ORIENTAL PAYMENT GROUP HOLDINGS LIMITED
東方支付集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8613)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 MARCH 2019

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

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

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

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

RESULTS

The board of Directors (the "**Board**") of the Company announces the audited consolidated final results of the Company and its subsidiaries (collectively referred to as the "**Group**") for the year ended 31 March 2019, together with comparative figures for the year ended 31 March 2018, as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Year ended 31 March 2019

	Note	**2019** ***HK$'000***	2018 *HK$'000*
Revenue	*4*	**111,802**	106,083
Cost of services rendered		**(79,221)**	(75,676)
Gross profit		**32,581**	30,407
Other income	*5*	**125**	61
General administrative expenses		**(11,774)**	(8,317)
Selling and distribution costs		**(11,854)**	(10,138)
Finance costs	*6*	**(178)**	(172)
Listing expenses		**(14,559)**	(9,988)
(Loss) Profit before tax	*6*	**(5,659)**	1,853
Income tax expenses	*7*	**(2,446)**	(2,947)
Loss for the year		**(8,105)**	(1,094)
Other comprehensive (loss) income			
Item that may be reclassified subsequently to profit or loss:			
Exchange difference on translation of foreign subsidiaries		**(503)**	2,518
Total comprehensive (loss) income for the year		**(8,608)**	1,424
Loss per share			
		HK cents	*HK cents*
Basic	*8*	**(0.94)**	(0.15)
Diluted	*8*	**(0.94)**	(0.15)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
At 31 March 2019

	Note	**2019** **_HK$'000_**	2018 *HK$'000*
Non-current assets			
Property, plant and equipment		**11,848**	11,999
Intangible assets		**1,265**	1,335
Deposits paid for acquisition of intangible assets		**11,636**	–
Deferred tax assets		**256**	279
		25,005	13,613
Current assets			
Trade receivables	*10*	**42,970**	42,311
Other receivables	*10*	**10,579**	7,740
Due from the ultimate holding company	*10*	**2,375**	–
Income tax recoverable		**1,443**	666
Restricted funds		**1,858**	1,963
Bank balances and cash		**52,818**	21,664
		112,043	74,344
Current liabilities			
Trade payables	*11*	**44,516**	44,274
Other payables	*11*	**2,357**	2,650
Due to the ultimate holding company	*11*	**–**	5,684
Withholding tax payable		**–**	582
		46,873	53,190
Net current assets		**65,170**	21,154
Total assets less current liabilities		**90,175**	34,767
Non-current liabilities			
Deferred tax liabilities		**1,213**	1,213
Other long term liabilities	*12*	**6,335**	1,936
		7,548	3,149
NET ASSETS		**82,627**	31,618
Capital and reserves			
Share capital	*13*	**10,000**	–
Reserves		**72,627**	31,618
TOTAL EQUITY		**82,627**	31,618

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Year ended 31 March 2019

	Share capital *HK$'000* *(Note 13)*	Capital reserve *HK$'000*	Exchange reserve *HK$'000*	Statutory reserve *HK$'000*	Accumulated profits *HK$'000*	Total *HK$'000*
Year ended 31 March 2018						
At 1 April 2017	–	3,296	(717)	1,199	15,290	19,068
Loss for the year	–	–	–	–	(1,094)	(1,094)
Other comprehensive income						
Item that may be reclassified subsequently to profit or loss						
Exchange difference on translation of foreign subsidiaries	–	–	2,518	–	–	2,518
Total comprehensive income for the year	–	–	2,518	–	(1,094)	1,424
Transactions with owners:						
Contributions and distributions						
Issue of shares at incorporation *(Note 13(a))*	–*	–	–	–	–	–*
Listing expenses borne by China Smartpay (as defined in Note 1)	–	11,126	–	–	–	11,126
Total transactions with owners	–*	11,126	–	–	–	11,126
At 31 March 2018	–*	14,422	1,801	1,199	14,196	31,618

* *Represent the amount less than HK$1,000.*

	Share capital	Share premium	Capital reserve	Exchange reserve	Statutory reserve	Accumulated profits	Total
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
	(Note 13)						
Year ended 31 March 2019							
At 1 April 2018	**–***	**–**	**14,422**	**1,801**	**1,199**	**14,196**	**31,618**
Loss for the year	–	–	–	–	–	**(8,105)**	**(8,105)**
Other comprehensive loss							
Item that may be reclassified subsequently to profit or loss							
Exchange difference on translation of foreign subsidiaries	–	–	–	**(503)**	–	–	**(503)**
Total comprehensive loss for the year	–	–	–	**(503)**	–	**(8,105)**	**(8,608)**
Transactions with owners:							
Contributions and distributions							
Dividends to shareholders *(Note 9)*	–	–	–	–	–	**(5,000)**	**(5,000)**
Issue of shares arising from the Reorganisation *(Note 13(b))*	–*	–	–	–	–	–	–*
Capitalisation Issue *(Note 13(d))*	**7,500**	**(7,500)**	–	–	–	–	–
Issue of shares by way of the share offer *(Note 13(e))*	**2,500**	**52,500**	–	–	–	–	**55,000**
Transaction cost attributable to issue of new shares *(Note 13(e))*	–	**(13,490)**	–	–	–	–	**(13,490)**
Listing expenses borne by China Smartpay (as defined in Note 1)	–	–	**23,107**	–	–	–	**23,107**
Total transactions with owners	**10,000**	**31,510**	**23,107**	–	–	**(5,000)**	**59,617**
At 31 March 2019	**10,000**	**31,510**	**37,529**	**1,298**	**1,199**	**1,091**	**82,627**

* *Represent the amount less than HK$1,000.*

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. CORPORATE INFORMATION

The Company was incorporated in the Cayman Islands on 19 January 2018 as an exempted company with limited liability. The Company's shares were listed on GEM of the Stock Exchange on 16 October 2018 (the "**Listing**"). The Company's registered office is located at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111 Cayman Islands. The Company's principal place of business is situated at Unit 2606, 26/F, West Tower, Shun Tak Centre, 200 Connaught Road Central, Hong Kong.

