為求挽救被新冠疫情重挫的經濟，而頻頻放寬貨幣政策，令原本已踏入低增長的環球經濟面臨更大的金融風險，投資者更應有心理準備，將來環球經濟或變得動蕩不安。

經營業績

截至二零二零年九月三十日止六個月期間（「本期間」），耀才證券金融集團有限公司（「本公司」）連同其附屬公司，合稱（「本集團」）收入錄得582.9百萬港元（二零一九年：393.8百萬港元），較去年同期增加48.0%；本期間權益股東應佔溢利為346.1百萬港元（二零一九年：211.5百萬港元），較去年同期上升63.6%；每股基本盈利及每股攤薄盈利為20.39港仙（二零一九年：12.46港仙）。本公司董事（「董事」）會（「董事會」）不建議就本期間派發中期股息（二零一九年：無）。

Management Discussion and Analysis

管理層討論與分析



The increase in the Group's revenue in the past six months was largely because of the active market trading and the IPO boom. Although uncertainties, such as the COVID-19 pandemic and Sino-US relations, have made political, economic and financial markets unpredictable and investors have become cautious, the Group's revenue rose significantly in the volatile market as investors actively sought hedging opportunities, stimulated trading in the futures market, or invested in hot sectors, such as new economy stocks, pharmaceuticals stocks and property management stocks.

本集團在過去半年收益上升，主要受惠於大市成交活躍及新股市場熱潮。雖然大市充斥著各種不穩定因素，如新冠疫情及中美關係等，令政治、經濟及金融市場變得難以捉摸，投資者態度趨於審慎；然而在波動市下，投資者積極尋找機會進行對沖，刺激期貨市場交投，或投資熱炒板塊如新經濟股、醫藥股及物管股等，因而帶動本集團收入大幅上升。

TOTAL NUMBER OF CLIENT ACCOUNTS AND ASSETS

The Group has maintained a positive pace in both good and bad times. It continuously carried out policies for optimisation and expansion. As at the end of September 2020, the Group, with its Central Head Office and all branches, had a total of 14 business locations covering the core areas of Hong Kong, with most of them operating seven days a week, breaking the industry tradition. In addition, the Group with the spirit of innovation and client-oriented service attitude launched the industry-first "Bright Smart Mobile Teaching Centre", which travels around the Hong Kong Island, Kowloon and the New Territories. It caters to the needs of clients in a more comprehensive manner and brings convenience to them.

客戶戶口總數及資產

本集團無論順逆市均保持積極進取的步伐，繼續採取優化擴充政策，截至二零二零年九月底，本集團的中環總行連同所有分行合共已有14個營業點，網絡覆蓋香港核心區域，當中大部份更實施七天營業，打破業界傳統。此外，本集團充份發揮創新的精神，秉承「以客為先」的服務態度，推出開創證券界先河的「耀才教學專車」，走遍港九新界，更全面地照顧客戶需要，為客戶帶來便利。

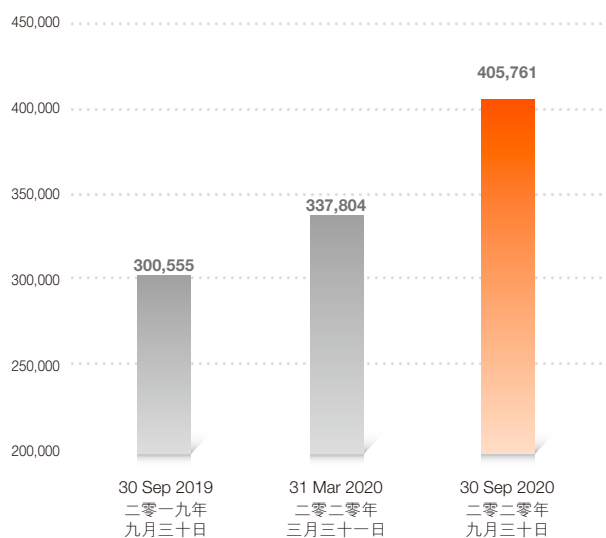
Management Discussion and Analysis

管理層討論與分析

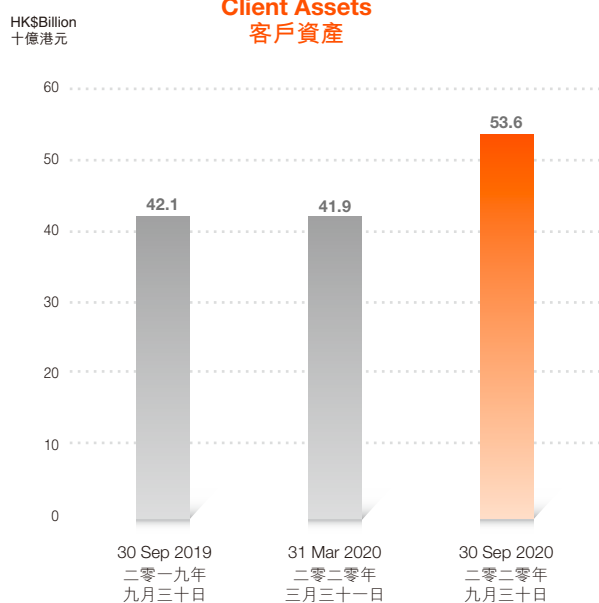
Moreover, with the rapid development of science and technology, the Group has been aware of investors' needs for fintech and therefore engages in digitalising investment services by making substantial investments in half a year of time to develop two mobile trading apps, namely "BS Securities (Baobao)" and "BS Futures (Doudou)", which allow clients to open an account and trade products anytime and anywhere. Both of them have enriched the online experience of clients and have been well received by investors, resulting in a steady growth in the total number of client accounts. During the Period, 67,957 new accounts were opened (after deducting accounts closed by clients), bringing the total number of client accounts to 405,761, representing an increase of 35.0% from 300,555 accounts as at 30 September 2019. In addition, client assets under management (including cash, stocks and margins) amounted to approximately HK\$53.6 billion as at 30 September 2020 (30 September 2019: approximately HK\$42.1 billion), representing an increase of 27.3%.

不但如此，隨著科技日新月異的發展，本集團洞察到投資者對金融科技的需要，因而積極推行投資數碼化，斥資巨額、花時半年研發「耀才證券(寶寶)」及「耀才期貨(豆豆)」兩大手機交易程式(APP)，讓客戶足不出戶，可隨時隨地開戶及進行投資買賣。「耀才寶寶」及「耀才豆豆」APP豐富了客戶的線上體驗，備受投資者歡迎，成功令客戶戶口總數保持穩健增長，本期間新開立戶口達67,957個(已扣減結束賬戶之客戶)，令客戶戶口總數增加至405,761個，相較於二零一九年九月三十日的300,555個，增幅達35.0%。另外，截至二零二零年九月三十日，管理客戶資產(包括現金、股票及保證金)約536億港元(二零一九年九月三十日：約421億港元)，上升27.3%。

Number of Client Accounts
客戶戶口總數



Client Assets
客戶資產



Management Discussion and Analysis

管理層討論與分析

REVENUE

During the Period, the Group recorded revenue of HK\$582.9 million (2019: HK\$393.8 million), representing a year-on-year rise of 48.0%. A summary of the Group's revenue by business divisions is shown below:

收入

本期間，本集團收入錄得582.9百萬港元（二零一九年：393.8百萬港元），較去年同期增加48.0%。本集團各業務分部之收入概要載列如下：

		Six months ended 30 September 截至九月三十日止六個月				
		2020 2020年		2019 2019年		
		Proportion of total revenue 佔總收入 比例		Proportion of total revenue 佔總收入 比例		Increment/ (decrement) 增加/ (減少)
		HK\$'000 千港元	%	HK\$'000 千港元	%	%
Revenue from:	收入來自：					
— Securities brokerage	— 證券經紀	219,990	37.7%	113,080	28.7%	94.5%
— Hong Kong futures and options brokerage	— 香港期貨及期權經紀	62,460	10.7%	62,393	15.8%	0.1%
— Global futures brokerage	— 環球期貨經紀	53,754	9.2%	46,606	11.8%	15.3%
— Bullion trading	— 現貨金交易	6,682	1.1%	8,171	2.1%	(18.2%)
— Leveraged foreign exchange trading	— 槓桿式外匯交易	1,469	0.3%	700	0.2%	110.2%
— Stock option brokerage	— 股票期權經紀	7,707	1.3%	5,836	1.5%	32.1%
— IPO brokerage	— 首次公開發售經紀	21,416	3.7%	3,857	1.0%	455.1%
Interest income from IPO financing	首次公開發售融資利息收入	95,321	16.4%	2,693	0.7%	3,439.6%
Interest income from margin financing	孖展融資利息收入	114,092	19.6%	150,421	38.2%	(24.2%)
		582,891	100.0%	393,757	100.0%	48.0%

Management Discussion and Analysis

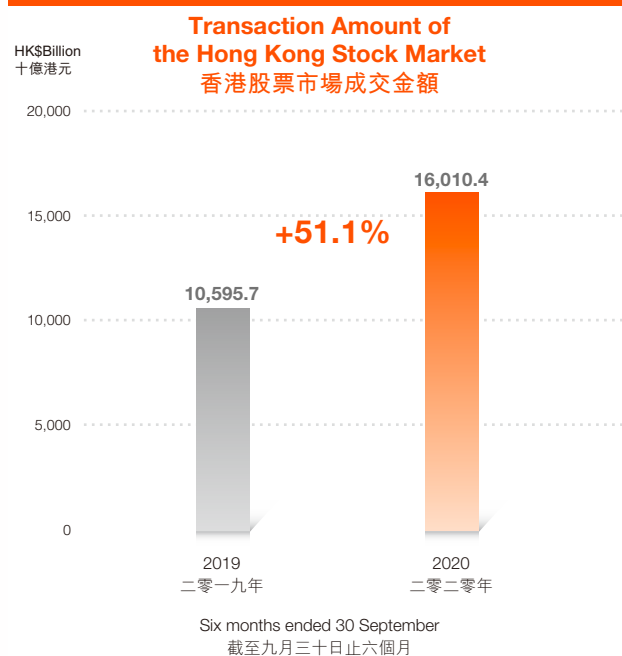
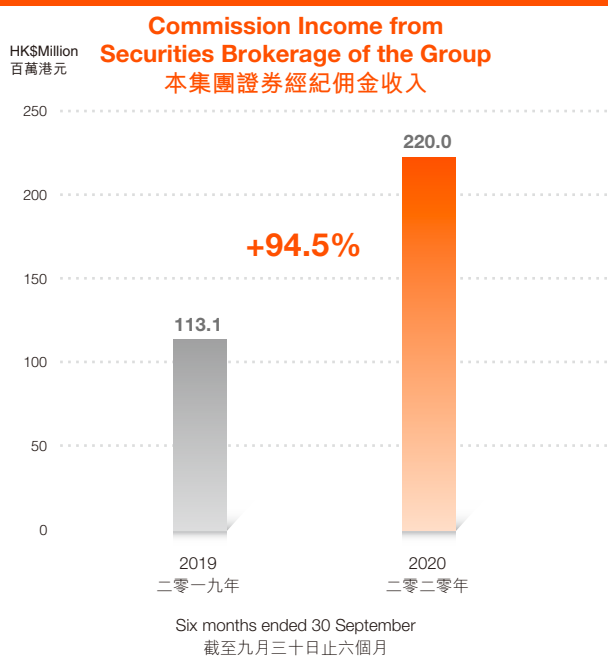
管理層討論與分析

I. Securities brokerage

The total turnover of securities on HKEx for the Period was HK\$16,010.4 billion, representing a year-on-year growth of 51.1% (2019: HK\$10,595.7 billion). The Group's commission income from securities brokerage stood at HK\$220.0 million (2019: HK\$113.1 million), representing a significant year-on-year increase of 94.5%, accounting for 37.7% (2019: 28.7%) of its total revenue.

I. 證券經紀

港交所於本期間之總成交金額錄得160,104億港元，同比上升51.1%（二零一九年：105,957億港元）。本集團證券經紀佣金收入錄得220.0百萬港元（二零一九年：113.1百萬港元），較去年同期大幅上升94.5%，佔總收入37.7%（二零一九年：28.7%）。



Management Discussion and Analysis

管理層討論與分析

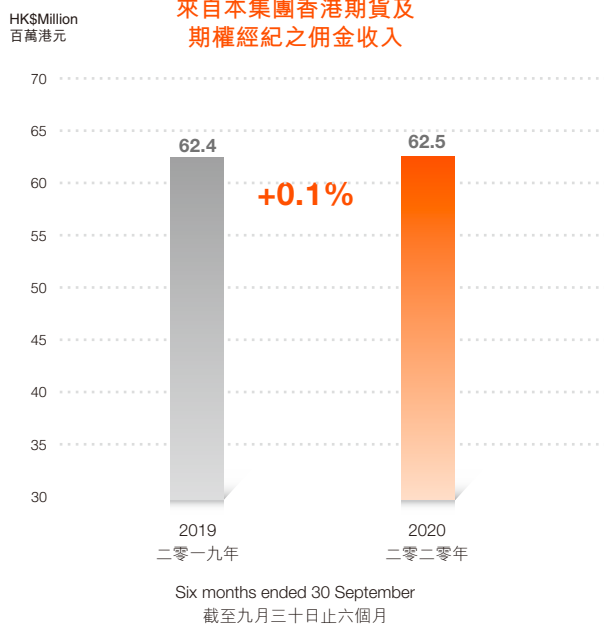
II. Hong Kong futures and options brokerage

The transaction volume of derivative contracts at the Hong Kong Futures Exchange Limited (“HKFE”) was 73.3 million (2019: 79.9 million) during the Period, representing a year-on-year decrease of 8.3%. The Group recorded commission income from Hong Kong futures and options brokerage of HK\$62.5 million (2019: HK\$62.4 million) for the Period, representing a year-on-year increase of 0.1%, accounting for 10.7% (2019: 15.8%) of its total revenue.

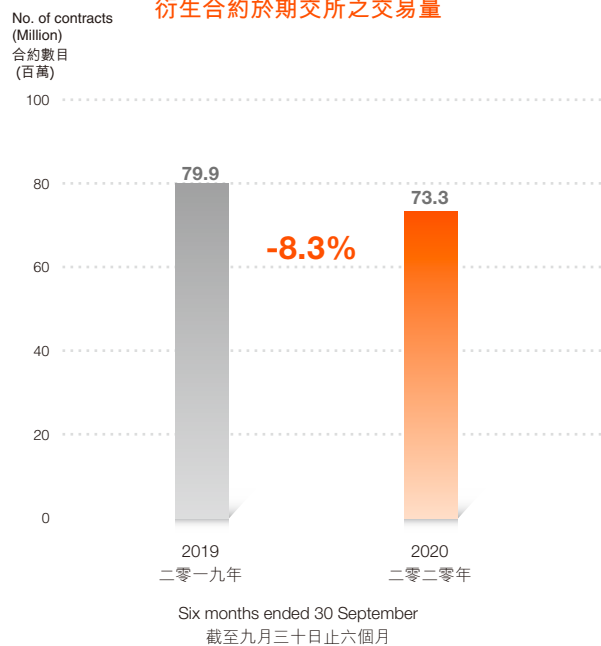
II. 香港期貨及期權經紀

香港期貨交易所有限公司(「期交所」)之衍生產品於本期間合約成交張數為73.3百萬張(二零一九年：79.9百萬張)，下跌8.3%。本集團本期間錄得香港期貨及期權經紀佣金收入達62.5百萬港元(二零一九年：62.4百萬港元)，較去年同期上升0.1%，佔總收入10.7%(二零一九年：15.8%)。

Commission Income from Hong Kong Futures and Options Brokerage of the Group
來自本集團香港期貨及期權經紀之佣金收入



Transaction Volume of Derivative Contracts on HKFE
衍生合約於期交所之交易量



III. Global futures brokerage

There are many uncertainties in the local investment market, as the global futures markets are open 24 hours a day, many investors turned to the global markets. So, the commission income from global futures brokerage went up 15.3% year-on-year to HK\$53.8 million (2019: HK\$46.6 million) during the Period, accounting for 9.2% (2019: 11.8%) of its total revenue.

III. 環球期貨經紀

本港投資市場存在眾多不確定因素，但環球期貨因24小時開放關係，驅使一眾投資者轉投環球市場，帶動本期間環球期貨經紀佣金收入為53.8百萬港元(二零一九年：46.6百萬港元)，較去年同期上升15.3%，佔總收入9.2%(二零一九年：11.8%)。

Management Discussion and Analysis

管理層討論與分析

IV. Bullion trading

During the Period, the Group recorded revenue of HK\$6.7 million (2019: HK\$8.2 million) from bullion trading, representing a year-on-year drop of 18.2%, and accounting for 1.1% (2019: 2.1%) of the total revenue.

