仍志集團控股有限公司
Wisdomcome Group Holdings Limited

Continued in Bermuda with limited liability
Stock Code: 8079

ANNUAL REPORT 2024/25

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This report, for which the directors (the "Directors") of Wisdomcome 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 of Hong Kong Limited (the "GEM Listing Rules") for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this report is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this report misleading.

Contents

FINANCIAL SUMMARY

Annual results for the five years from 2021

	Year ended 31 March 2025	Year ended 31 March 2024	Year ended 31 March 2023	Year ended 31 March 2022	Year ended 31 March 2021
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Revenue	**41,559**	53,318	71,399	98,271	115,368
Loss for the year	**(45,971)**	(114,648)	(54,104)	(64,324)	(94,698)
Loss attributable to					
Owners of the Company	**(45,421)**	(114,403)	(54,104)	(64,324)	(93,952)
Non-controlling interests	**(550)**	(245)	–	–	(746)
	(45,971)	(114,648)	(54,104)	(64,324)	(94,698)

	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Total assets	**41,908**	86,850	188,730	225,133	278,695
Total liabilities	**(13,173)**	(14,292)	(17,024)	(21,763)	(11,001)
	28,735	72,558	171,706	203,370	267,694
Equity attributable to					
Owners of the Company	**29,530**	72,803	171,706	203,370	267,694
Non-controlling interests	**(795)**	(245)	–	–	–
	28,735	72,558	171,706	203,370	267,694

CORPORATE INFORMATION

Directors

Executive Directors

Mr. Chan Yan Tak *(Chairman)*
Mr. Lim Ming Shing, Tony
Ms. Siu Yeuk Hung, Clara
Mr. Law Ka Kei

Independent Non-executive Directors

Mr. Lee King Fui
Mr. Joseph Rodrick Law
Ms. Ho Sau Ping, Pia
Mr. Cheung Leung *(resigned on 10 April 2025)*

Company Secretary

Mr. To Chi, *CPA, FCCA*

Compliance Officer

Ms. Siu Yeuk Hung, Clara

Authorised Representatives

Mr. Chan Yan Tak
Mr. Lim Ming Shing, Tony

Audit Committee

Mr. Lee King Fui *(Chairman)*
Mr. Joseph Rodrick Law
Ms. Ho Sau Ping, Pia
Mr. Cheung Leung *(resigned on 10 April 2025)*

Remuneration Committee

Mr. Lee King Fui *(Chairman)*
Mr. Chan Yan Tak
Mr. Lim Ming Shing, Tony
Ms. Siu Yeuk Hung, Clara
Mr. Joseph Rodrick Law
Ms. Ho Sau Ping, Pia
Mr. Cheung Leung *(resigned on 10 April 2025)*

Nomination Committee

Mr. Chan Yan Tak *(Chairman)*
Mr. Lim Ming Shing, Tony
Ms. Siu Yeuk Hung, Clara
Mr. Lee King Fui
Mr. Joseph Rodrick Law
Ms. Ho Sau Ping, Pia
Mr. Cheung Leung *(resigned on 10 April 2025)*

Auditor

CL Partners CPA Limited
Certified Public Accountants
Registered Public Interest Entity Auditors
3203A-5, Tower 2
Lippo Centre
89 Queensway
Admiralty, Hong Kong

Principal Share Registrar and Transfer Office

Ocorian Management (Bermuda) Limited
Victoria Place, 5th Floor
31 Victoria Street
Hamilton HM 10
Bermuda

Hong Kong Branch Share Registrar and Transfer Office

Tricor Investor Services Limited
17/F, Far East Finance Centre
16 Harcourt Road
Hong Kong

Registered Office

Victoria Place, 5th Floor
31 Victoria Street
Hamilton HM 10
Bermuda

Head Office and Principal Place of Business in Hong Kong

Unit 502, 5/F, Eastmark
21 Sheung Yuet Road
Kowloon Bay, Kowloon
Hong Kong

Principal Bankers

Bank of China (Hong Kong) Limited
DBS Bank (Hong Kong) Limited
The Bank of East Asia Limited

Stock Code

8079

Website

http://www.ecrepay.com

CHAIRMAN'S STATEMENT

On behalf of the board of Directors (the "Board"), I present the audited consolidated results of the Company and its subsidiaries (collectively the "Group") for the year ended 31 March 2025 to the shareholders.

The money lending business has continued to achieve reasonable result in previous years and will continue to be the core business of the Group and generate stable income to the Group.

The Company reviewed that E-commerce is a part of the modern urban lifestyle in Hong Kong. The Group has been developing the retails and online sales business since 2015. The Group will improve and update the E-commerce system to satisfy the customers needs. The Group will continue to develop self-owned brand products and source different types of products from local or overseas suppliers to satisfy the ever-changing needs of our customers.

PROSPECTS

The money lending business and retail business remain the principal businesses of the Group and the Group will adjust its strategies and focus among its business segments in accordance with the changing market conditions.