The principal activity of the Company is investment holding. The Group are principally engaged in merchant acquiring business in Thailand.

The immediate holding company is Charm Act Group Limited ("**Charm Act**"), which is incorporated in the British Virgin Islands (the "**BVI**"). In the opinion of the directors of the Company, the ultimate holding company is China Smartpay Group Holdings Limited ("**China Smartpay**"), which is incorporated in the Cayman Islands as an exempted company with limited liability and its shares are listed on GEM of the Stock Exchange.

Pursuant to a group reorganisation (the "**Reorganisation**") carried out by the Group in preparation for the listing of shares of the Company on GEM of the Stock Exchange, the Company became the holding company of the subsidiaries now comprising the Group on 18 September 2018. Details of the Reorganisation are as set out in the paragraph headed "Reorganisation" of the section headed "History, Reorganisation and Corporate Structure" of the prospectus of the Company dated 27 September 2018 (the "**Prospectus**").

The Reorganisation involved the combination of a number of entities under common control before and after the Reorganisation. The Group is therefore regarded as a continuing entity resulting from the Reorganisation, as there has been a continuation of the risks and benefits to China Smartpay that existed immediately prior to and after the Reorganisation. Accordingly, the consolidated financial statements for the year ended 31 March 2019 (and the comparative information for the year ended 31 March 2018) have been prepared using the principles of the merger accounting in accordance with Accounting Guideline 5 "Merger Accounting for Common Control Combinations" issued by the Hong Kong Institute of Certified Public Accountants (the "**HKICPA**").

The consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows of the Group for the years ended 31 March 2019 and 2018 have been prepared on the basis as if the current group structure has been in existence throughout the relevant years, or since the respective dates of incorporation or establishment, where there is a shorter period. The consolidated statement of financial position of the Group at 31 March 2018 has been prepared to present the assets and liabilities of the companies now comprising the Group as if the group structure has been in existence at that date.

2. PRINCIPAL ACCOUNTING POLICIES

Statement of compliance

The consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("**HKFRSs**"), which collective term includes all applicable HKFRSs, Hong Kong Accounting Standards ("**HKASs**") and Interpretations issued by the HKICPA, accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. The consolidated financial statements also comply with the applicable disclosure requirements under the GEM Listing Rules.

The Group has consistently applied all HKFRSs which are effective for the Group's financial year beginning on 1 April 2017 for the consolidated financial statements except for the adoption of the new/revised HKFRSs that are relevant to the Group and effective from the current year as set out below.

Adoption of new/revised HKFRSs

The Group has applied, for the first time, the following new/revised HKFRSs that are relevant to the Group.

HK(IFRIC)-Int 22: Foreign Currency Transactions and Advance Consideration

The Interpretation clarifies that, in determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which an entity initially recognised the non-monetary asset or non-monetary liability arising from the advance consideration.

The adoption of the Interpretation does not have any significant impact on the consolidated financial statements.

HKFRS 9: Financial Instruments

The following terms are used in these consolidated financial statements:

- FVPL: fair value through profit or loss.
- FVOCI: fair value through other comprehensive income.
- Designated FVOCI: equity instruments measured at FVOCI.
- Mandatory FVOCI: debt instruments measured at FVOCI.

HKFRS 9 replaces HKAS 39 *Financial Instruments: Recognition and Measurement* for annual periods beginning on or after 1 January 2018. It introduces new requirements for the classification and measurement of financial assets and financial liabilities, impairment for financial assets and hedge accounting.

In accordance with the transitional provisions in HKFRS 9, comparative information has not been restated and the Group has applied HKFRS 9 retrospectively to financial instruments that existed at 1 April 2018 (i.e. the date of initial application), except as described below (if applicable):

(a) The following assessments are made on the basis of facts and circumstances that existed at the date of initial application:

    (i) the determination of the business model within which a financial asset is held;

    (ii) the designation of financial assets or financial liabilities at FVPL or, in case of financial assets, at Designated FVOCI; and

    (iii) the de-designation of financial assets or financial liabilities at FVPL.

    The above resulting classification shall be applied retrospectively.

(b) If, at the date of initial application, determining whether there has been a significant increase in credit risk since initial recognition would require undue cost or effort, a loss allowance is recognised at an amount equal to lifetime expected credit losses at each reporting date until the financial instrument is derecognised unless that financial instrument has low credit risk at a reporting date.

(c) For investments in equity instruments that were measured at cost under HKAS 39, the instruments are measured at fair value at the date of initial application.

Classification and measurement of financial assets and financial liabilities

The adoption of HKFRS 9 has no significant effect on the classification and measurement of the Group's financial liabilities.

The following table reconciles the original measurement categories and carrying amounts under HKAS 39 to the new measurement categories and carrying amounts under HKFRS 9 for each class of the Group's financial assets as at 1 April 2018.

As at 1 April 2018

Measurement category under HKAS 39	**Carrying amount under HKAS 39**	**Measurement category and carrying amount under HKFRS 9 Amortised cost**
	HK$'000	***HK$'000***
Loans and receivables *(Note i)*		
Trade receivables	42,311	**42,311**
Other receivables	2,082	**2,082**
Restricted funds	1,963	**1,963**
Bank balances and cash	21,664	**21,664**
	68,020	**68,020**

Note:

(i) These items continue to be measured at amortised cost because, at the date of initial application, the Group's business model is to hold these investments to collect the contractual cash flows and the cash flows represent solely payments of principal and interest on the principal amount outstanding.

Expected credit loss ("ECL")

The ECL model under HKFRS 9 requires an entity to account for ECL and changes in those ECL at each reporting date to reflect changes in credit risk since initial recognition. In other words, it is no longer necessary for a credit event to have occurred before credit losses are recognised. Impairment based on ECL model on these financial assets upon the adoption of HKFRS 9 has no significant financial impact to the consolidated financial statements.