V. Leveraged foreign exchange trading

The Group's business income from leveraged foreign exchange trading stood at HK\$1.5 million (2019: HK\$0.7 million) during the Period, accounting for 0.3% (2019: 0.2%) of its total revenue. The Group believes that investors' demand for diversified financial investment products will continue to grow. It will therefore strive to identify opportunities to expand its business and provide investors with a wide range of investment instruments to choose from.

VI. Stock option brokerage

The Group's commission income from stock option brokerage rose 32.1% year on year to HK\$7.7 million (2019: HK\$5.8 million) during the Period, accounting for 1.3% (2019: 1.5%) of its total revenue. As stock options are highly leveraged investment products, the Group carefully monitors the margin level of stock option accounts and makes adjustments according to market conditions in order to properly control risks.

VII. IPO brokerage and IPO financing

The return of many China concept stocks for listing in Hong Kong this year triggered a flurry of IPOs. The total amount of funds raised through IPOs in Hong Kong amounted to HK\$196.9 billion (2019: HK\$112.7 billion) during the Period, representing a significant increase of 74.8% over the corresponding period last year. The Group's commission income from IPO brokerage for the Period was HK\$21.4 million (2019: HK\$3.9 million), representing a year-on-year surge of 455.1%. Its interest income from IPO financing jumped 3,439.6% to HK\$95.3 million (2019: HK\$2.7 million).

IV. 現貨金交易

本期間，本集團錄得現貨金交易收入為6.7百萬港元(二零一九年：8.2百萬港元)，較去年同期下跌18.2%，佔總收入1.1%(二零一九年：2.1%)。

V. 槓桿式外匯交易

本期間，本集團錄得槓桿式外匯交易的業務收入為1.5百萬港元(二零一九年：0.7百萬港元)，佔總收入0.3%(二零一九年：0.2%)。本集團相信投資者對多元化的金融投資產品之需求有增無減，因此本集團將會致力物色商機，拓展更多的業務，提供更全面的投資工具予投資者選擇。

VI. 股票期權經紀

本集團於本期間錄得股票期權經紀佣金收入為7.7百萬港元(二零一九年：5.8百萬港元)，較去年同期上升32.1%，佔總收入1.3%(二零一九年：1.5%)。股票期權為高槓桿的投資產品，本集團嚴謹監察股票期權戶口的按金水平，並根據市況作出調整，以妥善控制風險。

VII. 首次公開發售經紀及首次公開發售融資

今年受惠於多隻中概股回流赴港上市，掀起新股上市熱潮，於本期間，本港首次上市集資總額錄得1,969億港元(二零一九年：1,127億港元)，較去年同期大幅上升74.8%。本集團本期間來自首次公開發售經紀業務之佣金收入錄得21.4百萬港元(二零一九年：3.9百萬港元)，同比上升455.1%；首次公開發售融資利息收入亦上升3,439.6%至95.3百萬港元(二零一九年：2.7百萬港元)。

Management Discussion and Analysis

管理層討論與分析

VIII. Margin financing

During the Period, the Group's average daily margin borrowings increased 7.5% to HK\$6.19 billion (2019: HK\$5.76 billion). Affected by the drop in Hong Kong Interbank Offered Rate, the Group's interest income from margin financing during the Period amounted to HK\$114.1 million (2019: HK\$150.4 million), representing a year-on-year decline of 24.2%, and accounting for 19.6% (2019: 38.2%) of the total revenue. The Group implements effective credit control procedures and recorded no bad debts in the past few years.

GAIN FROM INVESTMENT

In order to enhance its financial performance, the Group held Hong Kong-listed securities, bonds and futures contracts as investments during the Period. As at 30 September 2020, the carrying value of equity, bond and futures investments stood at HK\$12.2 million (31 March 2020: HK\$48.5 million). It was classified as financial assets at fair value through profit or loss and financial assets at amortised cost into the consolidated statement of financial position. During the Period, the investment returns from financial assets at fair value through profit or loss were HK\$7.2 million (2019: loss of HK\$0.7 million).

OPERATING EXPENSES AND NET PROFIT MARGIN

The Group well controlled its operating expenses during the Period. The total operating expenses stood at HK\$329.6 million (2019: HK\$265.6 million), and its net profit margin was 59.4% (2019: 53.7%).

VIII. 孖展融資

本期間，本集團日均孖展借貨上升7.5%至61.9億港元(二零一九年：57.6億港元)。本期間，本集團之孖展融資利息收入為114.1百萬港元(二零一九年：150.4百萬港元)，在香港銀行同業拆息下跌影響下，較去年同期下跌24.2%，佔總收入19.6%(二零一九年：38.2%)。本集團實施有效的信貸監控程序，於過往幾年間並無錄得任何壞賬。

投資收益

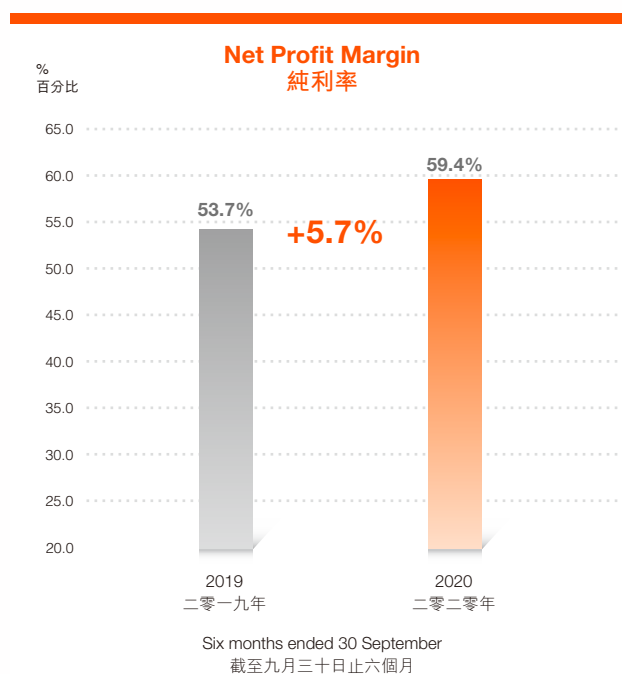
為提升本集團財務業績，本集團於本期間持有香港上市證券、債券及期貨合約作為投資。於二零二零年九月三十日，股票、債券及期貨投資之賬面值為12.2百萬港元(二零二零年三月三十一日：48.5百萬港元)，並在綜合財務狀況表分類為按公平值計入損益之金融資產及按攤銷成本計量之金融資產。於本期間，來自按公平值計入損益之金融資產的投資收益為7.2百萬港元(二零一九年：0.7百萬港元虧損)。

經營開支及純利率

本期間，本集團之經營開支控制得宜，本期間錄得經營開支總額為329.6百萬港元(二零一九年：265.6百萬港元)，純利率為59.4%(二零一九年：53.7%)。

Management Discussion and Analysis

管理層討論與分析



A breakdown of operating expenses is set out below:

經營開支明細如下：

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元	Increment/ (decrement) 增加/(減少) %
Staff cost	員工成本	64,199	71,365	(10.0%)
Amortisation and depreciation	攤銷及折舊	39,954	45,389	(12.0%)
Finance cost	財務成本	99,139	55,967	77.1%
Advertising and promotion expenses	廣告及宣傳開支	15,707	5,148	205.1%
Auditors' remuneration	核數師酬金	762	762	—
Commission, handling and settlement expenses	經紀佣金、手續費及結算費用	66,406	40,252	65.0%
Information and communication expenses	資訊及通訊開支	23,757	22,109	7.5%
Rates and building management fees	差餉及樓宇管理費	2,372	2,879	(17.6%)
Legal and professional fee	法律及專業費用	1,260	1,668	(24.5%)
Miscellaneous expenses	雜項開支	16,085	20,104	(20.0%)
		329,641	265,643	24.1%

Management Discussion and Analysis

管理層討論與分析

FUTURE PLANS

The COVID-19 pandemic is like a ‘band-tightening spell’ on the economy this year and next year, with more than 50 million cases confirmed worldwide. As the situation is uncertain and a new strain of the coronavirus that is more contagious emerged, the pandemic is likely to worsen in winter. The outlook is bleak. Shows about the US presidential election were staged one after another. Whoever wins the presidency, the American domestic political landscape and the global political and economic situation are bound to change in the next four years. The US is expected to maintain a hawkish stance towards China and continuously wage wars on trade, technology and finance. So, investors should get used to struggling to survive in the shadow of the pandemic and the wars between China and the US. Undoubtedly, the market will drastically rise and fall in the form of a “W”. If investors stay alert and flexible at all times, with the mindset of a “skillful butcher”, they may stand a good chance to make profits if they can ride on the volatile market.

The Chinese central government is making every effort to promote the integrated development of the Greater Bay Area. President Xi Jinping delivered a speech during his southern tour in 2020 celebrating the 40th anniversary of the establishment of the Shenzhen Special Economic Zone, saying that Shenzhen should play a leading role in the region. He added that the central government supports Shenzhen in starting at an early stage and on a pilot basis in capital market construction, including the launch of index futures based on SZSE market, pilot issuance of the China Depositary Receipts (CDR) and optimisation of market access for private equity funds. This reflects that the central government fully supports Shenzhen in catching up with Hong Kong in the development of financial market. Although Shenzhen’s GDP surpassed that of Hong Kong in 2018, the latter still leads the country in terms of GDP per capita and average monthly income. However, the future situation is not optimistic. According to a report of the China Development Institute in Shenzhen, the city’s GDP growth in the next five years is expected to reach 6.5%, and its GDP will reach total RMB4.2–4.5 trillion by 2025, with GDP per capita of US\$35,000. Driven by new types of consumption and new tech companies, the scale of Shenzhen’s new economy is expected to maintain a growth rate of 9% in the coming five years, accounting for half of its GDP. The new economy sector will create nearly 5 million jobs during the period. By 2025, the consumption rate in the city is expected to reach 50% and the consumption expenditure will double to RMB2.2 trillion, only next to Beijing and Shanghai.

未來計劃

新冠疫情是今、明年經濟的緊箍咒，全球確診人數突破五千萬宗，時好時壞，加上出現傳播力更強的最新病毒株，踏入冬季或令疫情更加惡化，前景不容樂觀。美國總統選戰好戲連番上演，無論總統寶座花落誰家，未來四年勢必牽動美國國內政治版圖以及全球政經局勢變化，其對華方針針維持鷹派，有可能繼續大打貿易戰、科技戰及金融戰，投資者要習慣於「疫情」及「中美戰」陰霾下掙扎求存。大市走勢必定大上大落，以「W」形式發展，投資者若果時刻保持高警覺性、靈活性，以庖丁解牛的心態，遊走於波動市，或是不俗的獲利良機。

中央如火如荼推動大灣區聯動發展，今年又適逢深圳特區成立四十周年，國家主席習近平南巡講話指明深圳擔當區內龍頭角色，又支持深圳於資本市場建設上先行先試、推出深市股指期貨、開展中國預託證券(CDR)試點及優化私募基金市場準入環境等，反映中央大力扶持深圳於金融市場向本港急起直追。深圳GDP於二零一八年雖已超越香港，但香港在人均產值及平均每月收入上則仍領先全國。惟未來形勢不容樂觀，根據中國(深圳)綜合開發研究院的報告預計，未來5年，深圳GDP增速預計達到6.5%，到二零二五年總量達到4.2萬億至4.5萬億人民幣，人均GDP達3.5萬美元；在新消費和新科技企業帶動下，未來5年，深圳新經濟增速預計保持9%，佔GDP比重一半，創造近500萬工作崗位；到二零二五年，消費率有望達到50%，消費規模達2.2萬億人民幣，增長一倍，僅次於北京、上海。

Management Discussion and Analysis

管理層討論與分析

The central government is determined to build Shenzhen into the third Chinese financial centre after Hong Kong and Shanghai. This has indeed sounded the alarm about Hong Kong's future development. If Hong Kong continues relying solely on the financial, real estate and tourism industries, it will be overtaken by Singapore and Shenzhen. A social turmoil and a raging pandemic have clearly eroded Hong Kong's traditional advantages. Meanwhile, new growth points have yet to emerge. So there is an urgent need for the Hong Kong government to make changes, such as technological innovation. It needs to strive to achieve economic transformation. The HKEx kept pace with times by introducing weighted voting rights structure, deepening the connect schemes between Hong Kong and mainland China and allowing the listing of China concept stocks, all of which are in line with new developments. Hong Kong should also actively seek transformation and diversification, and strive to develop innovative technologies to inject new vitality into the economy. Hong Kong's development is closely linked to that of the mainland China. It must proactively join the planning of the Greater Bay Area and the "Belt and Road" Initiative, put words into action and seize every opportunity to avoid wasting the valuable time on endless arguments.

Foreign countries have a tough time and China and the US compete with each other, but Hong Kong, as a financial centre in Asia, is now the beneficiary, attracting a large amount of northbound capital and foreign capital to flow into the city's stock market. Bank balance there topped HK\$450 billion. As a leading securities broker in Hong Kong, the Group has seen increasingly better business performance since the beginning of this year, boosted by otaku economy and online shopping. With a network of 14 branches covering the core areas of Hong Kong, the Group will adopt a more aggressive development strategy and continue recruiting talents to optimize the branch network and enhance its service quality, in order to serve investors in Hong Kong and mainland China.

In the meantime, the Group believes that investors' education should be open for all, easy to understand and diversified so as to enhance the financial literacy of the public and assist them in developing responsible financial habits, behaviours and decisions. Therefore, to take up an important role in investors' education, the Group organises various investment seminars and investment simulation competitions free of charge. For instance, the Group partnered with world-renowned stock exchanges, financial institutions and top industry experts to provide investors with comprehensive, reliable and free wealth management information so as to enhance their knowledge about financial products and economic trends across the world and broaden their investment choices. Looking forward, the Group will continue to adopt diversified promotional and marketing strategies with a view to grasping all valuable business opportunities and building up itself.

中央要在香港及上海以外，銳意打造深圳作為第三個中國的金融中心，確實為本港未來發展敲響警號，香港若果一如既往只靠食金融、地產及旅遊業的老本，一味原地踏步，勢被鄰近的新加坡及深圳爬頭。一場社會風波加上疫情肆虐，令香港傳統優勢明顯遭削弱，新的增長點又未形成，政府銳意變革已經急在眉睫，譬如科技創新，奮起直追實現經濟轉型。香港交易所也因應市況不斷與時俱進，推出同股不同權、加深中港互聯互通機制、吸納中概股回流上市等，都是因時制宜迎合新發展。香港亦要積極謀求轉型，尋求多元化發展，致力發展創新科技，為經濟注入新活力。香港的發展與內地緊密相連，必須積極融入粵港澳大灣區規劃及「一帶一路」建設，坐言起行、緊握機遇，切莫將寶貴的光陰虛耗於無窮無盡的爭拗中。

雖然外圍風起雲湧，中美相爭，香港作為亞洲金融中心現階段是漁人得利，吸引大量北水及外資進入投資港股，銀行結餘突破4,500億港元，本集團作為本港證券業龍頭，今年以來受到宅經濟及網上消費模式盛行帶動，令業務節節高升。本集團將因應時勢，採取更積極進取的發展策略，14間分行網絡覆蓋全港核心區域，以及持續招攬精英良材，藉以優化分行據點及提升服務質素，為廣大中港投資者服務。

與此同時，本集團相信投資者教育應該要普及、易明和多元化，不但幫助提升普羅大眾的理財知識及能力，更協助他們培養負責任的理財習慣、行為及決定。因此，本集團持續舉辦各類免費投資講座及投資模擬比賽，擔當推行投資者教育的重要角色，包括與全球知名的交易所、金融機構及行業頂級專家等合作，向投資者免費提供全面、可靠的理財資訊，使他們能夠對全球金融產品及環球經濟走勢加深認識，從而可以擴闊投資者的投資路向。未來本集團將繼續以多元化的營銷及市場策略，勢必緊握每個黃金機遇，讓本集團規模日益壯大。

Management Discussion and Analysis

管理層討論與分析

DEVELOP DIVERSIFIED GLOBAL FINANCIAL PRODUCTS

The Group has thoroughly studied consumer behaviour and investment trends and analysed them according to client data and surveys. In view of the rising attention to and popularity of global financial products, investors have growing interest in such products. The Group has connected its online securities and futures trading platforms as well as mobile trading apps to markets around the world, providing comprehensive and professional brokerage services and bringing together Hong Kong stocks, US stocks, Shanghai-Hong Kong Stock Connect A shares, Shenzhen-Hong Kong Stock Connect A shares, China B shares, Japanese stocks, Taiwanese stocks, Singaporean stocks, Australian stocks, UK stocks, Hong Kong futures, Hang Seng Index options, Hong Kong stock options, Dow Jones Futures, A50 Futures, foreign exchange futures, gold futures, oil futures, copper futures, HKEx's CNH Gold Futures, HKEx's USD Gold Futures, leveraged foreign exchange products, iron ore futures, IPO share subscription and margin financing, so as to cater to the needs of different clients. The Group believes that investors' interest in global financial products is growing. Therefore, it will continue to develop more global financial products to meet market demands.