We believe that people are becoming more health conscious since the outbreak of COVID-19 and demand for health and wellness products will continue to increase. The Group aims to introduce more high-quality products to customers at lower and lower prices. The Group also introduce more health care products for human and pets to customers.

Increasing revenue and reducing costs are of utmost importance, and turning losses into profits is the Group's prime goal. The Group intends to implement cost reduction and efficiency improvement measures, and ensuring that profits return to normal as soon as possible.

For the money lending business, we have continued to adopt prudent and cautious approaches such as implementing stringent credit policies, having strict control on loan-to-value ratio, etc. which persistently supported our Group in maintaining our loan portfolio and generating stable interest income. We have also closely monitor the quality of our loan portfolio in terms of customers' creditability and repayment ability, and recall loans from customers who have high potential default risks.

The Group has been actively seeking suitable investment opportunities for business diversification. The Group will explore into different industry sectors so as to expand and diversify the scope of the Group's business.

APPRECIATION

On behalf of the Board, I would like to express my sincere gratitude to our shareholders, customers and staff members for their support in the past years. I would also like to express my personal appreciation to my fellow Board members for their continuous valuable contributions.

Chan Yan Tak
Chairman
Hong Kong, 25 June 2025

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

The money lending business continues to be the core business of the Group and to generate stable income to the Group.

The Group reviewed that the E-commerce is a part of the modern urban lifestyle in Hong Kong. The Group has been developing the retails and online sales business since year 2015. The Group will improve and update the E-commerce system to satisfy the customers needs. The Group will continue to develop self-own brand products and source different types of products from local or overseas suppliers to satisfy the ever-changing conditions of our customers.

The Group has obtained a right of distribution and sales of supplement products which produced by FromBio Co. Limited. FromBio Co. Limited is a company established in 2006 in Korea, which is a global health care company that creates value for improving the quality of life for the customers. The supplement products includes liver health, intestinal health, eye health, joints and cartilage, stomach and intestine etc.

The Group was confronted with challenging business conditions brought by slowing global economic growth. The pace of the economic recovery in Hong Kong has remained uneven amid an elevated interest rate environment and intensifying geopolitical tensions stemmed from the Russia-Ukraine war, China-US tensions and the outbreak of conflict in the Middle East. In view of these challenges and uncertainties, the Group continued to adopt a cautious and disciplined approach in managing its businesses throughout the year.

OPERATION REVIEW

Revenue for the financial year ended 31 March 2025 was approximately HK$41.6 million (2024: HK$53.3 million). The loss before tax was decreased due to (a) decrease in fair value loss on financial assets at FVTPL; (b) decrease in impairment loss of other assets; (c) decrease in administration expenses; (d) reversal of expected credit losses on trade receivables; and (e) decrease in allowance for expected credit losses on loans and advances to customers.

Money Lending Business

After actively participating in money lending business for more than ten years, a solid client base has been built. In the financial year, revenue for this segment under review was approximately HK$7.5 million (2024: HK$14 million).

The decrease in revenue was mainly due to the lower average amount of performing loans advanced to borrowers for the year ended 31 March 2025. The Group continues to adopt prudent and cautious approaches in the loan assessment and approval process for the segment of money lending business.

The carry amount of less than 30 days past due and more than 30 days past due as at 31 March 2025 was approximately HK$1,166,000 and HK$6,527,000 respectively, while the subsequent settlement of less than 30 days past due and more than 30 days past due as at the date of this report is approximately HK$150,000 and HK$993,000 respectively.

Company's Money Lending Business Model and Credit Risk Assessment Policy

The Group's money lending business has been mainly carried out by its subsidiary, Yvonne Credit Service Co., Limited ("Yvonne Credit"), a money lender license holder under the Money Lenders Ordinance (Chapter 163 of the Laws of Hong Kong), since 2007.

The source of funding was mainly financed by the internal resources and the working capital of the Group. With a view to minimizing the credit risk, Yvonne Credit only granted loans to Hong Kong residents. Most of the Group's customers are referred by Yvonne Credit's registered referral agents and small portion of the Group's customers are walk-in customers.

The money lending business model involves providing loans to individuals or businesses in exchange for repayment with interest over a specified period. Operating within a regulated financial framework, Yvonne Credit assess borrowers' creditworthiness and risk profiles before issuing funds, often using criteria such as income, credit history and collateral. The model generates revenue primarily through interest payments.

Yvonne Credit has its internal assessment and work procedure in granting a loan. When a client is referred to Yvonne Credit by its registered referral agent, a loan application form setting out the potential client's personal information and financial position, including his/her source of income and amount of income, the market value of the property as collateral, and details of the outstanding mortgage (if any) with banks or other financing company will be submitted to the director who is responsible for the mortgage financing business for approval. Together with the loan application form, the following documents will be verified or reviewed:

(i) Copy of identity card or passport;

(ii) Copy of income proof, such as tax demand note, salary payroll receipt, employment contract or tenancy agreement;

(iii) Copy of residential address proof of the latest three months, such as utility bills, tax return or bank statement;

(iv) Legal search for the credit worthiness assessment; and

(v) Land search report for the proof of property ownership.