HKFRS 15: Revenue from Contracts with Customers

HKFRS 15 replaces, among others, HKAS 18 and HKAS 11 which specified the revenue recognition arising from sale of goods and rendering of services and the accounting for construction contracts respectively. The standard establishes a comprehensive framework for revenue recognition and certain costs from contracts with customers within its scope. It also introduces a cohesive set of disclosure requirements that would result in an entity providing users of financial statements with comprehensive information about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

The Group has elected to apply the cumulative effect transition method and recognised the cumulative effect of initial adoption as an adjustment to the opening balance of components of equity at 1 April 2018 (i.e. the date of initial application), if any. Therefore, the comparative information has not been restated for the effect of HKFRS 15.

In addition, the Group has applied HKFRS 15 retrospectively only to contracts that were not completed, if any, at 1 April 2018 in accordance with the transitional provisions therein.

The adoption of HKFRS 15 has no significant effect on the recognition and measurement of the Group's revenue.

Future changes in HKFRSs

At the date of authorisation of the consolidated financial statements, the HKICPA has issued a number of new/revised HKFRSs that are not yet effective for the current year, which the Group has not early adopted.

Annual Improvements to HKFRSs	2015–2017 Cycle [1]
HKFRS 16	Leases [1]
HK(IFRIC)-Int 23	Uncertainty over Income Tax Treatments [1]
Amendments to HKAS 19	Employee benefits [1]
Amendments to HKAS 28	Investments in Associates and Joint Ventures [1]
Amendments to HKFRS 9	Prepayment Features with Negative Compensation [1]
Amendments to HKASs 1 and 8	Definition of Material [2]
Amendments to HKFRS 3	Definition of a Business [3]
HKFRS 17	Insurance Contracts [4]
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture [5]

1 Effective for annual periods beginning on or after 1 January 2019
2 Effective for annual periods beginning on or after 1 January 2020
3 Effective for acquisitions that occur on or after the beginning of the first annual period beginning on or after 1 January 2020
4 Effective for annual periods beginning on or after 1 January 2021
5 The effective date to be determined

Except for HKFRS 16 as set out below, the Directors do not anticipate that the application of these new standards and amendments will have any material impact on the Group's consolidated financial statements in the future.

HKFRS 16

HKFRS 16 significantly changes the lessee accounting by replacing the dual model under HKAS 17 with a single model which requires a lessee to recognise assets and liabilities for the rights and obligations created by leases unless the exemptions apply. Besides, among other changes, it requires enhanced disclosures to be provided by lessees and lessors. Based on the preliminary assessment, the management is of the opinion that the leases of certain properties by the Group which are currently classified as operating leases under HKAS 17 will trigger the recognition of right-of-use assets and lease liabilities in accordance with HKFRS 16. In subsequent measurement, depreciation (and, if applicable, impairment loss) and interest will be recognised on the right-of-use assets and the lease liabilities respectively, of which the amount in total for each reporting period is not expected to be significantly different from the periodic operating lease expenses recognised under HKAS 17. Apart from the effects as outlined above, it is not expected that HKFRS 16 will have a material impact on the future financial position, financial performance and cash flows of the Group upon adoption.

At 31 March 2019, the total future minimum lease payments under non-cancellable operating leases of the Group in respect of office premises amounted to approximately HK$464,000. The management of the Company does not expect the adoption of HKFRS 16 as compared with the current accounting policy would result in significant impact on the Group's financial performance but it is expected that the Group has to separately recognise the interest expenses on the lease liabilities and the depreciation expense on the right-of-use assets, and that certain portion of the future minimum lease payments under the Group's operating leases will be required to be recognised in the Group's consolidated statement of financial position as right-of-use assets and lease liabilities. The Group will also be required to remeasure the lease liabilities upon the occurrence of certain events such as a change in the lease term and recognise the amount of the remeasurement of the lease liabilities as an adjustment to the right-of-use assets. In addition, payments for the principal portion of the lease liabilities will be presented within financing activities in the Group's consolidated statement of cash flows.

Basis of measurement

The measurement basis used in the preparation of these consolidated financial statements is historical cost.

Basis of consolidation/combinations

The consolidated financial statements comprise the financial statements items of the Company and all of its subsidiaries. The financial statements of the subsidiaries are prepared for the same reporting year as that of the Company using consistent accounting policies.

All intra-group balance, transactions, income and expenses and profits and losses resulting from intra-group transactions are eliminated in full. The results of subsidiaries are consolidated/combined from the date on which the Group obtains control and continue to be consolidated/combined until the date that such control ceases.

Non-controlling interests are presented, separately from equity holders of the Company, in the consolidated/combined statements of profit or loss and other comprehensive income and within equity in the consolidated/combined statements of financial position. The non-controlling interests in the acquiree, that are present ownership interests and entitle their holders to a proportionate share of the acquiree's net assets in event of liquidation, are measured initially either at fair value or at the present ownership instruments' proportionate share in the recognised amounts of the acquiree's identifiable net assets. This choice of measurement basis is made on an acquisition-by-acquisition basis. Other types of non-controlling interests are initially measured at fair value, unless another measurement basis is required by HKFRSs.

Allocation of total comprehensive income

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

Changes in ownership interests

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

When the Group loses control of a subsidiary, the profit or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest determined at the date when the control is lost and (ii) the carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests at the date when the control is lost. The amounts previously recognised in other comprehensive income in relation to the disposed subsidiary are accounted for on the same basis as would be required if the Group had directly disposed of the related assets or liabilities. Any investment retained in the former subsidiary and any amounts owed by or to the former subsidiary are accounted for as a financial asset, associate, joint venture or others as appropriate from the date when the control is lost.

Merger accounting for business combination involving entities under common control

The consolidated financial statements incorporate the financial statements items of the combining entities or businesses in which the common control combination occurs as if they had been combined from the date when the combining entities or businesses first came under the control of the ultimate controlling party.