PROMOTE DIGITALISED AND SMART TRADING SERVICES AMONGST CLIENTS

The Group is fully aware of investors' need for fintech and therefore actively engages in digitalising investment services by making substantial investments in half a year of time to develop two mobile trading apps, namely BS Securities (Baobao) and BS Futures (Doudou). They are equipped with AI3.0 features (such as behavioural authentication, news tracking and personalised portfolio monitoring). The Group's mobile apps can fulfil all the investment needs of its clients, enabling them to open accounts, trade global financial products and read global financial news right away at anytime and anywhere. Since the Group always strives for excellence and invests substantially in fintech and software and hardware support, new features were developed and added to the Baobao and Doudou apps with a view to satisfying market needs. For examples, the Group launched the electronic Direct Debit Authorisation (eDDA) service recognised by the Hong Kong Monetary Authority. The service can enable clients to deposit money in just four minutes. The Baobao app now allows users to check the gain or loss of their positions, sell odd lots automatically, browse trading records within a month, search for warrants and Callable Bull/Bear Contracts (CBBC), check the amount of CBBC in public hand, and obtain AI stock recommendations. The Group's trading systems have won the trust of its clients and praises from the industry and media, such as the award for outstanding securities and futures trading app by Sky Post, "Hong Kong Outstanding Enterprise 2020" by Economic Digest, "Listed Company Awards of Excellence" by Hong Kong Economic Journal for four straight years, in recognition of the Group's outstanding results in the development of the Baobao and Doudou apps. This demonstrates the popularity of its online trading systems amongst the clients, the industry and the media for its speed, stability, security and reliability.

開拓多元化環球金融產品

本集團仔細觀察消費者行為和投資趨勢，根據客戶數據及問卷調查進行分析，有見環球金融產品備受關注及歡迎，投資者對環球金融產品的投資意欲漸趨濃厚。本集團的證券及期貨網上交易平台及手機應用程式，早已貫通全球，為客戶提供全面而專業的經紀服務，業務涵蓋港股、美股、滬港通A股、深港通A股、中國B股、日股、台股、新加坡股、澳股、英股、港期、恒生指數期權、港股期權、道指期貨、A50期貨、外匯期貨、期金、期油、期銅、人民幣(香港)黃金期貨、美元(香港)黃金期貨、槓桿式外匯產品、鐵礦石期貨、新股認購以及孖展融資等，以迎合不同客戶的需要。本集團相信投資者對環球金融產品的興趣與日俱增。因此，本集團會持續開拓更多環球金融產品，以滿足市場需要。

推動客戶交易服務邁向數碼化和智能化

本集團洞悉到投資者對金融科技的需要，積極推行投資數碼化，斥資巨額、花半年時間研發「耀才證券(寶寶)」及「耀才期貨(豆豆)」APP，更特設AI3.0功能(行為認證、新聞追蹤、自選組合偵察)，客戶只要掌握一個手機應用程式，便能滿足各種投資需要，足不出戶仍可極速完成開戶程序、買賣全球金融產品及瀏覽環球財經資訊。正因本集團力求進步，不斷加大金融科技、軟件及硬件配套的資源投入，致力開發「寶寶」、「豆豆」APP的新功能，以迎合市場需要，例如推出由香港金融管理局認可的電子直接付款授權(eDDA)存款服務，客戶只需透過該服務便可4分鐘極速自動入數，立即進行交易；並在「耀才寶寶」APP增設「持倉賺蝕」、「自行沽碎股」、「一個月成交紀錄」、「窩輪牛熊證搜尋」、「牛熊證銜貨量」及「智能選股」等多種功能，加強了客戶對本集團交易系統的信心，更屢獲業界和媒體褒揚，包括：榮獲《晴報》頒授「傑出證券及期貨交易手機程式大獎」，以及由《經濟一週》頒發「2020年度香港傑出企業」之殊榮，並連續四年獲《信報》頒發「上市公司卓越大獎」，以表彰本集團於寶寶及豆豆APP研發上取得的卓越成效，並足以證明本集團網上交易系統快速、穩健、安全、可靠，深受客戶、業界及傳媒歡迎。

Management Discussion and Analysis

管理層討論與分析

As the application of fintech in the wealth management industry matures, the Group plans to promote digitalised and smart trading services amongst its clients, combine online and offline marketing and operating strategies, reduce costs, enhance its efficiency, expand its clientele and enhance their experience by using fintech, in a bid to strengthen its core competencies and leadership position in the industry.

ENHANCE ONLINE TRADING SECURITY

At the same time, the Group has invested substantial resources in improving the efficiency and capacity of its online trading systems to meet clients' needs and continuously improve service quality. In order to offer a more convenient and stable online trading platform, the Group has also made huge investment in improving its trading systems, relocated its central computer system to the centralised data centre of HKEx in Tseung Kwan O, and conducted large-scale tests on all transaction systems, including regular simulated tests involving a trading volume exceeding five times of the existing peak volume on HKEx, so as to continuously enhance the efficiency and stability of the existing securities and futures trading platforms. As for network security, the Group has implemented the "dual password" security measure and authentication by which two different passwords are required for logging into the trading systems and conducting transactions in order to provide adequate security to online transactions. Furthermore, emails are delivered instantly to notify the clients of any login or any transaction conducted electronically through their accounts in accordance with the regulatory requirements. In addition, the Group also closely monitors and counteracts any unrelated fake website. If any such website is identified, the Group will notify the clients immediately and take legal actions against the website in order to prevent its clients from suffering unnecessary loss. The Group will keep abreast of the latest market developments and study the need and room for capacity expansion of its trading systems. It will also step up client education on online trading security and enhance their awareness and skills of risk prevention.

隨着金融科技在財富管理業務領域應用的發展變得更成熟，本集團期望推動客戶交易服務將更趨數碼化和智能化，結合線上線下的市場營銷及業務營運策略，善用金融科技達至降低成本、增加效益、開拓客戶群、提升客戶體驗的目標，以進一步加強核心競爭力，鞏固本集團在業界的領先地位。

致力加強網上交易安全度

與此同時，本集團投放大量資源提高網上交易系統處理交易的效率及容量，以滿足客戶需要及不斷改善服務質素。為使網上交易平台更快捷及穩定，本集團過去已耗資巨額提升交易系統，更將電腦中樞設備系統遷往位於將軍澳的港交所中央機樓，並會為所有交易系統進行大規模測試，包括定期進行比現時港交所高峰期交易量高五倍的模擬測試，以持續優化現有的證券及期貨交易平台的效率與穩健程度。同時，在網絡保安上，本集團為保障客戶網上交易的安全性，早前已率先推出「第二重密碼」保安措施及行為認證，每位客戶登入交易系統前必須輸入兩組不同的密碼才可進行交易，並會因應監管機構要求，客戶透過電子渠道登入或成交，本集團即時以電郵方式向客戶發出相關提示。除此之外，本集團亦嚴密監控並慎防與本集團無關的虛假網站出現，一旦發現相關網站，將即時通知客戶並採取法律行動作出追究，避免客戶造成不必要的損失。本集團會密切留意市場的最新形勢，研究交易系統擴容的需要及空間，並會加強教育客戶網上交易安全的重要性，以提升客戶風險防範意識和技能。

Management Discussion and Analysis

管理層討論與分析

TAP INTO MAINLAND MARKET

In recent years, the mainland has been actively reforming and widening the opening-up of its capital market, as a gradual move towards internationalisation. This year, the mainland is gradually lifting the restrictions on foreign ownership of mainland-based financial institutions, such as futures and securities firms and mutual funds. It means that Hong Kong investors can also wholly own the shares of mainland-based securities firms. With a huge domestic demand of 1.4 billion people, the mainland enjoys enormous growth potential in the long run in terms of consumption power, productivity and investment capacity. The Group is determined to tap into the forward-looking mainland market via online diversified channels. To do so, it will not only actively recruit talents interested in working in the securities market, but also further raise its brand awareness and establish a unique brand image in the mainland based on its “high quality and cost-performance ratio” supported by its online and offline hardware and software support, professional and caring customer service team and up-to-date promotional and marketing strategies.

CONCLUSION

The Group firmly believes that only by focusing on clients' needs, always putting clients first, and responding quickly to market changes, can it win amid the fierce competition. The Group, with the attitude of “client-oriented, striving for excellence”, the business philosophy of “high quality and cost-performance ratio” and the ability to explore and resist, has been committed to enhancing the functions and user experience of the Baobao and Doudou apps. Moreover, it allocated more resources for promotion on various platforms, attracting more investors from Hong Kong and mainland China to open accounts and trade products through Bright Smart Securities. As the market in the regions where some of its branches are located is almost saturated, the Group has further optimised its branch network and actively looked for potential regions to establish new footholds, in order to expand its market share and strengthen its brand competitiveness. The Group, which has today's achievements and celebrates the 25th anniversary (also called jubilee) of its establishment and the 10th anniversary of its listing in 2020, owes much to the long-standing support, trust, recognition and loyalty of its clients. The Group will be dedicated to providing clients with better services and developing safer and faster trading platforms in the future, so as to reward them for their love and support and make them feel at home. The Group will meanwhile strengthen and deepen its existing advantages, develop more diversified businesses, recruit talents from different sectors and seize every valuable opportunity, so as to enhance its operation efficiency and seek higher returns for shareholders.

銳意開拓內地業務版圖

近年內地積極改革並擴大開放資本市場，逐步邁向國際化。今年內地逐步撤銷外資持有中國期貨、證券，以及互惠基金的金融機構股權限制，意味着港商亦可全資擁有內地證券行股權。而內地力谷14億人口的內需動力，不論消費、生產還是投資能力均極具潛力，長遠具備顯著的增長空間。本集團銳意透過線上多元化渠道，開拓極具前瞻性的國內市場，不但會積極廣納有意投身證券市場的賢才，更會貫徹本集團「平靚正」的賣點，透過線上和線下的硬件及軟件配套、專業貼心的客戶服務團隊、緊貼市場步伐的市場及營銷活動，打響品牌於國內的知名度，務求創造別具一格的品牌價值。

總結

本集團深信只有聚焦客戶需要，時刻做到「以客為先」，對市場變化作出快速響應，才能在激烈的競爭中取勝。本年度，本集團抱着「以客為本、力臻完善」的態度，秉持一貫「平靚正」的經營理念，發揮攻守兼容的能力，致力提升「寶寶」、「豆豆」APP的功能和用戶體驗，加上本集團在各平台上投放了更多資源進行宣傳推廣工作，吸納更多中港投資者透過耀才開戶及交易。由於本集團旗下部份分行覆蓋的地區面臨需求趨於飽和的階段，本集團已經去蕪存菁，進一步優化分行網絡，積極物色具潛質的區域建立新據點，擴展市場佔有率，並強化品牌競爭力。本集團發展至今天的成就，昂然迎來銀禧之喜及上市十週年誌慶，確實有賴客戶長期支持、信賴和肯定，不離不棄；未來本集團將竭誠為客戶提供更優質服務，研發更安全更快速的交易平台，以回饋客戶的愛戴，務求使客戶有賓至如歸的感覺。同時本集團將加強深化原有優勢，透過發展更多元化的業務、物色各界專才、抓緊每個黃金機遇，藉此提高本集團營運效益，為股東爭取更豐厚的回報。

Management Discussion and Analysis

管理層討論與分析

CAPITAL STRUCTURE, LIQUIDITY AND FINANCIAL RESOURCES

The Group's operations were mainly financed by shareholders' equity, cash generated from operations and bank borrowings.

The Group maintained a strong cash position with total bank deposits, bank balances and cash amounted to HK\$407.3 million as at 30 September 2020 (31 March 2020: HK\$477.7 million). The Group had total bank borrowings of HK\$23,765.1 million as at 30 September 2020 (31 March 2020: HK\$2,858.8 million) which bore interest primarily at floating rates. The bank borrowings were primarily collateralised by its margin clients' securities pledged to the Group. As at 30 September 2020, unutilised banking facilities amounted to HK\$11,647.8 million (31 March 2020: HK\$18,049.6 million). The Group's gearing ratio (total bank borrowings divided by the total shareholders' equity) was 1,340.4% (31 March 2020: 150.3%). As at 30 September 2020, the net current assets of the Group decreased by 6.3% to HK\$1,601.5 million (31 March 2020: HK\$1,708.3 million). As at 30 September 2020, the Group's current ratio (current assets divided by current liabilities) was 1.1 times (31 March 2020: 1.4 times).

CAPITAL MANAGEMENT

The Group actively and regularly reviews and manages its capital structure and makes adjustments in light of changes in economic conditions. For the licensed subsidiaries, the Group ensures each of the subsidiaries maintains liquidity adequate to support the level of activities with a sufficient buffer to accommodate potential increases in the level of business activities. During the Period, all the licensed subsidiaries have complied with the liquidity requirements under the Securities and Futures (Financial Resources) Rules ("FRR").

CHARGES ON ASSETS

None of the Group's assets were subject to any charges as at 30 September 2020 and 31 March 2020.

資本結構、流動資金及財務資源

本集團主要以股東權益、經營業務所得現金及銀行借貸為營運提供資金。

本集團維持充裕流動資金。於二零二零年九月三十日，其銀行存款、銀行結餘及現金合共為407.3百萬港元(二零二零年三月三十一日：477.7百萬港元)。於二零二零年九月三十日，本集團之總銀行借貸為23,765.1百萬港元(二零二零年三月三十一日：2,858.8百萬港元)，主要按浮動利率計息。銀行借貸主要以孖展客戶質押予本集團之證券作抵押。於二零二零年九月三十日，未動用銀行融資為11,647.8百萬港元(二零二零年三月三十一日：18,049.6百萬港元)。本集團之資產負債比率(總銀行借貸除以總股東權益)為1,340.4%(二零二零年三月三十一日：150.3%)。於二零二零年九月三十日，本集團之流動資產淨值下跌6.3%至1,601.5百萬港元(二零二零年三月三十一日：1,708.3百萬港元)。於二零二零年九月三十日，本集團之流動比率(流動資產除以流動負債)為1.1倍(二零二零年三月三十一日：1.4倍)。

資本管理

本集團積極定期檢討及管理資本結構，並因應經濟環境之轉變對資本結構作出調整。就持牌附屬公司而言，本集團確保各附屬公司均保持資金靈活週轉，足以支持業務經營，以及在業務活動可能轉趨頻繁時亦能應付自如。於本期間，所有持牌附屬公司均遵守證券及期貨(財政資源)規則(「財政資源規則」)項下之流動資金規定。

資產押記

於二零二零年九月三十日及二零二零年三月三十一日，本集團之資產並無受限於任何押記。

Management Discussion and Analysis

管理層討論與分析

CONTINGENT LIABILITIES

As at the end of the Period, corporate guarantees provided by the Company in respect of banking facilities granted by authorised institutions to its subsidiaries engaging in securities and futures brokerage amounted to HK\$15,947.5 million (31 March 2020: HK\$15,947.5 million). As at 30 September 2020, the subsidiaries of the Company have utilised HK\$5,868.6 million of these aggregate banking facilities (31 March 2020: HK\$2,334.0 million).

RISK MANAGEMENT

Credit risk

The Group's credit risk is primarily attributable to accounts receivable from clients, brokers and clearing houses. The management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis.

In respect of amounts due from clients, individual credit evaluations are performed on all clients (including cash and margin clients) based on the underlying collaterals. Cash clients are required to place deposits as prescribed in the Group's credit policy before execution of any purchase transactions. Receivables due from cash clients are due within the settlement period commonly adopted in the relevant market practices, which is usually within a few days from the trade date. Because accounts receivable from cash clients relate to a wide range of customers for whom there was no recent history of default, there has not been a significant change in credit quality and the balances are considered fully recoverable, and in view of the prescribed deposit requirements and the short settlement period involved, the credit risk arising from the amounts due from cash clients is considered low. The Group normally obtains liquid securities and/or cash deposits as collateral for providing financing to its cash and margin clients and has policy to manage these exposures on a fair value basis. Margin loans due from margin clients are repayable on demand. For commodities and futures brokerage, an initial margin is required prior to opening transaction. Market conditions and adequacy of securities collateral and margin deposits of each cash account, margin account and futures account are monitored by the management on a daily basis. Margin calls and forced liquidation are made where necessary.