In addition to the know-your-client procedure, Yvonne Credit will also observe the requirement to comply with the Anti-Money Laundering and Counter Terrorist Financing Ordinance for its financing business. Furthermore, to promote clients' awareness of the requirements of the Money Lenders Ordinance, a summary of provisions of the Money Lenders Ordinance will be attached, for client's reference, to the loan agreement to be entered between Yvonne Credit and its client.

Determination of Loan Terms

The Group would determine the terms of the loans (including loan amount, duration and interest rate) on a case-by-case basis taking into account factors including but not limited to the cost of providing a particular loan, the financial background and repayment ability of the borrowers, the credit and business risks of the loan, the expected rates of return of the loan, the borrowers' credit rating and repayment record in other financial institutions, the borrower's earning abilities, the quality and value of the collateral (if any), the purpose of the loan, the relationship with the borrowers and guarantors (if any), the debt ratio of the borrower, the past repayment record (for repeated borrowers), the prevailing market interest rate for similar loans, and the general economic environment. Generally, unsecured loan is subject to higher interest rates given that the appearance of lack of collaterals but the actual interest rate charged might vary subject to the terms of maturity, loan size, financial strength of borrower/guarantor as well as business relationship with the Group.

Collaterals and guarantors would be obtained from the borrowers as appropriate on a case-by-case basis by considering the amount of the loan, the interest rate, whether the existing assets of the borrower would be able to cover the loan and interests, the financial background, repayment ability and credit worthiness of the borrowers. The Group may grant loans to borrowers without collateral if the borrower has stable employment, in sound financial condition and has good asset proof and credit history. Nevertheless, the Group is conservatively prudent and would assess the creditworthiness of the unsecured loans including but not limited to obtaining copies of income proof such as tax demand note, salary payroll, employment contract, and copies of assets proof such as asset title certificates, bank statements, financial statements and auditor's reports (where applicable) to assess the borrower' asset portfolio, leverage level and liquidity conditions before granting the loan.

Major Terms of Loans Granted

The Group offers both mortgage loans and personal loans. The Group focuses on provision of mortgage loans which are secured by legal charge against real estates located in Hong Kong, including residential, and car parking spaces, to individuals or corporations. During the year ended 31 March 2025, the interest rates charged to mortgage loan customers were at the range from 14% to 24% per annum with the maturity profile from 12 to 180 months. The normal interest rates charged to mortgage loan customers range from 10% to 36% and the normal duration of mortgage loans is within the range from 12 to 120 months.

The Group also provides secured car loans and unsecured personal loans to individuals who are mainly owners of motor vehicles, real estate assets under the Home Ownership Scheme and the Tenant Purchase Scheme as well as private residential properties. During the year ended 31 March 2025, the interest rates of all outstanding loans charged to them were at the range from 5% to 48% per annum with the maturity profile from 1 to 240 months. The normal interest rates charged to these loans range from 15% to 36% for general borrowers and from 4% to 15% for existing customers or referral or refinance of wholesales customers, and the normal duration of these loans is within the range from 1 to 60 months.

The duration of loans is normally requested by the borrowers. The Group will determine the final duration of the loans based on the information provided by the borrowers, for example, the age of borrower, financial information of borrower and the past repayment record (if any). Sometimes, the Group grants loans at significant variance in duration and interest rate taking into account the loan amount, short term financing, special collaterals (e.g. antique, jewellery), long term business relationship and goodwill, etc.

Size and Diversity of Clients

As at 31 March 2025, the carrying amount of loans and advances to customers was approximately HK$23,447,000. As at 31 March 2025, there were 3 mortgage loan customers with first or second charge of approximately HK$5,323,000, representing approximately 23% of the Group's entire loan portfolio as at 31 March 2025. The mortgage loans granted by the Group as at 31 March 2025 had a principal amount ranging from HK$300,000 to HK$4,800,000 (the average loan size being approximately HK$2,250,000, with maturity profiles from 12 to 180 months (the average loan term being approximately 84 months) and interest rates ranging from 14% to 24% (the average interest rate being approximately 19%). As at 31 March 2025, the mortgage loans were secured by residential properties.

As at 31 March 2025, there were 124 secured car loans and 64 unsecured personal loans, which in total amounted to approximately HK$18,124,000, representing approximately 77% of the Group's entire loan portfolio as at 31 March 2025. The secured car loans granted by the Group as at 31 March 2025 had a principal amount ranging from HK$35,000 to HK$480,000 (the average loan size being approximately HK$157,000) with maturity profile from 12 to 60 months (the average loan term being approximately 43 months) and interest rates from 10% to 31% (the average interest rate being approximately 26.03%). The unsecured personal loans granted by the Group as at 31 March 2025 had had a principal amount ranging from HK$10,000 to HK$1,700,000 (the average loan size being approximately HK$184,000) with maturity profile from 6 to 180 months (the average loan term being 32 months) and interest rates from 16% to 48% (the average interest rate being approximately 36.31%).