The net assets of the combining entities or businesses are combined using the existing carrying values from the controlling parties' perspective. No amount is recognised as consideration for goodwill or excess of acquirer's interest in the net fair value of acquiree's identifiable assets, liabilities and contingent liabilities over cost at the time of common control combination, to the extent of the continuation of the ultimate controlling parties' interest. All differences between the cost of acquisition (fair value of consideration paid) and the amounts at which the assets and liabilities, arising from the Reorganisation, are recorded have been recognised directly in equity as part of the capital reserve. The consolidated statements of profit or loss and other comprehensive income include the results of each of the combining entities or businesses from the earliest date presented or since the date when the combining entities or businesses first came under the common control, where this is a shorter period, regardless of the date of the common control combination.

Transaction costs, including professional fees, registration fees, costs of furnishing information to shareholders, costs or losses incurred in combining operations of the previously separate businesses, etc., incurred in relation to the common control combination that is to be accounted for by using merger accounting, are recognised as an expense in the period in which they are incurred.

Critical judgements made in applying accounting policies

(i) Subsidiary – Oriental City Group (Thailand) Co., Ltd. ("OCG Thailand")

According to the relevant laws and regulations in Thailand, in particular the Foreign Business Act (the "**FBA**"), OCG Thailand, being a company engaged in third party merchant acquiring business in Thailand, must be owned as to more than 50% by Thai citizens.

With reference to the capital and voting rights structure of ordinary shares and preference shares (together the "**Preference Shares Structure**") of OCG Thailand, all the OCG Thailand's issued preference share capital is owned by a Thai citizen. However, the Company is able to exercise majority voting power in any shareholders' meeting of OCG Thailand.

The Company's legal advisers have confirmed that the Preference Shares Structure is still in compliance with all existing laws and regulations in Thailand, in particular the FBA. In light of no previous supreme court judgement ruling the invalidity of capital structure similar to that of OCG Thailand as opposed to the FBA and related interpretations, after due and careful consideration of all relevant factors together with the legal opinion obtained, the management assesses and concludes that the Preference Shares Structure is valid, legal and enforceable in Thailand.

Based upon the management's judgement on the Preference Shares Structure, the Company accounts for OCG Thailand as a subsidiary on the ground that it is able to control OCG Thailand by exercising its majority voting power in any shareholders' meetings of OCG Thailand.

(ii) Recognition of costs for the initial listing

The management determines the allocation and classification of relevant costs incurred for initial listing between (i) profit or loss as listing expenses and (ii) equity as a reduction of share premium upon the capitalisation issue based on its judgement on whether such costs are (i) costs for the Company to obtain the listing status or (ii) incremental costs for the Company to raise additional funds from the issue of new shares, respectively. During the year ended 31 March 2019, costs attributable to obtaining the listing status of approximately HK$14,559,000 *(2018: approximately HK$9,988,000)* and HK$13,490,000 *(2018: Nil)* were charged to profit or loss and recognised in equity as a reduction of share premium respectively.

3. SEGMENT INFORMATION

The Group's operating activities are attributable to a single operating segment focusing on merchant acquiring business in Thailand during the years ended 31 March 2019 and 2018. This operating segment has been identified on the basis of internal management reports prepared in accordance with accounting policies conform to HKFRSs that are regularly reviewed by the executive directors of the Company, the chief operating decision maker. They review the results of the Group as a whole in order to assess financial performance and allocation of resources. Accordingly, the operation of the Group constitutes only one single operating segment and no further analysis of this single segment is presented.

Geographical information

The Group's operation is mainly located in Thailand.

The following table sets out information about the geographical location of (i) the Group's revenue from external customers and (ii) the Group's property, plant and equipment and intangible assets ("**Specified Non-current Assets**"). The geographical location of revenue is based on the location of the merchants. The geographical location of Specified Non-current Assets is based on the physical location of the assets (in the case of intangible assets, the location of operations).

(a) Revenue from external customers

	2019	2018
	HK$'000	*HK$'000*
The PRC	**–**	576
Thailand	**111,802**	105,507
	111,802	106,083

(b) Specified Non-current Assets

	2019	2018
	HK$'000	*HK$'000*
Hong Kong	**74**	52
Thailand	**13,039**	13,282
	13,113	13,334

Information about major customers

Revenue from customers individually contributing 10% or more of the total revenue of the Group during the years ended 31 March 2019 and 2018 is as follows:

	2019	2018
	HK$'000	*HK$'000*
Customer A and its affiliates	**53,223**	51,322
Customer B and its affiliates	**24,882**	24,050

4. REVENUE

	Note	2019 *HK$'000*	2018 *HK$'000*
Revenue from contracts with customers within HKFRS 15			
Merchant acquiring transaction fee income ("**MDR income**")		**86,250**	81,457
Marketing and distribution service income		**670**	576
	(a)	**86,920**	82,033
Revenue from other sources			
Foreign exchange rate discount income		**24,882**	24,050
		111,802	106,083

Note:

(a) Revenue recognised represents provision of merchant acquiring service and marketing and distribution service during the year which is based on variable price and recognised at a point in time from contracts with customers within HKFRS 15.

5. OTHER INCOME

	2019 *HK$'000*	2018 *HK$'000*
Bank interest income	**124**	54
Others	**1**	7
	125	61

6. (LOSS) PROFIT BEFORE TAX

This is stated after charging:

	2019 *HK$'000*	2018 *HK$'000*
(a) Finance costs		
Interest expenses for financial liabilities at amortised cost	**178**	172
(b) Staff costs, including key management's remuneration		
Salaries, allowances and other short-term employee benefits	**4,438**	3,494
Discretionary bonus (included in "Listing expenses")	**1,287**	–
Contributions to defined contribution plans	**108**	84
	5,833	3,578

	2019 *HK$'000*	2018 *HK$'000*
(c) Key management's remuneration, including directors' remuneration		
Salaries, allowances and other short-term employee benefits	**776**	533
Discretionary bonus (included in "Listing expenses")	**484**	–
Contributions to defined contribution plans	**20**	5
	1,280	538
(d) Other items		
Auditor's remuneration	**718**	184
Amortisation of intangible assets (included in "Selling and distribution costs")	**282**	221
Depreciation of property, plant and equipment	**3,979**	2,846
Exchange loss, net	**32**	100
OCGC Payment Co., Ltd. ("**OCGC Payment**")'s preliminary expenses	**375**	291
Operating lease payments on premises #	**1,071**	721
Operating lease payment on property, plant and equipment	**56**	814

During the period from 1 April 2017 to 14 October 2018, the Group shared the office in Hong Kong with China Smartpay and bore 50% of its operating lease payments.