或然負債

於本期間期末，本公司就從事證券及期貨經紀業務之附屬公司獲認可機構授出之銀行融資提供15,947.5百萬港元(二零二零年三月三十一日：15,947.5百萬港元)之公司擔保。於二零二零年九月三十日，本公司之附屬公司已動用該等銀行融資總額中5,868.6百萬港元(二零二零年三月三十一日：2,334.0百萬港元)。

風險管理

信貸風險

本集團之信貸風險主要來自應收客戶、經紀及結算所之賬款。管理層訂有信貸政策，並持續監控信貸風險。

應收客戶賬款方面，所有客戶(包括現金及孖展客戶)均須基於相關抵押品接受個別信貸評估。於執行任何購買交易前，現金客戶須按本集團之信貸政策所訂明存入按金。應收現金客戶款項乃於相關市場慣例普遍採用之結算期內到期，一般為由交易日起計數天內。由於應收現金客戶賬款涉及多名近期並無欠款記錄之客戶，信貸質素並無重大變動及有關結餘被視為可全數收回，而指定存款規定及所涉及結算期短，故應收現金客戶賬款產生之信貸風險甚低。本集團一般會向其現金及孖展客戶取得流動證券及／或現金存款作為向彼等提供融資之抵押品，並訂有政策按公平值管理該等風險。應收孖展客戶之孖展貸款須應要求償還。就商品及期貨經紀業務而言，於開倉前須支付基本按金。管理層會每天監察市況以及各現金賬戶、孖展賬戶及期貨賬戶之證券抵押品及保證金是否足夠，如有需要，會追繳保證金及強行斬倉。

Management Discussion and Analysis

管理層討論與分析

In respect of accounts receivable from brokers and clearing houses, credit risks are considered low as the Group normally enters into transactions with brokers and clearing houses which are registered with regulatory bodies and have sound reputation in the industry.

The Group has no significant concentration of credit risk as credits are granted to a large population of clients.

The Group does not provide any other guarantees which would expose it to credit risk.

Liquidity risk

Individual operating entities within the Group are responsible for their own cash management, including the raising of loans to cover expected cash demands, and ensuring compliance with FRR. The Group's policies are to regularly monitor its liquidity requirement and its compliance with lending covenants, and to ensure that it maintains sufficient cash reserves and adequate committed lines of funding from major financial institutions to meet its liquidity requirements in the short and long term.

Interest rate risk

The Group charges interest to its margin clients and cash clients with outstanding loan amounts on the basis of its cost of funding plus a mark-up. Financial assets, such as margin loans and bank deposits, and financial liabilities, such as bank loans and amount due to a related company, bear interest primarily at floating rates. The Group's income and operating cash flows are not subject to significant interest rate risk.

由於本集團一般與已向監管機構註冊並於業內聲譽良好之經紀及結算所進行交易，故應收經紀及結算所賬款之信貸風險甚低。

由於本集團向眾多客戶提供信貸，故並無重大集中信貸風險。

本集團並無提供任何其他擔保，致令本集團面對信貸風險。

流動資金風險

本集團內個別經營實體負責各自之現金管理，包括籌措貸款應付預期現金需要，並確保符合財政資源規則。本集團之政策為定期監管流動資金需要，並遵守借貸契諾，確保維持足夠現金儲備及來自大型財務機構之充足承諾融資額度，以應付長短期流動資金需要。

利率風險

本集團按其資金成本另加漲價向孖展客戶及尚未償還貸款之現金客戶收取利息。金融資產（如孖展貸款及銀行存款）及金融負債（如銀行貸款及應付一間關聯公司款項）主要按浮動息率計息。本集團之收入及經營現金流量並無面對重大利率風險。

Management Discussion and Analysis

管理層討論與分析

Foreign currency risk

The Group is exposed to currency risk primarily arising from financial instruments that are denominated in United States dollars (“USD”), RMB, Australian dollars, Singapore dollars, Japanese Yen and British pound. As the Hong Kong dollar (“HKD”) is pegged to the USD, the Group considers the risk of movements in exchange rates between the HKD and the USD to be insignificant. In respect of financial instruments denominated in other currencies, the Group ensures that the net exposure is kept to an acceptable level by buying or selling foreign currencies at spot rates where necessary to address short-term imbalances. The management monitors all foreign currency positions on a daily basis.

Price risk

The Group is exposed to price changes arising from listed equity investments and futures contracts classified as financial assets at fair value through profit or loss.

The Group’s equity investments are listed on HKEx while its investment in futures contracts are traded on HKFE. Listed investments held in the portfolio of financial assets at fair value through profit or loss have been chosen based on their longer term growth potential and are monitored regularly for performance against expectations.

Accounts receivable from margin, cash and IPO clients expose the Group to price risk as their fair value is made with reference to the fair value of collaterals.

EMPLOYEES AND REMUNERATION POLICIES

As at 30 September 2020, the Group had a work force of 261 employees (31 March 2020: 263 employees). The Group’s remuneration policy aims to offer competitive remuneration packages to recruit, retain and motivate competent employees. The Group believes the remuneration packages are reasonable, competitive, and in line with market trends. The Group has put in place a bonus scheme for its executives and employees in a bid to provide competitive remuneration packages for the Group’s long term growth and development. The Group also provides appropriate training and development programmes to its employees to enhance the staff’s skills and personal effectiveness.

外幣風險

本集團面對之貨幣風險主要源自以美元、人民幣、澳元、新加坡元、日圓及英鎊計值之金融工具。由於港元與美元掛鈎，故本集團認為港元與美元之匯率變動風險輕微。就以其他貨幣計值之金融工具而言，本集團在有需要之情況下按即期匯率購入或出售外幣以處理短期失衡情況，藉以確保風險淨額維持於可接受之水平。管理層每天監控所有外幣持倉。

價格風險

就分類為按公平值計入損益之金融資產的上市股本投資及期貨合約而言，本集團面對其價格變動風險。

本集團的股本投資均於港交所上市，而期貨合約投資則於期交所進行交易。持作按公平值計入損益之金融資產組合的上市投資乃根據其較長遠增長潛力挑選，並定期監察表現與預期是否相符。

由於應收孖展、現金及首次公開發售客戶賬款之公平值乃參照抵押品之公平值作出，故該等賬款令本集團面對價格風險。

僱員及薪酬政策

於二零二零年九月三十日，本集團共有261名僱員(二零二零年三月三十一日：263名僱員)。本集團之薪酬政策旨在提供具競爭力之薪酬福利，以招聘、挽留及激勵能幹之僱員。本集團相信該等薪酬福利屬合理、具競爭力，且符合市場趨勢。本集團已為行政人員及僱員設立獎金計劃，藉此提供具競爭力之薪酬福利，以達致本集團之長遠增長及發展。本集團亦向僱員提供適當培訓及發展計劃，以提升員工之工作能力及個人效率。

Other Information

其他資料

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

During the Period, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any listed securities of the Company.

SHARE OPTION SCHEME

The Company conditionally approved and adopted a share option scheme (the "Scheme") on 4 August 2010. The Scheme was effective for 10 years from 25 August 2010 and hence it expired on 24 August 2020.

During the Period, the Company did not adopt any new share option scheme and no share options were granted, exercised, lapsed or cancelled pursuant to the Scheme.

INTERESTS AND SHORT POSITIONS OF THE DIRECTORS AND CHIEF EXECUTIVE OF THE COMPANY IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY ASSOCIATED CORPORATIONS

As at 30 September 2020, the interests and short positions of the Directors and the chief executive of the Company in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) as recorded in the register required to be kept under section 352 of the SFO or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") of the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") were as follows:

購買、出售或贖回本公司之上市證券

於本期間，本公司或其任何附屬公司概無購買、出售或贖回本公司任何上市證券。

購股權計劃

於二零一零年八月四日，本公司有條件批准及採納一項購股權計劃（「該計劃」），該計劃自二零一零年八月二十五日起生效，有效期為十年，因此於二零二零年八月二十四日屆滿。

於本期間，本公司並無採納任何新購股權計劃，亦無購股權根據該計劃獲授出、獲行使、失效或被註銷。

本公司董事及最高行政人員於本公司或任何相聯法團股份、相關股份及債券中之權益及淡倉

於二零二零年九月三十日，本公司董事及最高行政人員於本公司或其任何相聯法團（按證券及期貨條例（「證券及期貨條例」）第XV部所指之定義）之股份、相關股份或債券中擁有須記錄於本公司根據證券及期貨條例第352條須備存之登記冊或根據香港聯合交易所有限公司（「聯交所」）證券上市規則（「上市規則」）之《上市發行人董事進行證券交易的標準守則》（「標準守則」）須另行知會本公司及聯交所之權益及淡倉如下：

Other Information

其他資料

Interests in shares of the Company (the “Shares”)

於本公司股份(「股份」)之權益

Name of Director	Nature of interest	Long/short positions	Number of Shares	Approximate percentage of issued voting Shares 佔已發行表決股份之概約百分比 (%)
董事姓名	權益性質	好／淡倉	股份數目	
Mr. Yip Mow Lum (Note 1) 葉茂林先生(附註1)	Interest in a controlled corporation 受控法團權益	Long position 好倉	900,000,000	53.02%
Mr. Yip Mow Lum 葉茂林先生	Beneficial owner 實益擁有人	Long position 好倉	265,746,280	15.65%
Mr. Hui Yik Bun 許繹彬先生	Beneficial owner 實益擁有人	Long position 好倉	600,000	0.03%
Mr. Yu Yun Kong 余韜剛先生	Beneficial owner 實益擁有人	Long position 好倉	608,829	0.03%
Mr. Szeto Wai Sun (Note 2) 司徒維新先生(附註2)	Beneficiary of trust 信託受益人	Long position 好倉	631,666	0.03%
Mr. Ling Kwok Fai, Joseph 凌國輝先生	Beneficial owner 實益擁有人	Long position 好倉	210,700	0.01%

Notes:

- 900,000,000 shares were held by New Charming Holdings Limited, a company wholly owned by Mr. Yip Mow Lum, the Chairman of the Board. Therefore, Mr. Yip Mow Lum is deemed to be interested in these shares by virtue of the SFO.
- As a beneficiary of a trust, Mr. Szeto Wai Sun, an independent non-executive Director, is deemed to be interested in those 631,666 Shares by virtue of the SFO.

附註：

- 900,000,000股股份由新長明控股有限公司持有，而此公司由董事會主席葉茂林先生全資擁有。因此，葉茂林先生根據證券及期貨條例被視為於該等股份中擁有權益。
- 作為信託受益人，獨立非執行董事司徒維新先生根據證券及期貨條例被視為於該631,666股股份中擁有權益。

Save as disclosed above, as at 30 September 2020, none of the Directors or the chief executive of the Company had any interests or short positions in any Shares, underlying Shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept under section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

除上文所披露者外，於二零二零年九月三十日，本公司董事或最高行政人員概無在本公司或其任何相聯法團(按《證券及期貨條例》第XV部所指之定義)之股份、相關股份或債券中擁有須記錄於本公司根據《證券及期貨條例》第352條須備存之登記冊，或根據標準守則須另行知會本公司及聯交所之權益或淡倉。

Other Information

其他資料

INTERESTS AND SHORT POSITIONS OF THE PARTIES OTHER THAN DIRECTORS OR CHIEF EXECUTIVE OF THE COMPANY IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY

本公司董事或最高行政人員以外人士於本公司股份及相關股份之權益及淡倉

As at 30 September 2020, the parties (other than Directors or chief executive of the Company) who had interests or short positions in the Shares and underlying Shares as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO, or as otherwise notified to the Company and the Stock Exchange are as follows:

於二零二零年九月三十日，本公司董事或最高行政人員以外人士於本公司股份及相關股份中擁有須記錄於本公司根據證券及期貨條例第336條須備存之登記冊內，或須另行知會本公司及聯交所之權益或淡倉如下：

Name of shareholder	Nature of interest	Long/short positions	Number of Shares	Approximate percentage of the issued voting Shares 佔已發行表決股份之概約百分比 (%)
股東名稱	權益性質	好／淡倉	股份數目	
New Charming Holdings Limited (Note) 新長明控股有限公司(附註)	Beneficial owner 實益擁有人	Long position 好倉	900,000,000	53.02%

Note:

900,000,000 Shares were held by New Charming Holdings Limited, a company wholly owned by Mr. Yip Mow Lum, the chairman of the Board. Therefore, Mr. Yip Mow Lum is deemed to be interested in these shares by virtue of the SFO.

附註：

900,000,000股股份由新長明控股有限公司持有，而此公司由董事會主席葉茂林先生全資擁有。因此，葉茂林先生根據證券及期貨條例被視為於該等股份中擁有權益。

Other Information

其他資料

Save as disclosed above, as at 30 September 2020, none of the parties (other than the Directors and chief executive of the Company) had any interest or short position in the Shares or underlying Shares as recorded in the register required to be kept by the Company under section 336 of the SFO, or as otherwise notified to the Company and the Stock Exchange.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Board is committed to ensuring high standards of corporate governance practices. During the Period, the Company fully complied with the code provisions set out in the Corporate Governance Code and Corporate Governance Report as contained in Appendix 14 to the Listing Rules.

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code set out in Appendix 10 to the Listing Rules as its own code of conduct regarding securities transactions by the Directors. The Company has made specific enquiry with each Director and has confirmed that all the Directors have fully complied with the required standard set out in the Model Code during the Period.

REVIEW OF INTERIM FINANCIAL INFORMATION

The principal duties of the Audit Committee of the Company include the review and supervision of the financial reporting process and internal control procedures of the Company. The Audit Committee, together with the external auditor of the Group, KPMG, had reviewed the accounting principles and practices adopted by the Group and discussed financial reporting matters concerning the unaudited consolidated results of the Group for the six months ended 30 September 2020 and the review of this interim report.

除上文所披露者外，於二零二零年九月三十日，概無本公司董事或最高行政人員以外人士於股份或相關股份中，擁有須記錄於本公司根據《證券及期貨條例》第336條須備存之登記冊，或須另行知會本公司及聯交所之任何權益或淡倉。

遵守企業管治守則

董事會恪守維持高水平之企業管治常規之承諾。本期間內，本公司已全面遵守上市規則附錄十四所載企業管治守則及企業管治報告之守則條文。

遵守證券交易之標準守則

本公司已採納上市規則附錄十所載之標準守則作為董事進行證券交易之行為守則。本公司已向各董事作出具體查詢，確認所有董事於期內已全面遵守標準守則所訂之規定標準。

審閱中期財務資料

本公司審核委員會之主要職責包括審閱及監督本公司之財務申報過程及內部監控程序。審核委員會已與本集團之外聘核數師畢馬威會計師事務所審閱本集團採用之會計原則及常規，並討論有關本集團截至二零二零年九月三十日止六個月之未經審核綜合業績及審閱本中期報告之財務匯報事宜。

Other Information

其他資料

INTERIM REPORT

This interim report is printed in both English and Chinese, and is available for electronic and print format. Electronic copy is available for download, at no charge, on our website at <https://www.bsgroup.com.hk>. Potential investors who are interested in knowing more about us may download the interim report from our website or to request a printed copy by giving a notice in writing to the Company or the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong.

By Order of the Board

Hui Yik Bun

Executive Director & Chief Executive Officer

Hong Kong, 25 November 2020

中期報告

本中期報告以中英文印刷，備有電子及印刷形式。電子版本可於我們的網站 <https://www.bsgroup.com.hk> 免費下載。有意深入了解我們的潛在投資者可於我們的網站下載中期報告，或向本公司或本公司之香港股份過戶登記分處卓佳證券登記有限公司（地址為香港皇后大道東183號合和中心54樓）發出書面通知，索取中期報告印刷本。

承董事會命

執行董事兼行政總裁

許繹彬

香港，二零二零年十一月二十五日

Consolidated Statement of Comprehensive Income

綜合全面收益表

For the six months ended 30 September 2020 – unaudited (Expressed in Hong Kong dollars unless otherwise indicated)
截至二零二零年九月三十日止六個月 – 未經審核(除另有指明外,以港元列示)

			Six months ended 30 September	
			截至九月三十日止六個月	
			2020	2019
			二零二零年	二零一九年
			\$'000	\$'000
			千元	千元
		Note 附註		
Revenue	收入	4	582,891	393,757
Other income	其他收益	5	129,920	119,360
Other net gain/(loss)	其他收益/(虧損)淨額	6	17,867	(10,746)
			730,678	502,371
Staff costs	員工成本		(64,199)	(71,365)
Amortisation and depreciation	攤銷及折舊		(39,954)	(45,389)
Other operating expenses	其他經營開支	7(b)	(126,349)	(92,922)
Profit from operations	經營溢利		500,176	292,695
Finance costs	財務成本	7(a)	(99,139)	(55,967)
Profit before taxation	除稅前溢利	7	401,037	236,728
Income tax	所得稅	8	(54,984)	(25,223)
Profit for the period	期內溢利		346,053	211,505
Other comprehensive income	其他全面收益			
Items that may be reclassified subsequently to profit or loss	其後可能重新分類至 損益之項目			
– Exchange reserve	一匯兌儲備		(144)	206
Total comprehensive income attributable to equity shareholders for the period	期內權益股東應佔全面 收益總額		345,909	211,711
Earnings per share	每股盈利			
Basic (cents)	基本(仙)	9	20.39	12.46
Diluted (cents)	攤薄(仙)	9	20.39	12.46

The notes on pages 36 to 66 form part of this interim financial report.