As at 31 March 2025, the largest borrower of the net carrying amount of loans and advances to customers represented approximately 14.9% of our net carrying amount of loans and advances to customers portfolio. The total of the net carrying amount of loans and advances to customers for the top five borrowers amounted to HK$8.2 million representing approximately 35% of the Group's total net carrying amount of loans and advances to customers.

Key Internal Control Measures

Loan monitoring

After loan advancement, the management of the Group would continue to monitor the financial conditions of the borrowers and the guarantors (if any) and value of the collaterals on a regular basis and take appropriate follow-up action with the borrowers including follow up calls and site visits where the financial condition of the borrowers deteriorates or the value of the collaterals decreases dramatically.

The Company will conduct regular company searches, internet searches and regulatory compliance searches towards the borrowers in order to monitor the risk level. The Company will also request borrowers for provision of any updated financial information if considered necessary to update their financial ability, credit risk and assess the loan recoverability. These exercises are to monitor if any material adverse change may arise on the financial or legal conditions on the borrowers. If it is noted that there is a material deterioration in the borrowers' financial condition, the Group may require repayment from the borrowers.

For secured loans, the Group would keep track on the market value of the pledged collaterals on a monthly basis and when the Group perceives that there is a huge fluctuation in the relevant market of the collateral so as to ensure that there is no material deterioration in value. If it is noted that the value of the collateral is insufficient to cover the risk exposure or the actual loan-to-collateral value ratio with respect to any loan advanced has reached or exceeded acceptable level, the Group may require the borrower to (i) provide additional collateral; (ii) partially repay the outstanding loan; or (iii) realise the value of the collateral in order to bring the loan-to-collateral value ratio back to acceptable level.

Loan collection

In order to minimise the Group's exposure to credit risk and follow up closely with its customers as to the deadlines in payment of interest and principal of the loans, (i) the relevant staff of Yvonne Credit is responsible for monitoring the status of loan repayment and keeping accounting records for monthly audit of the loan balance to ensure that all borrowers have made repayment on time in accordance with the terms of the relevant loan agreement; (ii) the relevant staff of Yvonne Credit will communicate regularly with the borrowers regarding their financial positions and credit profile to have an up-to-date understanding of their repayment ability and creditworthiness; (iii) the relevant staff is required to report to the directors of Yvonne Credit immediately in the event of late repayment, material change to the repayment ability or creditworthiness of the borrowers or any other events which indicate the recovery of the loan may be at risk; and (iv) the management is required to report the repayment status of all the Group's loans to the Directors on a quarterly basis so that the Directors can review the loan portfolio and discuss actions to be taken.

The Group has standard procedures in dealing with default in payment. In the event of failure to repay interest or principal amount by the due date, (i) within 2 days, the Group would proactively contact the borrower via phone and issue overdue payment reminders to the relevant borrower to urge him/her to settle the overdue amounts without further delay and enquire the reasons for the default: (ii) the Group would continue to contact the borrower on a weekly basis via telephone and email stating that the borrower should repay the outstanding amount as soon as possible and negotiate with the borrower for the repayment or settlement of the loan; (iii) if the default in repayment persists, 5 days after the due date, the Group would request its lawyer to issue a legal demand letter to the borrower explaining the legal proceedings to process the relevant legal actions in respect of the collateral for secured loan or petition bankruptcy for non-secured loan; and (iv) if no positive response is received within 2 days after the demand letter was issued, the management will decide whether to engage a debt collection agent or commence legal proceedings against the borrower. Yvonne Credit may also take legal actions to enforce the possession of the defaulted client's property for auction and defaulted client's motor vehicle for sale.

Retail and Wholesale Business

As at the date of this report, the Group is operating 3 retail shops which located in Wanchai, Lai Chi Kok, Kowloon Bay and online business for the sales of grocery products. Beyond the general products like frozen food, the Group will focus more to introduce health and supplement products and in-house ready-to-eat products for the public.

For retail business, we sell goods directly to end consumers, typically in smaller quantities and at marked-up prices to cover operational costs and generate profit. The source of products is from manufacturers or wholesalers and present them through various channels such as physical stores, online platforms, or pop-up shops. The model emphasizes customer experience, convenience, and product accessibility, often relying on branding, marketing, and personalized service to attract and retain shoppers.

For wholesale business, we buy goods in large quantities from manufacturers or producers and reselling them to retailers or other businesses at a lower per-unit cost. Operating within a business-to-business (B2B) framework, we act as intermediaries in the supply chain, facilitating the efficient distribution of products without typically engaging with end consumers.