7. TAXATION

	2019 *HK$'000*	2018 *HK$'000*
Current tax		
Thailand Enterprise Income Tax	**1,855**	1,995
Withholding tax on dividend declared by a foreign subsidiary	**568**	1,231
	2,423	3,226
Deferred tax		
Utilisation (Recognition) of tax losses	**23**	(279)
Income tax expenses for the year	**2,446**	2,947

(a) Hong Kong Profits Tax

Hong Kong Profits Tax at the rate of 16.5% has not been provided for the years ended 31 March 2019 and 2018 as the Group's estimated assessable profits arising in or derived from Hong Kong are wholly absorbed by unrelieved tax losses brought forward from previous years.

(b) Income taxes outside Hong Kong

The group entities established in the Cayman Islands and the BVI are exempted from income tax of the respective jurisdiction.

During the years ended 31 March 2019 and 2018, Thailand Enterprise Income Tax has been provided at the rate of 20% on the estimated assessable profits of the operation of OCG Thailand arising from Thailand.

From the date of incorporation to 31 March 2019, Cambodia Corporate Income Tax at the rate of 20% has not been provided as OCGC Payment has not yet commenced its business.

Dividends payable by a foreign invested enterprise in Thailand to its foreign investors are subject to a 10% withholding tax, unless any foreign investor's jurisdiction of incorporation has a tax treaty with Thailand that provides for a different withholding arrangement.

Dividends payable by an enterprise in Cambodia to its foreign investors are subject to a 14% withholding tax.

Reconciliation of income tax expenses

	2019	2018
	HK$'000	*HK$'000*
(Loss) Profit before tax	**(5,659)**	1,853
Income tax at applicable tax rate	**(614)**	655
Non-deductible expenses	**2,578**	1,620
Tax exempt revenue	**(14)**	(9)
Utilisation of previously unrecognised tax losses	**–**	(273)
Recognition of previously unrecognised tax losses	**–**	(279)
Withholding tax on dividends declared by a foreign subsidiary	**568**	1,231
Others	**(72)**	2
Income tax expenses for the year	**2,446**	2,947

The applicable tax rate is the weighted average of rates prevailing in the territories in which the Group's entities operate against profit or loss before tax. The change in applicable tax rate is caused by changes in the taxable results of the Group's subsidiaries in the respective countries which the Group operates.

8. LOSS PER SHARE

Basic loss per share is calculated based on the loss for the year ended 31 March 2019 attributable to the equity holders of the Company of approximately HK$8,105,000 *(2018: approximately HK$1,094,000)* and on the weighted average number of 864,010,989 ordinary shares *(2018: 750,000,000 ordinary shares)* in issue during the year ended 31 March 2019.

The weighted average number of ordinary shares for the purpose of calculating basic loss per share has been determined on the assumption that the Reorganisation and the Capitalisation Issue (as defined in Note 13(d)) had been effective on 1 April 2017.

Diluted loss per share is the same as basic loss per share as there were no potential ordinary shares outstanding during the years ended 31 March 2019 and 2018.

9. DIVIDENDS

On 18 September 2018, special dividends of HK$5,000,000 were declared to the equity holders of the entities now comprising the Group, including the entity controlled by Mr. Yu Chun Fai, the executive director of the Company. The amount was fully settled by cash and by offsetting against the portion of listing expenses borne by China Smartpay. No other dividend has been declared nor paid by the Group for the years ended 31 March 2019 and 2018.

10. TRADE AND OTHER RECEIVABLES

	Note	**2019** ***HK$'000***	2018 *HK$'000*
Trade receivables			
From third parties	*10(a)*	**42,970**	42,311
Other receivables			
Deposits		**1,181**	695
Prepayments		**3,649**	5,658
Other debtors		**5,749**	1,387
		10,579	7,740
Due from the ultimate holding company	*10(b)*	**2,375**	–

(a) Trade receivables

Included in trade and other receivables are the following amounts denominated in a currency other than the respective functional currency of the Group's entities:

	2019	2018
	HK$'000	*HK$'000*
US$	**42,657**	42,311

At the end of the reporting period, there were only two *(2018: one)* trade debtors accounted for all of the total outstanding trade receivables. As at 31 March 2019, the Group had a concentration of credit risk as 99% *(2018: 100%)* of the total trade receivables made up by the Group's largest trade receivables.

At the end of each reporting period, the ageing analysis of the trade receivables prepared based on transaction date or date of service rendered, is as follows:

	2019	2018
	HK$'000	*HK$'000*
Less than 1 month	**42,970**	42,311

At the end of each reporting period, the ageing analysis of the trade receivables by due date, prepared based on contractual due date, is as follows:

	2019	2018
	HK$'000	*HK$'000*
Current	**42,970**	42,311

(b) Due from the ultimate holding company

As disclosed in the Prospectus, starting from 1 April 2017, it was agreed with China Smartpay that 90% and 10% of such listing expenses and other listing expenses were borne by China Smartpay and the Group.

After settled the amount due to the ultimate holding company (Note 11(b)) by offsetting against the portion of listing expense borne by China Smartpay upon the Listing, the remaining amount due from the ultimate holding company has resulted.

The amount due is unsecured, interest-free and repayable on demand.

11. TRADE AND OTHER PAYABLES

	Note	**2019** **HK$'000**	2018 *HK$'000*
Trade payables			
To third parties	*11(a)*	**44,516**	44,274
Other payables			
Accruals and other payables		**2,357**	2,650
Due to the ultimate holding company	*11(b)*	**–**	5,684

(a) Trade payables

All trade payables are aged within 30 days, based on transaction date, at the end of each reporting period.