第36至66頁之附註構成本中期財務報告其中部分。

Consolidated Statement of Financial Position

綜合財務狀況表

At 30 September 2020 – unaudited (Expressed in Hong Kong dollars)
於二零二零年九月三十日 – 未經審核(以港元列示)

			At 30 September 2020 於二零二零年 九月三十日 \$'000 千元	At 31 March 2020 於二零二零年 三月三十一日 \$'000 千元
		Note 附註		
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	12	142,101	159,826
Intangible assets	無形資產		5,733	5,783
Deferred tax assets	遞延稅項資產		111	122
Other receivables, deposits and prepayments	其他應收款項、按金及預付款項	14	17,107	16,944
Other non-current assets	其他非流動資產		49,039	77,715
Total non-current assets	非流動資產總值		214,091	260,390
Current assets	流動資產			
Accounts receivable	應收賬款	13	27,860,895	5,644,787
Other receivables, deposits and prepayments	其他應收款項、按金及預付款項	14	18,420	26,441
Amount due from a related company	應收一間關聯公司款項		3	—
Financial assets at fair value through profit or loss	按公平值計入損益之金融資產		4,408	48,539
Financial assets at amortised cost	按攤銷成本計量之金融資產		7,789	—
Tax recoverable	可退回稅項		339	1,321
Cash and cash equivalents	現金及現金等價物	15	407,312	477,657
Total current assets	流動資產總值		28,299,166	6,198,745
Current liabilities	流動負債			
Accounts payable	應付賬款	16	1,523,433	1,301,268
Accrued expenses and other payables	應計開支及其他應付款項	17	86,814	65,071
Amounts due to related companies	應付關聯公司款項	22(a)(iv)	1,203,493	200,136
Bank loans	銀行貸款	18	23,765,130	2,858,789
Lease liabilities	租賃負債		59,884	59,845
Current taxation	即期稅項		58,946	5,378
Total current liabilities	流動負債總額		26,697,700	4,490,487
Net current assets	流動資產淨值		1,601,466	1,708,258
Total assets less current liabilities	資產總值減流動負債		1,815,557	1,968,648
Non-current liabilities	非流動負債			
Accrued expenses and other payables	應計開支及其他應付款項	17	7,786	7,238
Lease liabilities	租賃負債		34,376	59,104
Deferred tax liabilities	遞延稅項負債		423	—
Total non-current liabilities	非流動負債總額		42,585	66,342
NET ASSETS	資產淨值		1,772,972	1,902,306

Consolidated Statement of Financial Position

綜合財務狀況表

At 30 September 2020 – unaudited (Expressed in Hong Kong dollars)
於二零二零年九月三十日 – 未經審核 (以港元列示)

			At 30 September 2020 於二零二零年 九月三十日	At 31 March 2020 於二零二零年 三月三十一日
		Note 附註	\$'000 千元	\$'000 千元
EQUITY	權益			
Share capital	股本	19(a)	509,189	509,189
Share premium	股份溢價	19(c)	738,020	738,020
Exchange reserve	匯兌儲備	19(c)	354	498
Merger reserve	合併儲備	19(c)	(20,000)	(20,000)
Retained profits	保留溢利		545,409	674,599
TOTAL EQUITY	權益總值		1,772,972	1,902,306

The notes on pages 36 to 66 form part of this interim financial report.

第36至66頁之附註構成本中期財務報告其中部分。

Consolidated Statement of Changes in Equity

綜合權益變動表

For the six months ended 30 September 2020 – unaudited (Expressed in Hong Kong dollars)
截至二零二零年九月三十日止六個月 – 未經審核(以港元列示)

		Share capital	Share premium	Exchange reserve	Merger reserve	Retained profits	Total equity
		股本	股份溢價	匯兌儲備	合併儲備	保留溢利	權益總計
	Note	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
	附註	千元	千元	千元	千元	千元	千元
At 1 April 2019	於二零一九年四月一日	509,189	738,020	265	(20,000)	1,695,816	2,923,290
First adoption of HKFRS 16	首次採用香港財務報告準則第16號	–	–	–	–	(1,969)	(1,969)
Adjusted balance at 1 April 2019	調整後於二零一九年四月一日之結餘	509,189	738,020	265	(20,000)	1,693,847	2,921,321
Changes in equity for the six months ended 30 September 2019:	截至二零一九年九月三十日止六個月之權益變動：						
Profit for the period	期內溢利	–	–	–	–	211,505	211,505
Other comprehensive income	其他全面收益	–	–	206	–	–	206
Total comprehensive income for the period	期內全面收益總額	–	–	206	–	211,505	211,711
Dividend paid during the period	期內派付股息	19(b)	–	–	–	(132,389)	(132,389)
At 30 September 2019	於二零一九年九月三十日	509,189	738,020	471	(20,000)	1,772,963	3,000,643
At 1 October 2019	於二零一九年十月一日	509,189	738,020	471	(20,000)	1,772,963	3,000,643
Changes in equity for the six months ended 31 March 2020:	截至二零二零年三月三十一日止六個月之權益變動：						
Profit for the period	期內溢利	–	–	–	–	259,473	259,473
Other comprehensive income	其他全面收益	–	–	27	–	–	27
Total comprehensive income for the period	期內全面收益總額	–	–	27	–	259,473	259,500
Dividend paid during the period	期內派付股息	–	–	–	–	(1,357,837)	(1,357,837)
At 31 March 2020	於二零二零年三月三十一日	509,189	738,020	498	(20,000)	674,599	1,902,306
At 1 April 2020	於二零二零年四月一日	509,189	738,020	498	(20,000)	674,599	1,902,306
Changes in equity for the six months ended 30 September 2020:	截至二零二零年九月三十日止六個月之權益變動：						
Profit for the period	期內溢利	–	–	–	–	346,053	346,053
Other comprehensive income	其他全面收益	–	–	(144)	–	–	(144)
Total comprehensive income for the period	期內全面收益總額	–	–	(144)	–	346,053	345,909
Dividend paid during the period	期內派付股息	19(b)	–	–	–	(475,243)	(475,243)
At 30 September 2020	於二零二零年九月三十日	509,189	738,020	354	(20,000)	545,409	1,772,972

The notes on pages 36 to 66 form part of this interim financial report.

第36至66頁之附註構成本中期財務報告其中部分。

Condensed Consolidated Cash Flow Statement

簡明綜合現金流量表

For the six months ended 30 September 2020 – unaudited (Expressed in Hong Kong dollars)
截至二零二零年九月三十日止六個月 – 未經審核(以港元列示)

		Six months ended 30 September 截至九月三十日止六個月	
		2020 二零二零年 \$'000 千元	2019 二零一九年 \$'000 千元
		Note 附註	
Operating activities	經營活動		
Cash (used in)/generated from operations	經營業務(所用)/所得現金		
		(21,466,443)	510,202
Hong Kong Profits Tax paid	已付香港利得稅	—	—
Net cash (used in)/generated from operating activities	經營活動(所用)/所得現金淨額	(21,466,443)	510,202
Investing activities	投資活動		
Purchase of property, plant and equipment	購買物業、廠房及設備	(16,186)	(3,023)
Other net cash flows arising from investing activities	投資活動產生之其他淨現金流	98,852	83,554
Net cash generated from investing activities	投資活動所得現金淨額	82,666	80,531
Financing activities	融資活動		
Dividends paid to equity shareholders of the Company	支付本公司權益股東之股息	(475,243)	(132,389)
Net proceeds from/(repayment of) bank loans	銀行貸款所得款項淨額/(還款淨額)	20,906,341	(359,256)
Other net cash flows arising from financing activities	融資活動產生之其他淨現金流	870,658	(92,764)
Net cash generated from/(used in) financing activities	融資活動所得/(所用)現金淨額	21,301,756	(584,409)
Net (decrease)/ increase in cash and cash equivalents	現金及現金等價物(減少)/增加淨額	(82,021)	6,324
Cash and cash equivalents at 1 April	於四月一日之現金及現金等價物	477,657	401,254
Effect of foreign exchange rate changes	匯率變動之影響	11,676	(6,715)
Cash and cash equivalents at 30 September	於九月三十日之現金及現金等價物	407,312	400,863
		15	

The notes on pages 36 to 66 form part of this interim financial report.

第36至66頁之附註構成本中期財務報告其中部分。

Notes to the Unaudited Interim Financial Report

未經審核中期財務報告附註

(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有指明外，以港元列示)

1 GENERAL INFORMATION

Bright Smart Securities & Commodities Group Limited (the “Company”) was incorporated in the Cayman Islands on 4 August 2009 as an exempted company with limited liability under the Companies Law, Cap 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. The consolidated interim financial report of the Company as at and for the six months ended 30 September 2020 comprises the Company and its subsidiaries (together referred to as the “Group”).

2 BASIS OF PREPARATION

This interim financial report for the six months period ended 30 September 2020 has been prepared in accordance with Hong Kong Accounting Standard (“HKAS”) 34, Interim Financial Reporting, issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”). This interim financial report also complies with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The interim financial report has been prepared in accordance with the same accounting policies adopted in the 2019/20 annual financial statements, except for the accounting policy changes that are expected to be reflected in the 2020/21 annual financial statements. Details of changes in accounting policies are set out in note 3.

The interim financial report contains condensed consolidated financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the end of the last annual reporting period. The condensed consolidated interim financial statements and notes thereon do not include all of the information required for full set of financial statements prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”).

The interim financial report is unaudited, but has been reviewed by KPMG in accordance with the Hong Kong Standard on Review Engagements 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity”, issued by the HKICPA.

1 一般資料

耀才證券金融集團有限公司(「本公司」)於二零零九年八月四日根據開曼群島法例第22章《公司法》(一九六一年第三號法例，經綜合及修訂)在開曼群島註冊成立為獲豁免有限公司。本公司於二零二零年九月三十日及截至二零二零年九月三十日止六個月之綜合中期財務報告涵蓋本公司及其附屬公司(統稱「本集團」)。

2 編製基礎

截至二零二零年九月三十日止六個月期間之本中期財務報告乃根據香港會計師公會頒佈之香港會計準則第34號「中期財務報告」編製。本中期財務報告亦遵守香港聯合交易所有限公司證券上市規則之適用披露條文。

除預期於二零二零／二一年度財務報表反映之會計政策變動外，中期財務報告乃按二零一九／二零年度財務報表所採用之相同會計政策編製。會計政策變動詳情載於附註3。

中期財務報告包括簡明綜合財務報表及經挑選之說明附註。該等附註載有多項事件及交易之說明，對了解本集團自上一個年度報告期結束以來財務狀況之變動及表現實為重要。簡明綜合中期財務報表及其附註並不包括根據香港財務報告準則所編製整套財務報表所需之全部資料。

中期財務報告未經審核，惟已由畢馬威會計師事務所根據香港會計師公會頒佈之香港審閱委聘準則第2410號「由實體獨立核數師審閱中期財務資料」審閱。

Notes to the Unaudited Interim Financial Report

未經審核中期財務報告附註

(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有指明外，以港元列示)

2 BASIS OF PREPARATION (Continued)

The financial information relating to the financial year ended 31 March 2020 that is included in the interim financial report as being previously reported information does not constitute the Company's statutory financial statements for that financial year but is derived from those financial statements. Statutory financial statements for the year ended 31 March 2020 are available from the Company's registered office. The auditors have expressed an unqualified opinion on those financial statements in their report dated 29 June 2020.

3 CHANGES IN ACCOUNTING POLICIES

The HKICPA has issued a number of amendments to HKFRSs that are first effective for the current accounting period of the Group.

- Amendments to HKFRS 3, "Definition of a Business"
- Amendments to HKFRS 16, "Covid-19-Related Rent Concessions"

None of these developments has had a material effect on how the Group's results and financial position for the current or prior periods have been prepared or presented in this interim financial report.

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

2 編製基礎 (續)

中期財務報告所載關於截至二零二零年三月三十一日止財政年度之財務資料(作為以往已申報之資料)並不構成本公司該財政年度之法定財務報表，惟乃摘錄自該等財務報表。截至二零二零年三月三十一日止年度之法定財務報表可於本公司之註冊辦事處查閱。核數師於二零二零年六月二十九日發表之報告中就該等財務報表發表無保留意見。

3 會計政策變動

香港會計師公會已頒佈香港財務報告準則之若干修訂，該等修訂於本集團當前會計期間首次生效。

- 香港財務報告準則第3號之修訂「業務之定義」
- 香港財務報告準則第16號之修訂「新冠疫情相關租金優惠」

此等修訂概無對本集團本期間或上一期間之業績及財務狀況於本中期財務報告之編製或呈列方式構成重大影響。

本集團並無應用任何於本會計期間尚未生效之新訂準則或詮釋。

Notes to the Unaudited Interim Financial Report

未經審核中期財務報告附註

(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有指明外，以港元列示)

4 REVENUE

The principal activities of the Group are securities broking, margin financing, commodities and futures broking, bullion trading and leveraged foreign exchange trading.

The amount of each significant category of revenue is as follows:

4 收入

本集團之主要業務為證券經紀、孖展融資、商品及期貨經紀、現貨金交易服務及槓桿式外匯交易服務。

各重要類別收入金額如下：

		Six months ended 30 September 截至九月三十日止六個月	
		2020 二零二零年 \$'000 千元	2019 二零一九年 \$'000 千元
Revenue from contracts with customers within the scope of HKFRS 15	香港財務報告準則第15號範圍內之客戶合約收入		
Brokerage commission	經紀佣金	365,327	231,772
Revenue from other sources	其他來源收入		
Dealing income from bullion trading	現貨金交易收入	6,682	8,171
Dealing income from leveraged foreign exchange trading	槓桿式外匯交易收入	1,469	700
Interest income from margin financing	孖展融資利息收入	114,092	150,421
Interest income from IPO financing	首次公開發售融資利息收入	95,321	2,693
		217,564	161,985
		582,891	393,757

Notes to the Unaudited Interim Financial Report

未經審核中期財務報告附註

(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有指明外，以港元列示)

5 OTHER INCOME

5 其他收益

		Six months ended 30 September 截至九月三十日止六個月	
		2020 二零二零年 \$'000 千元	2019 二零一九年 \$'000 千元
Interest income from Financial assets carried at amortised cost	利息收入來自 按攤銷成本列賬之金融資產		
— Authorised institutions	— 認可機構	38,932	71,325
— Others	— 其他	704	1,146
		39,636	72,471
Financial assets carried at fair value through profit or loss ("FVPL")	以按公平值計入損益之方式列賬之 金融資產		
— Cash clients	— 現金客戶	15,648	10,853
Handling and settlement fees	手續費及結算費用	55,284	83,324
Dividend income	股息收入	11	204
Government grants	政府補助	9,925	—
Sundry income	雜項收入	5,211	2,919
		129,920	119,360

6 OTHER NET GAIN/(LOSS)

6 其他收益／(虧損)淨額

		Six months ended 30 September 截至九月三十日止六個月	
		2020 二零二零年 \$'000 千元	2019 二零一九年 \$'000 千元
Realised gain/(loss) from financial assets at fair value through profit or loss	來自按公平值計入損益之金融資產 之已變現收益／(虧損)	7,951	(9)
Unrealised loss from financial assets at fair value through profit or loss	來自按公平值計入損益之金融資產 之未變現虧損	(736)	(683)
		7,215	(692)
Net foreign exchange gain/(loss)	外匯收益／(虧損)淨額	11,820	(6,043)
Loss on disposals of property, plant and equipment	出售物業、廠房及設備 虧損	(500)	(1)
Error trades arising from dealings	錯盤交易	(29)	(73)
Others	其他	(639)	(3,937)
		17,867	(10,746)

Notes to the Unaudited Interim Financial Report

未經審核中期財務報告附註

(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有指明外，以港元列示)

7 PROFIT BEFORE TAXATION

7 除稅前溢利

Profit before taxation is arrived at after charging:

除稅前溢利乃於扣除下列各項後達致：

		Six months ended 30 September 截至九月三十日止六個月	
		2020 二零二零年 \$'000 千元	2019 二零一九年 \$'000 千元
(a) Finance costs	(a) 財務成本		
Interest expense on	以下各項之利息開支		
— Bank loans for IPO financing	— 首次公開發售融資 之銀行貸款	60,719	2,662
— Other bank loans	— 其他銀行貸款	35,704	45,943
— Lease liabilities	— 租賃負債	1,427	2,016
— Loans from related companies	— 來自關聯公司貸款	922	4,764
— Others	— 其他	367	582
		99,139	55,967
(b) Other operating expenses	(b) 其他經營開支		
Advertising and promotion expenses	廣告及宣傳開支	15,707	5,148
Auditors' remuneration	核數師酬金	762	762
Commission, handling and settlement expenses	經紀佣金、手續費 及結算費用	66,406	40,252
Information and communication expenses	資訊及通訊開支	23,757	22,109
Legal and professional fees	法律及專業費用	1,260	1,668
Rates and building management fees	差餉及樓宇管理費	2,372	2,879
Miscellaneous expenses	雜項開支	16,085	20,104
		126,349	92,922

Notes to the Unaudited Interim Financial Report

未經審核中期財務報告附註

(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有指明外，以港元列示)

8 INCOME TAX IN THE CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

8 綜合全面收益表之所得稅

		Six months ended 30 September 截至九月三十日止六個月	
		2020 二零二零年 \$'000 千元	2019 二零一九年 \$'000 千元
Current tax — Hong Kong Profits Tax	即期稅項 — 香港利得稅		
Provision for the period	期內撥備	54,549	27,471
Deferred tax	遞延稅項		
Origination and reversal of temporary differences	暫時差額之來源及撥回	435	(2,248)
Total tax charge for the period	期內稅項支出總額	54,984	25,223

The provision for Hong Kong Profits Tax is calculated by applying the estimated annual effective tax rate of 16.5% (2019: 16.5%) to the six months ended 30 September 2020, except for one subsidiary of the Group which is a qualifying corporation under the two-tiered Profits Tax rate regime.