The Group kept searching for high-quality products around the world mainly from Hong Kong, Taiwan China, South Korea, Japan and Malaysia, with a wide range of products including snacks and gourmet foods, food groceries, in house home-made noodles, hormone-free frozen foods, various imported seasonal fruits like durian, mango and pomelo, ready-to-eat foods manufactured by local food factory in Hong Kong, healthy and supplement products for human and pets, etc. The customer base is mainly from stores, online-shopping platforms and pets lovers, with target group aged over 20. We are an importer of Korean beef, ready-made foods and gourmet foods in Hong Kong and through the distributors to deliver the products to fresh markets, core supermarkets in Hong Kong and retail frozen shops.

In view of the growing presence in the health supplement market, the Group aims to bolster revenue by enriching the healthy and supplement product portfolio in the upcoming years. We will continue to source and distribute of different type of healthy and supplement products to the evolving health needs of the mass market, especially elder people.

The Group has obtained a right of distribution and sales of supplement products which produced by FromBio Co. Limited. FromBio Co. Limited is a company established in 2006 in Korea, which is a global health care company that creates value by improving the quality of life for the customers. The supplement products includes liver health, intestinal health, eye health, joints and cartilage, stomach and intestine etc.

Revenue for this segment for the year ended 31 March 2025 was approximately HK$34.1 million (2024: HK$39.3 million).

The revenue from sale of goods decrease of approximately 13.23% as compared to the corresponding period in 2024. Furthermore, there are many new competitors with similar business model in the market, resulting in severe competitions. In addition, the growing trend of residents "going north" to shop and dine in mainland China, particularly in nearby cities like Shenzhen, Zhuhai, and other mainland areas where prices are significantly lower has led to weakened local consumption, a surge in outbound travel, and the normalization of cross-border shopping habits.

Disposal of a property

On 9 February 2024, EC Star Finance Limited (the "Vendor"), an indirect wholly-owned subsidiary of the Company, entered into the Provisional Agreement with Mr. Gidwani Dheeraj (the "Purchaser"), pursuant to which the Vendor has agreed to sell, and the Purchaser has agreed to purchase, the property located at Room 904, 9/F, Beverley Commercial Centre, Nos. 87–105 Chatham Road South, Kowloon, Hong Kong ("Property") at the consideration of HK$1.6 million ("Disposal").

The Property is a commercial property and currently for the own use by the Vendor. After considering the prevailing market conditions and the current financial position and business operation of the Group, the Directors believe that the Disposal represents a good opportunity for the Company to realise the value of the Property at a reasonable price, whereby the proceeds from the Disposal can improve the financial position and increase the general working capital of the Group.

The Disposal was completed in April 2024, The net proceeds of approximately HK$1.57 million from the Disposal was utilised as general working capital of the Group. The details of the Disposal was disclosed in the announcement dated 15 February 2024.

IMPAIRMENTS

Impairment on loans and advances to customers

The Group adopted the requirements in respect of ECL assessment set forth in HKFRS 9 issued by the HKICPA in determining the impairment loss allowance for its loan receivables. The Company has taken into account the following factors on the impairment assessment for the outstanding loans due from the connected parties and independent third parties in accordance with the HKFRS 9:

(i) the probability of default and the likelihood that the borrowers may fail to pay back the loans. The Company will perform due diligence on the financial statements and consider the macro-environment and the latest announcements of the borrowers. The repayment history of the borrowers will also be taken into account;

(ii) the loss given default and the expected cash shortfall between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive. The Company will consider the value of the collaterals pledged for the loans, if any; and

(iii) forward-looking market data such as gross domestic product will also impact to the recoverability of the loans.

The Group applies general approach to measure impairment loss on loans and advances to customers. Under the general approach, loans and advances to customers are classified into three stages to reflect the deterioration in credit quality. Impairment allowance of each stage is calculated based on the product of probability of default, loss given default and exposure at default. Stage 1 covers loans and advances to customers that have not deteriorated significantly in credit quality since initial recognition including those that are considered to be low credit risk. Stage 2 covers loans and advances to customers that have deteriorated significantly in credit quality since initial recognition. Stage 3 covers loans and advances to customers for which credit loss events occur and become credit-impaired. 12m expected credit loss ("ECL") is recognised in Stage 1, while lifetime ECL are recognised in Stages 2 and 3.

For the purpose of impairment assessment, loans of the Group are classified as stage 1, 2 and 3 according to the prevailing accounting standard.

Stage 1 – are loans with no significant increase in credit risk of the financial instrument since their initial recognition.

Stage 2 – are loans with increase in credit risk of the financial instrument since their initial recognition.

Stage 3 – loans has significant increase in credit risk of the financial instrument since initial recognition and considered as credit-impaired. Impairment was assessed for each of the loans and the ECL model for internal impairment assessment has taken into account the following:

(1) expected life and contractual terms of a financial instrument

(2) market probability of default

(3) market loss given default or discounted recovery rate and

(4) forward-looking market data.