The creditors allow a credit period up to 30 days to the Group.

(b) Due to the ultimate holding company

The amount due was non-trade in nature, unsecured, interest-free and repayable on demand. The amount was fully settled during the year.

12. OTHER LONG TERM LIABILITIES

Other long-term liabilities represent preference shares issued by OCG Thailand.

At the end of the reporting period, the Group had an outstanding amount due to a non-controlling shareholder of OCG Thailand amounted to Baht 25,500,000 (equivalent to approximately HK$6,335,000) *(2018: Baht 7,650,000 (equivalent to approximately HK$1,936,000))* in respect of the issued and paid up preference share capital of OCG Thailand, which carries cumulative dividend at 9.5% per annum, with no accrued dividend payable *(2018: Nil)*.

13. SHARE CAPITAL

		2019		2018	
		Number of shares	**Nominal value**	Number of shares	Nominal value
	Note		***HK$'000***		*HK$'000*
Authorised:					
Ordinary shares of HK$0.01 each					
At the beginning of the reporting period		**38,000,000**	**380**	N/A	N/A
At the date of incorporation – 19 January 2018	*(a)*	**–**	**–**	38,000,000	380
Increase	*(c)*	**9,962,000,000**	**99,620**	–	–
At the end of the reporting period		**10,000,000,000**	**100,000**	38,000,000	380
Issued and fully paid:					
Ordinary shares of HK$0.01 each					
At the beginning of the reporting period		**100**	**–***	N/A	N/A
At the date of incorporation – 19 January 2018	*(a)*	**–**	**–**	100	–*
Issue of shares arising from the Reorganisation	*(b)*	**100**	**–***	–	–
Capitalisation Issue	*(d)*	**749,999,800**	**7,500**	–	–
Issue of shares by way of the share offer	*(e)*	**250,000,000**	**2,500**	–	–
At the end of the reporting period		**1,000,000,000**	**10,000**	100	–*

* *Represent the amount less than HK$1,000.*

(a) The Company was incorporated as an exempted company with limited liability in the Cayman Islands on 19 January 2018 with an initial authorised share capital of HK$380,000 divided into 38,000,000 ordinary shares of HK$0.01 each. On the same day, 1 ordinary share of HK$0.01 each was issued at par to the initial subscriber and transferred to Charm Act. 69 ordinary shares, 21 ordinary shares and 9 ordinary shares were further allotted and issued to Charm Act, Straum Investments Limited ("**Straum Investments**") and Original Fortune Group Limited ("**Original Fortune**") respectively on the same day.

(b) On 18 September 2018, a sale and purchase agreement was entered into among Charm Art, Straum Investments and Original Fortune (as vendors) and the Company (as purchaser), pursuant to which Charm Art, Straum Investments and Original Fortune agreed to sell, and the Company agreed to purchase, 70 shares, 21 shares and 9 shares of Oriental City Group Thailand Limited, respectively. In consideration of which, the Company allotted and issued 70 shares, 21 shares and 9 shares, all credit as fully paid, to Charm Art, Straum Investments and Original Fortune, respectively.

(c) Pursuant to the resolution of the Company's shareholders passed on 18 September 2018, inter-alia, the authorised share capital of the Company was increased from HK$380,000 to HK$100,000,000 by the creation of an additional 9,962,000,000 shares of HK$0.01 each and the Capitalisation Issue (as defined below) was conditionally approved.

(d) Pursuant to the resolutions in writing of the Company's shareholders passed on 18 September 2018, subject to the share premium account of the Company being credited as a result of the issue of the Company's new shares pursuant to the Listing, the Directors were authorised to allot and issue a total of 749,999,800 shares of HK$0.01 each to the existing shareholders, credited as fully paid at par by way of capitalisation of the sum of HK$7,499,998 standing to be credit of the share premium account of the Company (the "**Capitalisation Issue**") and the shares to be allotted and issued pursuant to this resolution shall carry the same rights as all shares in issue (save for the rights to participate in Capitalisation Issue). The Capitalisation Issue was completed on 16 October 2018.

(e) On 16 October 2018, the shares of the Company were listed on GEM of the Stock Exchange and 250,000,000 new shares were issued at HK$0.22 per share by way of public offer and placing of the shares (the "**Share Offer**"). The gross proceeds for the Share Offer amounted to HK$55,000,000. The expenses attributable to issue of new shares pursuant to the Share Offer of approximately HK$13,490,000 were recognised in the share premium account of the Company.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

The Group is an established merchant acquirer in providing a suite of comprehensive payment processing services to merchants of all sizes frequently visited by Chinese tourists in Thailand.

The Group has three main revenue streams derived from the merchant acquiring business, including (i) MDR income; (ii) foreign exchange rate discount income; and (iii) marketing and distribution service income. For each successful transaction processed by the Group via its point-of-sale ("**POS**") terminals, MDR income is charged to its merchants based on certain percentage of the transaction value. The Group's foreign exchange rate discount income is derived from its daily settlement with UnionPay International ("**UPI**") whereby a favourable spot exchange rate in Baht to United States dollars ("**US$**") is offered by UPI in translating the nominated transaction value in Baht. The marketing and distribution service income represents the income derived from developing marketing channels for expanding the use of payment service system through its merchant network.

During the year, the Group continuously faced the risks of uncertainties in Thailand's economic outlook, its relationship with the People's Republic of China and the impact of Sino-US trade war, which would affect Chinese tourists' spending sentiments in Thailand. The management would continuously closely monitor the market conditions and adjust the Group's business strategies to cope with the fluctuation in transaction value derived from its merchant network.

In July 2018, a boat carrying 105 people, mostly Chinese, sank on the way back from a popular snorkeling spot off the southern resort island of Phuket, causing a final death toll of 47 Chinese nationals. The situation worsened when the Deputy Prime Minister, General Prawit Wongsuwan, blamed Chinese tour operators in Phuket for the deadly accident. The speech caused rage among Chinese and a boycott was called. The Deputy Prime Minister then offered apology but not accepted by many Chinese. The Directors are of the view that such incident had an adverse impact on its revenue and net profit for the respective periods.