For this subsidiary, the first \$2 million of assessable profits are taxed at 8.25% and the remaining assessable profits are taxed at 16.5%. The provision for Hong Kong Profits Tax for this subsidiary was calculated at the same basis in 2019.

香港利得稅撥備乃按截至二零二零年九月三十日止六個月估計年度實際稅率16.5% (二零一九年：16.5%)計算，惟本集團一間附屬公司符合兩級制利得稅之條件除外。

就該附屬公司而言，首2,000,000元應課稅溢利按8.25%徵稅，餘下應課稅溢利則按16.5%徵稅。該附屬公司香港利得稅撥備按與二零一九年相同之基準計算。

Notes to the Unaudited Interim Financial Report

未經審核中期財務報告附註

(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有指明外，以港元列示)

9 EARNINGS PER SHARE

Basic earnings per share

Basic earnings per share is calculated by dividing the profit for the period attributable to equity shareholders of the Company by the weighted average number of ordinary shares in issue during the period.

9 每股盈利

每股基本盈利

每股基本盈利乃以本公司權益股東應佔期內溢利除以期內發行普通股之加權平均數計算。

		Six months ended 30 September 截至九月三十日止六個月	
		2020 二零二零年	2019 二零一九年
Earnings	盈利		
Profit for the period attributable to equity shareholders of the Company (\$'000)	本公司權益股東應佔期內溢利 (千元)	346,053	211,505
Number of shares	股份數目		
Weighted average number of ordinary shares in issue (in thousands)	已發行普通股之加權平均數 (千股)	1,697,296	1,697,296
Basic earnings per share (cents)	每股基本盈利(仙)	20.39	12.46

Diluted earnings per share

There was no dilutive potential ordinary share during the period (six months ended 30 September 2019: nil) and diluted earnings per share is therefore equal to basic earnings per share.

每股攤薄盈利

期內並無攤薄性潛在普通股(截至二零一九年九月三十日止六個月：無)，因此，每股攤薄盈利相等於每股基本盈利。

10 DIVIDEND

The Board does not recommend the payment of an interim dividend in respect of the six months ended 30 September 2020 (six months ended 30 September 2019: nil).

10 股息

董事會不建議就截至二零二零年九月三十日止六個月派發中期股息(截至二零一九年九月三十日止六個月：無)。

Notes to the Unaudited Interim Financial Report

未經審核中期財務報告附註

(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有指明外，以港元列示)

11 SEGMENT REPORTING

The Group manages its businesses by divisions, which are organised by business lines. In a manner consistent with the way in which information is reported internally to the Group's most senior executive management for the purposes of resource allocation and performance assessment, the Group has presented the following three reportable segments. No operating segments have been aggregated to form the following reportable segments.

- Securities broking — provision of broking services in securities traded in Hong Kong and selected overseas markets, and margin financing services to those broking clients.
- Commodities and futures broking — provision of broking services in commodities and futures contracts traded in Hong Kong and overseas markets.
- Bullion trading — provision of trading services in bullion contracts traded in overseas markets.

(a) Segment results, assets and liabilities

For the purposes of assessing segment performance and allocating resources between segments, the Group's senior executive management monitors the results, assets and liabilities attributable to each reportable segment on the following bases:

Segment assets include all tangible assets and current assets with the exception of unallocated corporate assets. Segment liabilities include liabilities and accruals attributable to the activities of the individual segments.

The measure used for reporting segment profit is earnings before finance costs and taxes ("EBIT"). To arrive at EBIT, the Group's earnings are further adjusted for items not specifically attributed to individual segments, such as corporate administration costs.

11 分部報告

本集團按分部(按業務線組織)管理其業務。本集團按與就資源分配及表現評估向本集團最高行政管理人員內部呈報資料一致之方式呈列以下三個可報告分部。概無合併經營分部以組成下列可報告分部。

- 證券經紀 — 提供於香港及特定海外市場買賣之證券之經紀服務及向經紀客戶提供孖展融資服務。
- 商品及期貨經紀 — 提供於香港及海外市場買賣之商品及期貨合約之經紀服務。
- 現貨金交易 — 提供於海外市場買賣現貨金合約的交易服務。

(a) 分部業績、資產及負債

為評估分部表現及於各分部間分配資源，本集團最高行政管理人員按以下基準監察各可報告分部應佔業績、資產及負債：

分部資產包括所有有形資產及流動資產，惟未分配之公司資產除外。分部負債包括個別分部活動應佔之負債及應計負債。

就報告分部溢利採用之計量標準為除財務成本及稅項前之盈利(「EBIT」)。於得出EBIT時，本集團盈利就並無指定歸屬個別分部之項目(如公司行政成本)作出進一步調整。

Notes to the Unaudited Interim Financial Report

未經審核中期財務報告附註

(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有指明外，以港元列示)

11 SEGMENT REPORTING (Continued)

11 分部報告 (續)

(b) Segment information

(b) 分部資料

		Six months ended 30 September 2020 截至二零二零年九月三十日止六個月			
		Commodities			Total 總計
		Securities broking 證券經紀 \$'000 千元	and futures broking 商品及 期貨經紀 \$'000 千元	Bullion trading 現貨金交易 \$'000 千元	
Revenue from customers:	來自客戶之收入：				
– Brokerage commission	– 經紀佣金	249,113	117,420	–	366,533
– Dealing income	– 交易收入	–	–	6,682	6,682
– Interest income from margin financing	– 孖展融資利息收入	114,092	–	–	114,092
– Interest income from IPO financing	– 首次公開發售融資利息收入	95,321	–	–	95,321
Reportable segment revenue	可報告分部收入	458,526	117,420	6,682	582,628
Interest income from cash clients	現金客戶利息收入	15,648	–	–	15,648
Other interest income	其他利息收入	34,020	5,577	39	39,636
Handling and settlement fees	手續費及結算費用	59,485	4	–	59,489
Reportable segment profit (EBIT)	可報告分部溢利(EBIT)	441,928	49,304	4,263	495,495
Amortisation and depreciation	攤銷及折舊	(8,447)	(4)	–	(8,451)
Finance costs	財務成本	(101,861)	–	–	(101,861)
Additions to non-current segment assets during the period	期內添置之非流動分部資產	16,186	–	–	16,186

		At 30 September 2020 於二零二零年九月三十日			
		Commodities			Total 總計
		Securities broking 證券經紀 \$'000 千元	and futures broking 商品及 期貨經紀 \$'000 千元	Bullion trading 現貨金交易 \$'000 千元	
Reportable segment assets	可報告分部資產	27,649,148	897,588	24,212	28,570,948
Reportable segment liabilities	可報告分部負債	(26,076,327)	(552,717)	(19,742)	(26,648,786)

Notes to the Unaudited Interim Financial Report

未經審核中期財務報告附註

(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有指明外，以港元列示)

11 SEGMENT REPORTING (Continued)

11 分部報告(續)

(b) Segment information (Continued)

(b) 分部資料(續)

		Six months ended 30 September 2019 截至二零一九年九月三十日止六個月			
		Commodities			Total
		Securities and futures broking	Commodities and futures broking	Bullion trading	
		證券經紀 \$'000 千元	期貨經紀 \$'000 千元	現貨金交易 \$'000 千元	總計 \$'000 千元
Revenue from customers:	來自客戶之收入：				
– Brokerage commission	– 經紀佣金	122,774	109,540	–	232,314
– Dealing income	– 交易收入	–	–	8,171	8,171
– Interest income from margin financing	– 孖展融資利息收入	150,421	–	–	150,421
– Interest income from IPO financing	– 首次公開發售融資利息收入	2,693	–	–	2,693
Reportable segment revenue	可報告分部收入	275,888	109,540	8,171	393,599
Interest income from cash clients	現金客戶利息收入	10,853	–	–	10,853
Other interest income	其他利息收入	60,550	11,723	190	72,463
Handling and settlement fees	手續費及結算費用	32,907	6	–	32,913
Reportable segment profit (EBIT)	可報告分部溢利(EBIT)	239,904	43,191	6,388	289,483
Amortisation and depreciation	攤銷及折舊	(9,166)	(4)	–	(9,170)
Finance costs	財務成本	(56,158)	(6)	–	(56,164)
Additions to non-current segment assets during the period	期內添置之非流動分部資產	3,019	–	–	3,019

		At 31 March 2020 於二零二零年三月三十一日			
		Commodities			Total
		Securities and futures broking	Commodities and futures broking	Bullion trading	
		證券經紀 \$'000 千元	期貨經紀 \$'000 千元	現貨金交易 \$'000 千元	總計 \$'000 千元
Reportable segment assets	可報告分部資產	5,761,546	706,429	43,693	6,511,668
Reportable segment liabilities	可報告分部負債	(4,069,128)	(363,944)	(24,789)	(4,457,861)

Notes to the Unaudited Interim Financial Report

未經審核中期財務報告附註

(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有指明外，以港元列示)

11 SEGMENT REPORTING (Continued)

11 分部報告(續)

(c) Reconciliation of reportable segment profit, assets and liabilities

(c) 可報告分部溢利、資產及負債之對賬

		Six months ended 30 September 截至九月三十日止六個月	
		2020 二零二零年 \$'000 千元	2019 二零一九年 \$'000 千元
Revenue	收入		
Reportable segment revenue	可報告分部收入	582,628	393,599
Elimination	對銷	(1,206)	(541)
Unallocated corporate revenue	未分配公司收入	1,469	699
Consolidated revenue	綜合收入	582,891	393,757
Profit	溢利		
Reportable segment profit (EBIT)	可報告分部溢利(EBIT)	495,495	289,483
Finance costs	財務成本	(99,139)	(55,967)
Unallocated corporate income	未分配公司收入	25,112	11,962
Unallocated corporate expenses	未分配公司開支	(20,431)	(8,750)
Consolidated profit before taxation	綜合除稅前溢利	401,037	236,728
		At	At
		30 September	31 March
		2020	2020
		二零二零年	二零二零年
		九月三十日	三月三十一日
		\$'000	\$'000
		千元	千元
Assets	資產		
Reportable segment assets	可報告分部資產	28,570,948	6,511,668
Elimination	對銷	(216,916)	(226,695)
Unallocated corporate assets	未分配公司資產	159,225	174,162
Consolidated total assets	綜合資產總值	28,513,257	6,459,135

Notes to the Unaudited Interim Financial Report

未經審核中期財務報告附註

(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有指明外，以港元列示)

11 SEGMENT REPORTING (Continued)

(c) Reconciliation of reportable segment profit, assets and liabilities (Continued)

		At 30 September 2020 於二零二零年 九月三十日 \$'000 千元	At 31 March 2020 於二零二零年 三月三十一日 \$'000 千元
Liabilities	負債		
Reportable segment liabilities	可報告分部負債	(26,648,786)	(4,457,861)
Elimination	對銷	2,175,674	562,213
Unallocated corporate liabilities	未分配公司負債	(2,267,173)	(661,181)
Consolidated total liabilities	綜合負債總額	(26,740,285)	(4,556,829)

11 分部報告(續)

(c) 可報告分部溢利、資產及負債之對賬(續)

12 PROPERTY, PLANT AND EQUIPMENT

Acquisitions and disposals

The additions to right-of-use assets of the Group was amounted to \$15,390,000 for the six months ended 30 September 2020 (six months ended 30 September 2019: \$163,476,000).

During the six months ended 30 September 2020, the Group acquired property, plant and equipment with a cost of \$16,186,000 (six months ended 30 September 2019: \$3,023,000). Property, plant and equipment with a net book value \$8,480,000 (six months ended 30 September 2019: \$2,250,000) were disposed during the six months ended 30 September 2020. A loss on disposal of \$500,000 was recognised during the six months ended 30 September 2020 (six months ended 30 September 2019: loss of \$1,000).

12 物業、廠房及設備

收購及出售

截至二零二零年九月三十日止六個月，本集團新增使用權資產15,390,000元(截至二零一九年九月三十日止六個月：163,476,000元)。

於截至二零二零年九月三十日止六個月，本集團按成本16,186,000元(截至二零一九年九月三十日止六個月：3,023,000元)購入物業、廠房及設備。於截至二零二零年九月三十日止六個月，賬面淨值8,480,000元(截至二零一九年九月三十日止六個月：2,250,000元)之物業、廠房及設備已獲出售。於截至二零二零年九月三十日止六個月，確認出售虧損500,000元(截至二零一九年九月三十日止六個月：虧損1,000元)。

Notes to the Unaudited Interim Financial Report

未經審核中期財務報告附註

(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有指明外，以港元列示)

13 ACCOUNTS RECEIVABLE

13 應收賬款

		At 30 September 2020 於二零二零年 九月三十日 \$'000 千元	At 31 March 2020 於二零二零年 三月三十一日 \$'000 千元
Accounts receivable	應收賬款		
Accounts receivable from:	應收賬款來自：		
— Clearing houses	— 結算所	887,928	785,804
— Brokers and dealers	— 經紀及交易商	395,814	210,195
Less: Loss allowance	減：虧損撥備	(505)	(505)
Financial assets measured at amortised cost	按攤銷成本計量之金融資產	1,283,237	995,494
Accounts receivable from:	應收賬款來自：		
— Cash clients	— 現金客戶	427,473	263,480
— Margin clients	— 孖展客戶	7,437,894	4,385,813
— Subscription of new shares in IPO	— 認購首次公開發售新股	18,712,291	—
Financial assets measured at FVPL	以按公平值計入損益之方式計量之金融資產	26,577,658	4,649,293
		27,860,895	5,644,787

Notes to the Unaudited Interim Financial Report

未經審核中期財務報告附註

(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有指明外，以港元列示)

13 ACCOUNTS RECEIVABLE (Continued)

The ageing analysis of accounts receivable from cash clients based on the settlement date as at the end of the reporting period is as follows:

		At 30 September 2020 於二零二零年 九月三十日 \$'000 千元	At 31 March 2020 於二零二零年 三月三十一日 \$'000 千元
Current	即期	59,018	65,283
Less than 1 month	少於1個月	234,863	141,064
1 to 3 months	1至3個月	106,310	34,543
More than 3 months	多於3個月	27,282	22,590
		368,455	198,197
		427,473	263,480

Accounts receivable from cash clients relate to a wide range of customers for whom there was no recent history of default. These receivables are secured by their portfolios of securities. Cash clients are required to place deposits as prescribed in the Group's credit policy before execution of any purchase transactions. At 30 September 2020, the total market value of their portfolios of securities was \$2,082,388,000 (31 March 2020: \$1,669,623,000). Based on past experience and current assessment, management believes that the balances are fully recoverable.