The Group's internal credit risk grading assessment on loans and advances to customers comprises the following categories:

Internal credit rating	**Description**	**Basic for recognition of ECL**
Normal	Borrowers can honour the terms of their loans. There is no reason to doubt their ability to repay the principal and interest in full on a timely basis.	12m ECL
Special mention	Borrowers are currently able to service their loans and interest, though repayment may be adversely affected by specific factors.	Lifetime ECL – not credit impaired
Sub-standard	Borrowers' ability to service their loans is in question and borrowers cannot rely entirely on normal business revenues to repay the principal and interest. Losses may ensue even when collateral items or guarantees are invoked.	Lifetime ECL – credit impaired
Doubtful	Borrowers cannot repay the principal and interest in full and significant losses will need to be recognised even when collateral or guarantees are invoked.	Lifetime ECL – credit impaired
Loss	Principal and interest of loans cannot be recovered or only a small portion of them can be recovered after taking all possible measures or resorting to all necessary legal procedures.	Amount is written off

The management will from time to time assess whether the credit risk of the loan receivables has increased significantly since their initial recognition. Other than the adverse effect to the economic environment arising from the novel coronavirus disease (COVID-19), the factors to be considered for possible loan impairment include the clients' repayment track record and updated financial position, the change in the market value of clients' properties as well as the sentiment of the overall market in Hong Kong. The Company regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

Based on the above ECL model, there was a recognition of net impairment losses arising from expected credit losses on loans and advances to customers in the amount of approximately HK$2.9 million for the year ended 31 March 2025 (2024: approximately HK$22.6 million). The impairment on loan receivables for the year ended 31 March 2025 was mainly attributable to delay payment of certain borrowers due to the economic downturn for the year ended 31 March 2025 which have affected the repayment ability of the borrowers.

Fair value loss on financial assets at fair value through profit or loss

The global economic downturn has significantly impacted the movie industry, with China's film market experiencing a particularly sharp decline. The market has struggled to recover, with ticket sales during major holidays dropping dramatically.

Additionally, analysts attribute this decline to a sluggish economy, reduced consumer spending, and competition from streaming services. Many moviegoers now prefer watching films at home rather than paying for expensive theater tickets.

The Group made a HK$3,600,000 investment in film rights in 2022, holding a 15% stake in the project. During the year, the major investor of the film indicated that it was unable to successfully negotiate appropriate schedules with relevant actors and requested additional investment from the Group. Given the slow progress of the film, combined with the fact that the movie and theater industry has not been as ideal as expected over the past two years, the Group has decided to stop investing in the film.

On 26 May 2025, the Group entered into a sale and purchase agreement with an independent third party ("Purchaser"), pursuant to which the Group has agreed to sell, and the Purchaser has agreed to purchase, the Group's investments in film productions at the consideration of HK$150,000. Fair value loss of HK$3,450,000 was recognised.

Impairment on goodwill

The Group estimates the recoverable amount of the cash-generating units ("CGU (or group of CGUs)") to which goodwill arose on the Group's acquisition of EC Star Finance Limited on 8 November 2022 has been allocated, is the higher of the value in use ("VIU") or fair value less costs of disposal. The VIU calculation requires the Group to estimate the future cash flows expected to arise from the CGU (or a group of CGUs) and a suitable discount rate in order to calculate the present value. Where the actual future cash flows are less than expected, or change in facts and circumstances which results in downward revision of future cash flows or upward revision of discount rate, a material impairment loss or further impairment loss may arise. As at 31 March 2025, the carrying amount of goodwill is HK$Nil (2024: HK$1,344,000) (net of accumulated impairment loss of HK$1,344,000 (2024: HK$Nil)).

Impairment on property, plant and equipment and right-of-use assets

Due to the significant loss incurred for the year ended 31 March 2025, the Company concluded that there was indication of impairment and conducted impairment assessment on property, plant and equipment and right-of-use assets with carrying amounts (before any impairment) as at 31 March 2025 of approximately HK$8,049,000 and HK$4,150,000, respectively. For the purposes of impairment testing, assets are grouped at each operating segment for which there are separately identifiable cash flows (CGUs). An impairment loss was recognised for the amount by which the carrying amount of the assets/CGU exceeds its recoverable amount.

The estimated recoverable amounts of the CGU of money lending business operating segment and the CGU of groceries retail and wholesale business operating segment are lower than the respective carrying amounts of the CGUs, the Group recognised impairment loss of approximately HK$8,049,000 (2024: HK$5,120,000) on property, plant and equipment, and impairment loss of approximately HK$4,150,000 (2024: HK$1,677,000) on right-of-use assets for the year ended 31 March 2025.

PROFIT GUARANTEE

Non-fulfillment of Profit Guarantee in relation to the Acquisition of 90.1% of the issued capital of Union Raise Limited

On 8 February 2023, the Company, as purchaser, and Mr. Cheng Sai Chit Luke ("Mr. Cheng"), as vendor, entered into the Sale and Purchase Agreement, pursuant to which the Company has conditionally agreed to purchase, and Mr. Cheng has conditionally agreed to sell, approximately 90.1% equity interest in Union Raise Limited ("Union Raise"), at a consideration of HK$1,000,000.