The Shares were successfully listed on GEM of the Stock Exchange on 16 October 2018. The proceeds raised have strengthened the Group's cash flow and the Group will implement its future plans and business strategies as set out in the section headed "Business Objectives, Future Plans and Use of Proceeds" in the Prospectus.

FINANCIAL REVIEW

Revenue

For the year ended 31 March 2019, the Group recorded total revenue of approximately HK$111.8 million (2018: approximately HK$106.1 million) derived from its merchant acquiring business, which included i) MDR income of approximately HK$86.3 million (2018: approximately HK$81.5 million); ii) foreign exchange rate discount income of approximately HK$24.9 million (2018: approximately HK$24.1 million); and iii) marketing and distribution service income of approximately HK$0.7 million (2018: approximately HK$0.6 million). There was an increase in MDR income and foreign exchange rate discount income by approximately HK$4.8 million and HK$0.8 million respectively when comparing with the same period in 2018. The increase in these two income streams was in line with the increase in transaction value processed by the Group for the year. The marketing and distribution service income remained insignificant to the Group's revenue for the year.

Cost of services rendered

Cost of services rendered of the Group includes the IT network service fee and franchise license fee for the merchant acquiring business. Total cost of services rendered for the year ended 31 March 2019 amounted to approximately HK$79.2 million (2018: approximately HK$75.7 million). The increase in cost of services rendered by approximately 4.6% was in line with the increase in revenue.

Gross profit and gross profit margin

Gross profit for the year ended 31 March 2019 amounted to approximately HK$32.6 million, representing an increase of approximately HK$2.2 million or approximately 7.2% as compared to approximately HK$30.4 million for the same period in 2018, which was in line with the increase in revenue. The gross profit margin was 29.1% for the year ended 31 March 2019. There is no significant change in gross profit margin for both years.

General administrative expenses

The general administrative expenses of the Group for the year ended 31 March 2019 amounted to approximately HK$11.8 million (2018: approximately HK$8.3 million). The increase in general administrative expenses by approximately 42.2% was mainly due to the aggregate effect of (i) the increase in staff costs for administrative employees, (ii) the increase in auditor's remuneration, and (iii) the increase in other professional fees.

Selling and distribution costs

The Group recorded selling and distribution costs of approximately HK$11.9 million for the year ended 31 March 2019 (2018: approximately HK$10.1 million). The increase in selling and distribution costs by approximately 17.8% was mainly due to the aggregate effect of (i) the increase in depreciation and amortisation expenses, and (ii) the increase in its advertising and promotion expenses in providing incentives to the Group's major merchants in boosting the transaction value.

Finance costs

The finance costs amounted to approximately HK$178,000 for the year ended 31 March 2019 (2018: approximately HK$172,000). The amount represented the cumulative dividend accrued to a non-controlling shareholder in respect of the paid-up amount of the preference shares issued by OCG Thailand. There is no significant change in finance costs for both years.

Loss for the year

The Group recorded a net loss attributable to owners of the Company of approximately HK$8.1 million for the year ended 31 March 2019 (2018: approximately HK$1.1 million). The increase in net loss was mainly attributable to the non-recurring listing expenses incurred for the Listing.

OUTLOOK

The Group continues to remain cost conscious through stringent cost control measures in order to improve performance. The Group will proactively seek business opportunities that will contribute and sustain the Group's future development on generating better return to the shareholders of the Company.

LIQUIDITY AND FINANCIAL RESOURCES

As at 31 March 2019, the Group had current assets of approximately HK$112.0 million (31 March 2018: approximately HK$74.3 million) including bank balances and cash of approximately HK$52.8 million (31 March 2018: approximately HK$21.7 million). Total assets and total liabilities were approximately HK$137.0 million (31 March 2018: approximately HK$88.0 million) and HK$54.4 million (31 March 2018: approximately HK$56.3 million) respectively as at 31 March 2019.

The gearing ratio, which is calculated by dividing total debt (amount due to ultimate holding company and other long-term liabilities) by total equity, was 7.7% as at 31 March 2019 (31 March 2018: 24.1%).

The Directors are of the view that the Group's financial resources are sufficient to support its business and operations.

The Group's operations are financed principally by revenue generated from its business operation and available bank balances. The Board will continue to follow a prudent treasury policy in managing its bank balances and cash and maintain a strong and healthy liquidity to ensure that the Group is well positioned to achieve its business objectives and strategies.

CONTINGENT LIABILITIES

As at 31 March 2019, the Group did not have any significant contingent liabilities (2018: Nil).

CAPITAL COMMITMENTS

As at 31 March 2019, the Group had capital commitments contracted for but not provided amounting to approximately HK$3,985,000 in respect of further developing the acquiring host system and extending the payment processing services to cover other payment network associations (2018: Nil).

SIGNIFICANT INVESTMENTS HELD

During the year ended 31 March 2019, the Group did not have any significant investments (2018: Nil).

FUTURE PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

As at the date of this announcement, the Group did not have any other plans for material investments and capital assets except for those disclosed in the section headed "Business Objectives, Future Plans and Use of Proceeds" in the Prospectus.

MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES AND AFFILIATED COMPANIES

During the year ended 31 March 2019, the Group did not have any material acquisitions and disposals of subsidiaries and affiliated companies, save as disclosed in the Prospectus.

PRINCIPAL RISKS AND UNCERTAINTIES

The Board believes that all the major risk factors relevant to the Group have already been set out in the section headed "Risk Factors" of the Prospectus. Please refer thereto for more information.

FOREIGN EXCHANGE EXPOSURE

The Group mainly operates in Thailand with transactions denominated in Baht. The Group exposed to foreign exchange risk as the Group's trade receivables are denominated in US$. The Directors and senior management have monitored the related foreign currency risk exposure closely. Pursuant to a written foreign currency hedging policy approved by the Directors, the Group will enter into foreign currency forward contracts should the needs arise. As at 31 March 2019, the Group has outstanding foreign currency forward contracts for the exchange of US$ with Baht of US$5.4 million (equivalent to approximately HK$42.4 million) (31 March 2018: US$6.0 million (equivalent to approximately HK$47.1 million)). The Directors and senior management will continue to monitor the foreign exchange exposure and will consider other applicable derivatives when necessary. Save as disclosed above, the Group did not have other derivatives for hedging against the foreign exchange rate risk as at 31 March 2019.