13 應收賬款(續)

於報告期末之應收現金客戶賬款按結算日之賬齡分析如下：

應收現金客戶賬款涉及多名近期並無欠款記錄之客戶。該等應收款項由其證券組合作抵押。於執行任何購買交易前，現金客戶須按本集團之信貸政策存款。於二零二零年九月三十日，其證券組合之總市值為2,082,388,000元(二零二零年三月三十一日：1,669,623,000元)。根據過往經驗及當前評估，管理層相信有關結餘可全數收回。

Notes to the Unaudited Interim Financial Report

未經審核中期財務報告附註

(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有指明外，以港元列示)

13 ACCOUNTS RECEIVABLE (Continued)

Margin clients are required to pledge securities collateral to the Group in order to obtain credit facilities for securities trading. The amount of credit facilities granted to them is determined by the discounted value of securities accepted by the Group. At 30 September 2020, margin loans due from margin clients were current and repayable on demand except for \$799,000 (31 March 2020: \$90,000) where the margin loans were past due. \$716,000 (31 March 2020: \$18,000) were past due for less than 1 month. \$1,000 (31 March 2020: \$1,000) were past due for 1 to 3 months. \$12,000 (31 March 2020: \$5,000) were past due for 3 months to 1 year. \$70,000 (31 March 2020: \$66,000) were past due for over 1 year following the trading suspension of the pledged securities. At 30 September 2020, the total market value of securities pledged as collateral in respect of the loans to borrowing margin clients and all margin clients were \$15,990,316,000 and \$22,091,778,000 respectively (31 March 2020: \$10,376,614,000 and \$14,641,209,000 respectively). Margin loans that were past due relate to a number of independent customers that have a good track record with the Group.

For accounts receivable relating to subscriptions of new shares in IPO, no ageing analysis of subscriptions of new shares in IPO is disclosed as the ageing analysis does not give additional value in view of the nature of this business.

The fair value of accounts receivables from cash client, margin clients and subscription in new shares in IPO is determined by the fair value of collaterals, capped by the principal amount and accrued interest, without discounting.

Accounts receivable from clearing houses, brokers and dealers are current. These represent (1) pending trades arising from the business of dealing in securities, which are normally due within a few days after the trade date and (2) margin deposits arising from the business of dealing in futures and options contracts.

13 應收賬款(續)

孖展客戶須向本集團質押證券抵押品，以就證券交易獲取信貸融資。授予彼等之信貸融資金額按本集團接納之證券貼現價值釐定。於二零二零年九月三十日，除799,000元(二零二零年三月三十一日：90,000元)之孖展貸款逾期外，應收孖展客戶之孖展貸款為即期及須應要求償還。716,000元(二零二零年三月三十一日：18,000元)逾期少於1個月。1,000元(二零二零年三月三十一日：1,000元)逾期一至三個月。12,000元(二零二零年三月三十一日：5,000元)逾期三個月至一年。70,000元(二零二零年三月三十一日：66,000元)於已質押證券暫停買賣後逾期超過一年。於二零二零年九月三十日，就有關借款孖展客戶及全部孖展客戶獲授貸款已抵押作為抵押品之證券總市值分別為15,990,316,000元及22,091,778,000元(二零二零年三月三十一日：分別為10,376,614,000元及14,641,209,000元)。逾期孖展貸款涉及若干與本集團有良好往績紀錄之獨立客戶。

就認購首次公開發售新股之應收賬款而言，由於此項業務之性質，賬齡分析並無帶來額外價值，故並無披露認購首次公開發售新股之賬齡分析。

應收現金客戶、孖展客戶及認購首次公開發售新股之賬款之公平值乃按抵押品之公平值釐定，上限為本金額及應計利息，不予貼現。

應收結算所、經紀及交易商之賬款為即期，有關賬款來自(1)買賣證券業務之待結算買賣交易，一般於交易日後數日內到期，及(2)買賣期貨及期權合約業務之孖展保證金。

Notes to the Unaudited Interim Financial Report

未經審核中期財務報告附註

(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有指明外，以港元列示)

14 OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

14 其他應收款項、按金及預付款項

		At 30 September 2020 於二零二零年 九月三十日 \$'000 千元	At 31 March 2020 於二零二零年 三月三十一日 \$'000 千元
Rental and utility deposits	租金及水電費按金	19,135	20,875
Prepayments	預付款項	4,410	4,642
Other receivables	其他應收款項	12,025	17,911
		35,570	43,428
Less: Loss allowance	減：虧損撥備	(43)	(43)
		35,527	43,385

Included in the above balances are amounts of \$17,107,000 and \$16,944,000 as at 30 September 2020 and 31 March 2020 respectively which are expected to be recovered in more than one year.

於二零二零年九月三十日及二零二零年三月三十一日，計入上述結餘之款項分別為17,107,000元及16,944,000元，預期將於一年後收回。

15 CASH AND CASH EQUIVALENTS

15 現金及現金等價物

Cash and cash equivalents comprise:

現金及現金等價物包括：

		At 30 September 2020 於二零二零年 九月三十日 \$'000 千元	At 31 March 2020 於二零二零年 三月三十一日 \$'000 千元
Deposits with banks	銀行存款	40,715	56,253
Cash at bank and in hand	銀行及手頭現金	366,914	421,721
		407,629	477,974
Less: Loss allowance	減：虧損撥備	(317)	(317)
		407,312	477,657

The Group maintains segregated accounts with authorised institutions to hold client money in the normal course of business.

本集團於認可機構設有獨立賬戶，於日常業務過程中持有客戶資金。

At 30 September 2020, client money maintained in segregated accounts not otherwise dealt with in the interim financial statements amounted to \$8,812,788,000 (31 March 2020: \$8,355,102,000).

於二零二零年九月三十日，於獨立賬戶存放且並無於中期財務報表其他部分處理之客戶資金為8,812,788,000元(二零二零年三月三十一日：8,355,102,000元)。

Notes to the Unaudited Interim Financial Report

未經審核中期財務報告附註

(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有指明外，以港元列示)

16 ACCOUNTS PAYABLE

16 應付賬款

		At 30 September 2020 於二零二零年 九月三十日 \$'000 千元	At 31 March 2020 於二零二零年 三月三十一日 \$'000 千元
Accounts payable	應付賬款		
— Cash clients	— 現金客戶	377,573	343,920
— Margin clients	— 孖展客戶	847,580	628,132
— Clearing houses	— 結算所	95,891	307,416
— Brokers	— 經紀	202,389	21,800
		1,523,433	1,301,268

All of the accounts payable are current, and are expected to be settled within one year or repayable on demand.

所有應付賬款為即期及預期於一年內清償或須應要求償還。

17 ACCRUED EXPENSES AND OTHER PAYABLES

17 應計開支及其他應付款項

		At 30 September 2020 於二零二零年 九月三十日 \$'000 千元	At 31 March 2020 於二零二零年 三月三十一日 \$'000 千元
Commission rebate payable	應付佣金回贈	38,424	26,948
Accrued bonuses	應計花紅	16,106	6,180
Stamp duty, trading levy and trading fee payables	應付印花稅、交易徵費 及交易費	8,679	8,572
Receipt in advance	預收款項	3,659	2,891
Other payables	其他應付款項	27,732	27,718
		94,600	72,309

Included in the above balances are amounts of \$7,786,000 as at 30 September 2020 (31 March 2020: \$7,238,000) which are expected to be settled in more than one year.

於二零二零年九月三十日，計入上述結餘之款項為7,786,000元（二零二零年三月三十一日：7,238,000元），乃預期於一年後償付。

Notes to the Unaudited Interim Financial Report

未經審核中期財務報告附註

(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有指明外，以港元列示)

18 BANK LOANS

18 銀行貸款

		At 30 September 2020 於二零二零年 九月三十日 \$'000 千元	At 31 March 2020 於二零二零年 三月三十一日 \$'000 千元
Secured loans	有抵押貸款		
— Bank loans	— 銀行貸款	4,830,130	2,423,789
— Bank loans for IPO	— 首次公開發售銀行貸款	16,800,000	—
Unsecured loans	無抵押貸款		
— Bank loans	— 銀行貸款	2,135,000	435,000
		23,765,130	2,858,789

All the bank loans are repayable within one year and are classified as current liabilities. The carrying amounts of the bank borrowings approximate their fair value.

The bank loans as at 30 September 2020 and 31 March 2020 were interest-bearing. Securities collateral deposited by the Group's margin clients was re-pledged to banks to secure these loan facilities. Such banking facilities were utilised to the extent of \$21,630,130,000 (31 March 2020: \$2,423,789,000). The fair value of the collateral repledged to banks as at 30 September 2020 amounted to \$10,181,142,000 (31 March 2020: \$5,918,574,000).

所有銀行貸款須於一年內償還及分類為流動負債。銀行借貸之賬面值與其公平值相若。

於二零二零年九月三十日及二零二零年三月三十一日之銀行貸款均須計息。本集團孖展客戶存置之證券抵押品再質押予銀行，以取得有關貸款融資。有關銀行融資已動用21,630,130,000元(二零二零年三月三十一日：2,423,789,000元)。於二零二零年九月三十日，再質押予銀行之抵押品公平值為10,181,142,000元(二零二零年三月三十一日：5,918,574,000元)。

Notes to the Unaudited Interim Financial Report

未經審核中期財務報告附註

(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有指明外，以港元列示)

19 SHARE CAPITAL, SHARE PREMIUM, RESERVES AND DIVIDENDS

19 股本、股份溢價、儲備及股息

(a) Share capital

(a) 股本

Authorised ordinary shares of \$0.30 each 每股0.30元之法定普通股					
At 30 September 2020 於二零二零年九月三十日			At 31 March 2020 於二零二零年三月三十一日		
No. of shares 股份數目	Nominal value 面值 \$'000 千元		No. of shares 股份數目	Nominal value 面值 \$'000 千元	
At 1 April/30 September/ 31 March	於四月一日/九月三十日/ 三月三十一日	10,000,000,000	3,000,000	10,000,000,000	3,000,000

Issued and fully paid 已發行及繳足					
At 30 September 2020 於二零二零年九月三十日			At 31 March 2020 於二零二零年三月三十一日		
No. of shares 股份數目	Nominal value 面值 \$'000 千元		No. of shares 股份數目	Nominal value 面值 \$'000 千元	
At 1 April/30 September/31 March	於四月一日/ 九月三十日/ 三月三十一日	1,697,296,308	509,189	1,697,296,308	509,189

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All ordinary shares rank equally with regard to the Company's residual assets.

普通股持有人均有權獲派本公司不時宣派之股息，並於本公司大會上就每股股份享有一票投票權。所有普通股於本公司之剩餘資產方面均享有同等地位。

Notes to the Unaudited Interim Financial Report

未經審核中期財務報告附註

(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有指明外，以港元列示)

19 SHARE CAPITAL, SHARE PREMIUM, RESERVES AND DIVIDENDS (Continued)

(b) Dividends

Dividends payable to equity shareholders of the Company attributable to the previous financial year, approved and paid during the interim period:

	Six months ended 30 September	
	2020 二零二零年 \$'000 千元	2019 二零一九年 \$'000 千元
Final dividend in respect of the previous financial year, approved and paid during the interim period	475,243	132,389

(c) Nature and purpose of reserves

(i) Share premium

Under the Companies Law of the Cayman Islands, the share premium account of the Company may be applied for payment of distributions or dividends to shareholders provided that immediately following the date on which the distribution or dividend is proposed to be paid, the Company is able to pay its debts as they fall due in the ordinary course of business.

(ii) Exchange reserve

The exchange reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations as well as the effective portion of any foreign exchange differences arising from hedges of the net investment in these foreign operations.

19 股本、股份溢價、儲備及股息 (續)

(b) 股息

應付予本公司權益股東之股息乃來自上一財政年度，並於中期期間獲批准及派付：

(c) 儲備性質及目的

(i) 股份溢價

根據開曼群島公司法，本公司之股份溢價賬可用作支付應派予股東之分派或股息，惟緊隨擬支付分派或派付股息日期後，本公司仍可在日常業務過程中償付其到期債務。

(ii) 匯兌儲備

匯兌儲備包含所有產生自換算海外業務之財務報表之匯兌差額及因對沖此等海外業務淨投資之有效匯兌差額部分。

Notes to the Unaudited Interim Financial Report

未經審核中期財務報告附註

(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有指明外，以港元列示)

19 SHARE CAPITAL, SHARE PREMIUM, RESERVES AND DIVIDENDS (Continued)

(c) Nature and purpose of reserves (Continued)

(iii) Merger reserve

On 29 June 2010, the Company acquired the entire issued share capital of Bright Smart Futures & Commodities Co., Ltd, Bright Smart Securities International (H.K.) Limited and Merit Act Limited through Bright Smart Investment Holdings Limited from their respective shareholders. The difference between the nominal value of the share capital of the subsidiaries acquired as a result of the restructuring exercise and the nominal value of the share capital of the Company issued in exchange thereof is treated as an equity movement and recorded in "Merger reserve".

20 COMMITMENTS

Capital commitments

Capital commitments outstanding at 30 September 2020 not provided for in the financial statements were as follows:

	At 30 September 2020 於二零二零年 九月三十日 \$'000 千元	At 31 March 2020 於二零二零年 三月三十一日 \$'000 千元
Contracted for 已訂約	1,095	2,745

19 股本、股份溢價、儲備及股息 (續)

(c) 儲備性質及目的 (續)

(iii) 合併儲備

於二零一零年六月二十九日，本公司透過耀才投資控股有限公司向耀才期貨及商品有限公司、耀才證券國際(香港)有限公司及宏烽有限公司之有關股東收購該等公司之全部已發行股本。因重組活動而被收購之附屬公司之股本面值與本公司已發行之股本面值(作為代價)兩者之差額視作權益變動處理，並記錄在「合併儲備」內。

20 承擔

資本承擔

於二零二零年九月三十日尚未撥備至財務報表之資本承擔如下：

Notes to the Unaudited Interim Financial Report

未經審核中期財務報告附註

(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有指明外，以港元列示)

21 FINANCIAL RISK MANAGEMENT AND FAIR VALUES

(a) Fair values measurement

(i) Financial assets measured at fair value

Fair value hierarchy

The following table presents the fair value of the Group's financial instruments measured at the end of the reporting period on a recurring basis, categorised into the three-level fair value hierarchy as defined in HKFRS 13, Fair value measurement. The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

- Level 1 valuations: Fair value measured using only Level 1 inputs i.e. unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date
- Level 2 valuations: Fair value measured using Level 2 inputs i.e. observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available
- Level 3 valuation: Fair value measured using significant unobservable inputs

21 財務風險管理及公平值

(a) 公平值計量

(i) 按公平值計量的金融資產

公平值層級

下表載列於報告期末按經常性基準計量並分類為香港財務報告準則第13號「公平值計量」所界定的三級公平值等級架構的本集團金融工具公平值。公平值計量的等級分類乃參考以下估值方法所使用輸入值的可觀察性及重要性釐定：

- 第一級估值：只使用第一級輸入值(即相同資產或負債於計量日在活躍市場的未經調整報價)計量的公平值
- 第二級估值：使用第二級輸入值(即未能符合第一級的可觀察輸入值)且並未使用重要不可觀察輸入值計量的公平值。不可觀察輸入值指無法獲取市場數據的輸入值
- 第三級估值：使用重要不可觀察輸入值計量的公平值

Notes to the Unaudited Interim Financial Report

未經審核中期財務報告附註

(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有指明外，以港元列示)

21 FINANCIAL RISK MANAGEMENT AND FAIR VALUES (Continued)

(a) Fair values measurement (Continued)

(i) Financial assets measured at fair value (Continued)

Fair value hierarchy (Continued)

The Group has a finance team performing daily valuations for the financial instruments, including financial assets at fair value through profit or loss. The team reports directly to the chief financial officer.

21 財務風險管理及公平值(續)

(a) 公平值計量(續)

(i) 按公平值計量的金融資產(續)

公平值層級(續)

本集團擁有一支財務團隊為金融工具(包括按公平值計入損益之金融資產)每天進行估值。該團隊直接向財務總監匯報。

		Fair value measurement as at 30 September 2020 categorised into 於二零二零年九月三十日的 公平值計量分類為			Fair value measurement as at 31 March 2020 categorised into 於二零二零年三月三十一日的 公平值計量分類為		
		Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
		第一級	第二級	第三級	第一級	第二級	第三級
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
		千元	千元	千元	千元	千元	千元
Recurring fair value measurements	經常性公平值計量						
Assets:	資產:						
Financial assets at fair value through profit or loss	按公平值計入損益之金融資產						
– Listed securities	– 上市證券	4,408	–	–	48,539	–	–
– Accounts receivable	– 應收賬款	–	26,577,658	–	–	4,649,293	–

During the six months ended 30 September 2020, there were no transfers between Level 1 and Level 2, or transfers into or out of Level 3. The Group's policy is to recognise transfers between levels of fair value hierarchy as at the end of the reporting period in which they occur.