On 23 May 2023, the Company, Union Raise and Mr. Cheng entered into the Management Agreement, pursuant to which Mr. Cheng, as manager, shall provide such management services to Union Raise for a term commencing from the date of the Management Agreement and ending on the date falling on the second anniversary of the date of the Management Agreement at a service fee of HK$30,000 per month, and provide the Profit Guarantee in favour of Union Raise.

Mr. Cheng shall irrevocably and unconditionally warrant and guarantee to Union Raise that the net profit of Union Raise for the following twelve (12)-month periods (the "Guaranteed Period(s)") shall not be less than the following guaranteed profit (the "Profit Guarantee"):

(i) for the first twelve (12)-month period (23 May 2023 to 22 May 2024) commencing on the date of the Management Agreement, the Profit Guarantee shall not be less than HK$1,000,000; and

(ii) for the second twelve (12)-month period (23 May 2024 to 22 May 2025) immediately following the expiry of the said first twelve (12)-month period, the Profit Guarantee shall not be less than HK$3,000,000.

In the event that the actual profit of Union Raise is less than the Profit Guarantee for such Guaranteed Period, then Mr. Cheng undertakes to pay to Union Raise, a shortfall amount ("Shortfall A"). The calculation of Shortfall A is Profit Guarantee minus actual profit of Union Raise.

For the avoidance of doubt, should Union Raise record a loss in its audited financial statements for any of the Guaranteed Periods, the actual profit for such Guaranteed Period shall be deemed as zero (0).

Based on the preliminary assessment of Union Raise's management accounts and other information currently available, Union Raise is recorded a net loss for the Guaranteed Periods. As such, Mr. Cheng shall pay the Shortfall A in aggregate of HK$4,000,000 to Union Raise.

As at the date of this report, the Company and Mr. Cheng are still in discussion in relation to the arrangement of the Shortfall A. The proposed arrangements are including but not limited to (i) set off in full against the two years' service fee to Mr. Cheng; (ii) extend the service period to settle the Shortfall A; (iii) disposal of 9.9% of remaining shares in Union Raise to the Company; and (iv) the remaining amount of Shortfall A to be settled to the Company by instalments. Further announcement(s) will be made by the Company to provide update on the arrangement as and when appropriate.

Non-fulfillment of Profit Guarantee in relation to the Acquisition of 90.1% of the issued capital of Pets Supermarket Limited

On 8 February 2023, the Company, as purchaser, and Ms. Li Yung ("Ms. Li"), as vendor, entered into the Sale and Purchase Agreement, pursuant to which the Company has conditionally agreed to purchase, and Ms. Li has conditionally agreed to sell, approximately 90.1% equity interest in Pets Supermarket Limited ("Pets Supermarket"), at a consideration of HK$1,000,000.

On 23 May 2023, the Company, Pets Supermarket and Ms. Li entered into the Management Agreement, pursuant to which Ms. Li, as manager, shall provide such management services to Pets Supermarket for a term commencing from the date of the Management Agreement and ending on the date falling on the second anniversary of the date of the Management Agreement at a service fee of HK$30,000 per month, and provide the Profit Guarantee in favour of Pets Supermarket.

Ms. Li shall irrevocably and unconditionally warrant and guarantee to Pets Supermarket that the net profit of Pets Supermarket for the following twelve (12)-month periods (the "Guaranteed Period(s)") shall not be less than the following guaranteed profit (the "Profit Guarantee"):

(i) for the first twelve (12)-month period commencing on the date of the Management Agreement (23 May 2023 to 22 May 2024), the Profit Guarantee shall not be less than HK$1,000,000; and

(ii) for the second twelve (12)-month period immediately following the expiry of the said first twelve (12)-month period (23 May 2024 to 22 May 2025), the Profit Guarantee shall not be less than HK$3,000,000.

In the event that the actual profit of Pets Supermarket is less than the Profit Guarantee for such Guaranteed Period, then Ms. Li undertakes to pay to Pets Supermarket, a shortfall amount ("Shortfall B"). The calculation of Shortfall B is Profit Guarantee minus actual profit of Pets Supermarket.

For the avoidance of doubt, should Pets Supermarket record a loss in its audited financial statements for any of the Guaranteed Periods, the actual profit for such Guaranteed Period shall be deemed as zero (0).

Based on the preliminary assessment of Pets Supermarket's management accounts and other information currently available, Pets Supermarket is recorded a net loss for the Guaranteed Periods. As such, Ms. Li shall pay the Shortfall B in aggregate of HK$4,000,000 to Pets Supermarket.

As at the date of this report, the Company and Ms. Li are still in discussion in relation to the arrangement of the Shortfall B. The proposed arrangements are including but not limited to (i) set off in full against the two years' service fee to Ms. Li; (ii) extend the service period to settle the Shortfall B; (iii) disposal of 9.9% of remaining shares in Pets Supermarket to the Company; and (iv) the remaining amount of Shortfall B to be settled to the Company by instalments. Further announcement(s) will be made by the Company to provide update on the arrangement as and when appropriate.