USE OF PROCEEDS

The Shares were listed on GEM on 16 October 2018 by way of public offer and placing of the shares. The Directors intend to apply the net proceeds from the Share Offer in accordance with the proposed applications as set out in the section headed "Business Objectives, Future Plans and Use of Proceeds" in the Prospectus. The net proceeds received by the Company from the Share Offer, after deducting underwriting commission and other listing expenses, amounted to approximately HK$51.1 million. The Group intends to utilise the net proceeds allocated for the respective purposes according to the percentage of proceeds as disclosed in the Prospectus:

	Net proceeds	**Amount utilised**	**Balance**
	HK$ million	*HK$ million*	*HK$ million*
Continuously improving the availability and enhancing functions of the stock of smart POS terminals	12.8	0.7	12.1
Further developing the acquiring host system	8.1	5.5	2.6
Strengthening and broadening the marketing initiatives	1.2	–	1.2
Recruiting new talents	2.2	–	2.2
Extending the payment processing services to cover other payment network associations	15.1	6.0	9.1
Expanding to Cambodia	6.6	–	6.6
Working Capital	5.1	5.1	–
	51.1	17.3	33.8

EMPLOYEE AND REMUNERATION POLICIES

As at 31 March 2019, the Group had a total of 23 employees (31 March 2018: 20 employees) of whom 6 (31 March 2018: 4) were based in Hong Kong, 17 were based in Thailand (31 March 2018: 16). For the year ended 31 March 2019, the total staff costs, including key management's remuneration, amounted to approximately HK$5.8 million (31 March 2018: approximately HK$3.6 million).

The salaries and benefits of the Group's employees were kept at a market level and employees were rewarded based on performance, merit and market conditions in accordance with the Group's remuneration policy.

CORPORATE GOVERNANCE PRACTICES

The shares of the Company has been listed on GEM of the Stock Exchange on 16 October 2018 (the "**Listing Date**"). The Company has adopted the principles and the code provisions in the Corporate Governance Code (the "**CG Code**") as set out in Appendix 15 to the GEM Listing Rules.

During the period from the Listing Date to 31 March 2019, the Company had complied with the applicable CG Code, except stated below.

Paragraph A.2.1 of the Corporate Governance Code stipulates that the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. Mr. Yu is the Chairman and the chief executive officer of our Company. Taking into account that Mr. Yu is the founder of our Group and has been managing the business of our Group since its establishment, with the extensive experience and knowledge in the business of our Group, the Board believes that it is in the best interest of our Group to have Mr. Yu taking up both the roles of Chairman and chief executive officer for effective management and business development. Therefore, the Board considers that the deviation from paragraph A.2.1 of the CG Code to be appropriate in such circumstance.

In order to maintain good corporate governance and to fully comply with code provision A.2.1 of the CG Code, the Board comprises four other experienced and high-calibre individuals including one non-executive Director and three independent non-executive Directors who would be able to offer advice from various perspectives. In addition, for major decisions of the Group, the Company will consult appropriate Board committees and senior management. Considering the present size and the scope of business of the Group, we consider that it is not in the best interest of the Company and the shareholders as a whole to separate the roles of the chairman and the chief executive officer, because the separation would render the decision-making process of the Company less efficient than the current structure. Therefore, the Directors consider that the present arrangement is beneficial to and in the interest of the Company and the shareholders as a whole and the deviation from code provision A.2.1 of the CG Code is appropriate in such circumstance.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the required standard of dealings set out in Rules 5.46 to 5.67 of the GEM Listing Rules (the "**Standard of Dealings**"), as the code of conduct regarding directors' securities transactions. Having made specific enquiries of all Directors, each of the Directors has confirmed that he has complied with the Standard of Dealings from the Listing Date and up to the date of this announcement.

AUDIT COMMITTEE

The audit committee comprises three independent non-executive Directors, namely Mr. Chung, Wai Chuen Alfred, Ms. Huang Ping and Mr. Ng Ka Po. Mr. Chung, Wai Chuen Alfred is the chairman of the audit committee. During the year ended 31 March 2019, the audit committee reviewed the Group's unaudited consolidated financial information for the six months ended 30 September 2018 and nine months ended 31 December 2018 respectively, discussed audit scope and findings with the Company's independent auditor, reviewed the Group's financial reporting system and internal control system, and made recommendation to the Board regarding appointment and remuneration of the external auditor. In the meeting of the audit committee of June 2019, the audit committee reviewed the Group's audited consolidated financial statements for the year ended 31 March 2019 prior to recommending them to the Board for approval and discussed the internal audit report and other supporting document for the review of risk management and internal control systems and the effectiveness of internal audit function.

SCOPE OF WORK OF MAZARS CPA LIMITED

The figures in respect of the Company's consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the year ended 31 March 2019 as set out in the preliminary announcement have been agreed by the Company's auditors, Mazars CPA Limited, to the amounts set out in the Company's draft consolidated financial statements for the year. The work performed by Mazars CPA Limited in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by Mazars CPA Limited on the preliminary announcement.

By Order of the Board
Oriental Payment Group Holdings Limited
Yu Chun Fai
Chairman and Executive Director

Hong Kong, 21 June 2019

As at the date of this announcement, the executive Director is Mr. Yu Chun Fai; the non-executive Director is Mr. Xiong Wensen; and the independent non-executive Directors are Mr. Chung, Wai Chuen Alfred, Ms. Huang Ping and Mr. Ng Ka Po.

This announcement will remain on the "Latest Company Announcements" page of the GEM website at www.hkgem.com for at least 7 days from the date of its publication and on the website of the Company at www.ocg.com.hk