於截至二零二零年九月三十日止六個月，第一級與第二級之間並無發生任何轉讓，亦無任何第三級轉入或轉出。本集團之政策乃於發生轉讓之報告期末確認公平值等級架構各級別之間的轉讓。

Notes to the Unaudited Interim Financial Report

未經審核中期財務報告附註

(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有指明外，以港元列示)

21 FINANCIAL RISK MANAGEMENT AND FAIR VALUES (Continued)

(b) Offsetting financial assets and financial liabilities

- (ii) Financial assets subject to offsetting, enforceable master netting arrangements or similar agreements

21 財務風險管理及公平值(續)

(b) 抵銷金融資產及金融負債

- (ii) 受抵銷、總淨額交割安排或類似協議約束之金融資產

		As 30 September 2020 於二零二零年九月三十日					
		Gross amount of recognised financial assets	Gross amount of recognised financial liabilities	Net amount of financial assets presented in the consolidated statement of financial position	Related amounts not offset in the consolidated statement of financial position		Net amount
Type of financial assets	金融資產類別	已確認金融資產總額	已確認金融負債總額	金融資產淨額	已收抵押品	金融工具	淨額
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
		千元	千元	千元	千元	千元	千元
Accounts receivable due from clearing houses	應收結算所之賬款	2,215,968	(1,907,556)	308,412	—	(95,891)	212,521
Accounts receivable due from clients	應收客戶之賬款	9,536,512	(1,675,323)	7,861,189	(7,860,325)	—	864
		11,752,480	(3,582,879)	8,169,601	(7,860,325)	(95,891)	213,385

Notes to the Unaudited Interim Financial Report

未經審核中期財務報告附註

(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有指明外，以港元列示)

21 FINANCIAL RISK MANAGEMENT AND FAIR VALUES (Continued)

(b) Offsetting financial assets and financial liabilities (Continued)

- (ii) Financial assets subject to offsetting, enforceable master netting arrangements or similar agreements (Continued)

21 財務風險管理及公平值(續)

(b) 抵銷金融資產及金融負債(續)

- (ii) 受抵銷、總淨額交割安排或類似協議約束之金融資產(續)

		As 31 March 2020 於二零二零年三月三十一日					
Type of financial assets	金融資產類別	Gross amount of recognised financial assets	Gross amount of recognised financial liabilities	Net amount of financial assets	Related amounts not offset in the consolidated statement of financial position		Net amount
		已確認金融資產總額	已確認金融負債總額	金融資產淨額	Collateral received	Financial instruments	
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
		千元	千元	千元	千元	千元	千元
Accounts receivable due from clearing houses	應收結算所之賬款	2,056,549	(1,830,351)	226,198	–	(226,198)	–
Accounts receivable due from clients	應收客戶之賬款	6,249,861	(1,605,465)	4,644,396	(4,644,280)	–	116
		8,306,410	(3,435,816)	4,870,594	(4,644,280)	(226,198)	116

Notes to the Unaudited Interim Financial Report

未經審核中期財務報告附註

(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有指明外，以港元列示)

21 FINANCIAL RISK MANAGEMENT AND FAIR VALUES (Continued)

(b) Offsetting financial assets and financial liabilities (Continued)

- (ii) Financial liabilities subject to offsetting, enforceable master netting arrangements or similar agreements (Continued)

21 財務風險管理及公平值(續)

(b) 抵銷金融資產及金融負債(續)

- (ii) 受抵銷、總淨額交割安排或類似協議約束之金融負債(續)

		As 30 September 2020 於二零二零年九月三十日					
Type of financial liabilities	金融負債類別	Gross amount of recognised financial assets		Net amount of financial liabilities presented in the consolidated statement of financial position	Related amounts not offset in the consolidated statement of financial position		Net amount
		Gross amount of financial liabilities	Gross offset in the consolidated statement of financial position	Collateral received	Financial instruments		
		已確認金融負債總額	已確認金融資產總額	金融負債淨額	已收抵押品	金融工具	淨額
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
		千元	千元	千元	千元	千元	千元
Accounts payable due to clearing houses	應付結算所之賬款	2,003,447	(1,907,556)	95,891	(95,891)	–	–
Accounts payable due to clients	應付客戶之賬款	2,167,941	(1,675,323)	492,618	–	–	492,618
		4,171,388	(3,582,879)	588,509	(95,891)	–	492,618

Notes to the Unaudited Interim Financial Report

未經審核中期財務報告附註

(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有指明外，以港元列示)

21 FINANCIAL RISK MANAGEMENT AND FAIR VALUES (Continued)

(b) Offsetting financial assets and financial liabilities (Continued)

- (ii) Financial liabilities subject to offsetting, enforceable master netting arrangements or similar agreements (Continued)

21 財務風險管理及公平值 (續)

(b) 抵銷金融資產及金融負債 (續)

- (ii) 受抵銷、總淨額交割安排或類似協議約束之金融負債 (續)

		As 31 March 2020 於二零二零年三月三十一日					
		Gross amount of recognised financial assets	Gross amount of recognised financial liabilities	Net amount of financial liabilities presented in the consolidated statement of financial position	Related amounts not offset in the consolidated statement of financial position		
Type of financial liabilities	金融負債類別	已確認金融負債總額	已確認金融資產總額	金融負債淨額	已收抵押品	金融工具	淨額
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
		千元	千元	千元	千元	千元	千元
Accounts payable due to clearing houses	應付結算所之賬款	2,137,767	(1,830,351)	307,416	(226,198)	—	81,218
Accounts payable due to clients	應付客戶之賬款	2,012,049	(1,605,465)	406,584	—	—	406,584
		4,149,816	(3,435,816)	714,000	(226,198)	—	487,802

Notes to the Unaudited Interim Financial Report

未經審核中期財務報告附註

(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有指明外，以港元列示)

21 FINANCIAL RISK MANAGEMENT AND FAIR VALUES (Continued)

(b) Offsetting financial assets and financial liabilities (Continued)

(iii) The tables below reconcile the “net amounts of financial assets and financial liabilities presented in the consolidated statement of financial position”, as set out above, to the accounts receivable and accounts payable presented in the consolidated statement of financial position.

21 財務風險管理及公平值(續)

(b) 抵銷金融資產及金融負債(續)

(iii) 下表為「綜合財務狀況表呈列之金融資產及金融負債之淨額」(如上文所載)與綜合財務狀況表呈列之應收賬款及應付賬款之對賬。

		At 30 September 2020 二零二零年 九月三十日 \$'000 千元	At 31 March 2020 二零二零年 三月三十一日 \$'000 千元
Net amount of financial assets after offsetting as stated above	如上述抵銷後 金融資產淨額	8,169,601	4,870,594
Financial assets not in scope of offsetting disclosure	並非抵銷披露範圍之 金融資產	19,691,799	774,698
Loss allowance	虧損撥備	(505)	(505)
		27,860,895	5,644,787
Net amount of financial liabilities after offsetting as stated above	如上述抵銷後 金融負債淨額	588,509	714,000
Financial liabilities not in scope of offsetting disclosure	並非抵銷披露範圍之 金融負債	934,924	587,268
		1,523,433	1,301,268

Notes to the Unaudited Interim Financial Report

未經審核中期財務報告附註

(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有指明外，以港元列示)

22 MATERIAL RELATED PARTY TRANSACTIONS

In addition to the related party information disclosed elsewhere in the interim financial statements, the Group entered into the following material related party transactions.

(a) Balances with related parties

- (i) As at 30 September 2020, the Group had accounts receivable from directors of \$22,133,000 (31 March 2020: \$30,036,000) and accounts payable to directors of \$25,109,000 (31 March 2020: \$44,019,000) respectively which was arising from the Group's ordinary course of business in securities broking, margin financing and commodities and futures broking. Accounts receivable/payable from/to directors are set at same terms as those normally offered to third party clients.
- (ii) As at 30 September 2020, included in other receivables, deposits and prepayments were rental and office management deposits of \$13,599,000 (31 March 2020: \$13,592,000) which had been made to related companies owned by Mr. Yip, a director and controlling shareholder of the Company. These amounts are unsecured, interest-free and repayable upon expiry of the respective leases.
- (iii) As at 30 September 2020, right-of-use assets and lease liabilities arising from the lease arrangements with related companies owned by Mr. Yip were amounted to \$76,371,000 and \$74,436,000 respectively (31 March 2020: \$101,827,000 and \$98,604,000 respectively). For the six months ended 30 September 2020, the depreciation of the right-of-use assets and the interest expense of the lease liabilities were amounted to \$25,457,000 and \$1,162,000 respectively (six months ended 30 September 2019: \$25,592,000 and \$1,540,000 respectively).

22 重大關連人士交易

除中期財務報表其他部分披露之關連人士資料外，本集團訂有下列重大關連人士交易。

(a) 與關連人士之結餘

- (i) 於二零二零年九月三十日，本集團擁有應收董事賬款22,133,000元(二零二零年三月三十一日：30,036,000元)及應付董事賬款25,109,000元(二零二零年三月三十一日：44,019,000元)，此乃涉及本集團日常業務中進行證券經紀、孖展融資以及商品及期貨經紀業務而產生。應收／應付董事賬款與一般提供予第三方客戶者具有相同條款。
- (ii) 於二零二零年九月三十日，其他應收款項、按金及預付款項中有13,599,000元(二零二零年三月三十一日：13,592,000元)屬於向本公司董事及控股股東葉先生擁有之關聯公司支付之租金及辦公室管理按金。該等金額為無抵押及免息，並須於個別租約屆滿時償還。
- (iii) 於二零二零年九月三十日，因與葉先生所擁有之關聯公司之租賃安排而產生之使用權資產及租賃負債分別為76,371,000元及74,436,000元(二零二零年三月三十一日：分別為101,827,000元及98,604,000元)。截至二零二零年九月三十日止六個月，使用權資產折舊及租賃負債利息開支分別為25,457,000元及1,162,000元(截至二零一九年九月三十日止六個月分別為25,592,000元及1,540,000元)。

Notes to the Unaudited Interim Financial Report

未經審核中期財務報告附註

(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有指明外，以港元列示)

22 MATERIAL RELATED PARTY TRANSACTIONS (Continued)

(a) Balances with related parties (Continued)

- (iv) On 9 July 2018, the Company entered into a loan facility letter with World Mix Limited (“WML”), a company which is 100% beneficially owned by Mr. Yip, for the provision of \$1,000,000,000 revolving loan facility from WML to the Company for the Company’s general working capital purpose. The loan bore interest at HIBOR plus 2.75% per annum, is unsecured and repayable on demand. Interest expense of \$774,000 was incurred during the period (six months ended 30 September 2019: \$4,764,000). As at 30 September 2020, the Company had an amount of \$279,045,000 (31 March 2020: \$200,136,000) due to WML under the facility.

On 9 July 2018, Bright Smart Securities International (H.K.) Limited (“BSSI”), an indirect wholly-owned subsidiary of the Company, entered into a loan facility letter with China Finance (Worldwide) Limited (“CFW”), a company which is 100% beneficially owned by Mr. Yip, for the provision of a revolving loan facility of \$1,000,000,000 by CFW to BSSI for BSSI’s general working capital purposes. The loan bore interest at HIBOR plus 2.75% per annum, is unsecured and repayable on demand. Interest expense of \$148,000 was incurred during the period (six months ended 30 September 2019: \$Nil). As at 30 September 2020, BSSI had an amount of \$924,448,000 (31 March 2020: \$Nil) due to CFW under the facility.

22 重大關連人士交易 (續)

(a) 與關連人士之結餘 (續)

- (iv) 於二零一八年七月九日，本公司與世綸有限公司(「世綸」，葉先生全資實益擁有之公司)訂立一份貸款融資函件，內容有關世綸向本公司提供循環貸款融資1,000,000,000元用作本公司之一般營運資金。貸款按香港銀行同業拆息加2.75%年利率計息，為無抵押及須按的要求償還。期內產生利息開支774,000元(截至二零一九年九月三十日止六個月：4,764,000元)。於二零二零年九月三十日，本公司根據融資應付世綸之款項為279,045,000元(二零二零年三月三十一日：200,136,000元)。

於二零一八年七月九日，耀才證券國際(香港)有限公司(「耀才證券」，本公司之間接全資附屬公司)與中國財務(國際)有限公司(「中國財務」，葉先生全資實益擁有之公司)訂立一份貸款融資函件，內容有關中國財務向耀才證券提供循環貸款融資1,000,000,000元，以供耀才證券用作一般營運資金。貸款按香港銀行同業拆息加2.75%年利率計息，為無抵押及須按的要求償還。期內產生利息開支148,000元(截至二零一九年九月三十日止六個月：零元)。於二零二零年九月三十日，耀才證券根據融資應付中國財務之款項為924,448,000元(二零二零年三月三十一日：零元)。

Notes to the Unaudited Interim Financial Report

未經審核中期財務報告附註

(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有指明外，以港元列示)

22 MATERIAL RELATED PARTY TRANSACTIONS (Continued)

(b) Other transactions with related parties

Brokerage income of \$175,000 (six months ended 30 September 2019: \$182,000) and interest income of \$4,290,000 (six months ended 30 September 2019: \$814,000) were earned from directors in the ordinary course of the Group's business of securities broking, commodities and futures broking and margin and IPO financings. Commission rates and interest rates are set at the same level as those normally offered to third party clients.

22 重大關連人士交易(續)

(b) 與關連人士之其他交易

經紀收入175,000元(截至二零一九年九月三十日止六個月：182,000元)及利息收入4,290,000元(截至二零一九年九月三十日止六個月：814,000元)乃於本集團日常進行證券經紀、商品及期貨經紀以及孖展及首次公開發售融資業務之過程中向董事收取。佣金收費及利率訂於一般向第三方客戶提供之相同水平。

Independent Auditor's Review Report

獨立核數師審閱報告



**Review report to the board of directors of
Bright Smart Securities & Commodities Group Limited**
(Incorporated in the Cayman Islands with limited liability)

致耀才證券金融集團有限公司
董事會之審閱報告
(於開曼群島註冊成立之有限公司)

INTRODUCTION

We have reviewed the interim financial report set out on pages 31 to 66 which comprises the consolidated statement of financial position of Bright Smart Securities & Commodities Group Limited (the "Company") as of 30 September 2020 and the related consolidated statement of comprehensive income, consolidated statement of changes in equity and condensed consolidated cash flow statement for the six-month period then ended and explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of an interim financial report to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34, Interim financial reporting, issued by the Hong Kong Institute of Certified Public Accountants. The directors are responsible for the preparation and presentation of the interim financial report in accordance with Hong Kong Accounting Standard 34.

Our responsibility is to form a conclusion, based on our review, on the interim financial report and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

緒言

我們已審閱列載於第31至66頁耀才證券金融集團有限公司(「貴公司」)的中期財務報告，此中期財務報告包括於二零二零年九月三十日的綜合財務狀況表與截至該日止六個月期間的相關綜合全面收益表、綜合權益變動表和簡明綜合現金流量表以及附註解釋。根據《香港聯合交易所有限公司證券上市規則》，上市公司必須符合上市規則中的相關規定和香港會計師公會頒佈的《香港會計準則》第34號「中期財務報告」的規定編製中期財務報告。董事須負責根據《香港會計準則》第34號編製及列報中期財務報告。

我們的責任是根據我們的審閱對中期財務報告作出結論，並按照我們雙方所協定的應聘條款，僅向全體董事會報告。除此以外，我們的報告書不可作其他用途。我們概不就本報告的內容，對任何其他人士負責或承擔法律責任。

Independent Auditor's Review Report

獨立核數師審閱報告

SCOPE OF REVIEW

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410, Review of interim financial information performed by the independent auditor of the entity, issued by the Hong Kong Institute of Certified Public Accountants. A review of the interim financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly we do not express an audit opinion.

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the interim financial report as at 30 September 2020 is not prepared, in all material respects, in accordance with Hong Kong Accounting Standard 34, Interim financial reporting.

KPMG

Certified Public Accountants

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

審閱範圍

我們已根據香港會計師公會頒佈的《香港審閱工作準則》第2410號「由實體獨立核數師審閱中期財務資料」進行審閱。中期財務報告審閱工作包括主要向負責財務會計事項的人員詢問，並實施分析及其他審閱程序。由於審閱的範圍遠較按照香港審計準則進行審核的範圍為小，所以不能保證我們會注意到在審核中可能會被發現的所有重大事項。因此我們不會發表任何審核意見。

結論

根據我們的審閱工作，我們並沒有注意到任何事項，使我們相信於二零二零年九月三十日的中期財務報告在所有重大方面沒有按照《香港會計準則》第34號「中期財務報告」的規定編製。

畢馬威會計師事務所

執業會計師

香港中環
遮打道十號
太子大廈八樓