SHARE OPTION SCHEME

The Company has adopted a share option scheme on 29 May 2023, which will expire on the tenth anniversary of its adoption.

The Directors consider that the share option scheme will enable the Group to reward its employees, directors and other participants for their contributions to the Group and will assist the Group in its recruitment and retention of high calibre professionals, executives and employees who are instrumental to the growth and development of the Group's business.

No option was granted during the year ended 31 March 2025.

LIQUIDITY AND FINANCIAL RESOURCES

The Group generally financed its operations with internally generated cash flows. As at 31 March 2025, the Group had cash and cash equivalents of approximately HK$4 million (2024: HK$4.9 million).

As at 31 March 2025, the Group has no borrowing (2024: HK$1.2 million which were used to finance the operation of the Group).

As at 31 March 2025, the Group's gearing ratio, expressed as a percentage of total borrowings (comprising borrowings) less cash and cash equivalents then divided by total equity was nil (2024: Nil).

CHARGES ON GROUP'S ASSETS

As at 31 March 2025, no financial instruments was pledged as collateral to securities brokers for margin financing granted to the Group and no margin financing was utilised by the Group (2024: HK$1.2 million for loan are secured by a property).

TREASURY POLICIES

Cash and bank deposits of the Group are mainly denominated in HK dollars ("HK$").

Since most of the transactions of the Group are denominated in Hong Kong dollars, no hedging or other arrangements to reduce the currency risk have been implemented.

EMPLOYEES

As at 31 March 2025, the Group had 37 (2024: 38) full-time employees. The total employee remuneration, including of the Directors, for the year ended 31 March 2025 amounted to approximately HK$14.1 million (2024: HK$20.8 million). The Group remunerates its employees based on their performance, experience and the prevailing commercial practice.

RETIREMENT BENEFIT PLANS

The Group operates a Mandatory Provident Fund Scheme (the "MPF Scheme") under the Hong Kong Mandatory Provident Fund Schemes Ordinance for those employees employed under the jurisdiction of the Hong Kong Employment Ordinance. The MPF Scheme is a defined contribution scheme, the assets of which are held in separate trustee-administered funds. Both the Group and the employees are required to contribute based on a fixed percentage of the employee's relevant income up to a maximum of HK$1,500 per employee per month.

Contributions to the MPF by the Group for its employees are fully and immediately vested in the employees once the contributions are made. There are no contributions forfeited by the Group on behalf of its employees who leave the plan prior to vesting fully in such contribution. Hence, there is no forfeited contributions which may be used by the Group to reduce the existing level of contributions.

CAPITAL STRUCTURE

During the year ended 31 March 2025, the change of the capital structure of the Company are as follows:

Subscription of New Shares

On 4 October 2024, the Company successfully allotted and issued a total of 103,700,000 subscription shares to six subscribers at a subscription price of HK$0.021 per subscription share. The gross proceeds and net proceeds from the subscription are approximately HK$2,177,700 and approximately HK$2,148,000, respectively and the net subscription price per subscription share is approximately HK$0.021. The net proceeds were fully utilized for general working capital of the Group.

The closing price per share as quoted on the Stock Exchange on 5 September 2024, being the date of subscription announcement was HK$0.025.

Capital Reorganisation

By a resolution dated 27 November 2024, the Company implemented the Capital Reorganisation with effective from 29 November 2024 which involved the share consolidation, capital reduction and Sub-division, share premium reduction.

(1) Share Consolidation

The Share Consolidation on the basis that every twenty (20) issued and unissued Existing Shares with par value of HK$0.01 each be consolidated into one (1) Consolidated Share with par value of HK$0.20 each; the issued shares of the Company have been changed from 622,344,031 shares to 31,117,201 Consolidated Shares.

(2) Capital Reduction and the Sub-division

(i) Immediately following the Share Consolidation becoming effective, the Capital Reduction whereby the issued share capital of the Company will be reduced by (a) rounding down the total number of Consolidated Shares in the issued share capital of the Company to the nearest whole number by eliminating any fraction of a Consolidated Share in the issued share capital of the Company arising from the Share Consolidation; and (b) cancelling the paid up capital of the Company to the extent of HK$0.19 on each of the then issued Consolidated Shares such that the par value of each issued Consolidated Share has been reduced from HK$0.20 to HK$0.01; the issued share capital has been reduced from HK$6,223,440.31 to HK$311,172.01; and

(ii) Immediately following the Share Consolidation and the Capital Reduction becoming effective, the Sub-division, whereby each authorised but unissued Consolidated Shares (including the authorised unissued Consolidated Shares arising from the Capital Reduction) be subdivided into twenty (20) authorised but unissued New Shares of par value HK$0.01 each so that the authorised share capital of the Company shall be HK$300,000,000 divided into 30,000,000,000 New Shares with par value of HK$0.01 each.

(3) Share Premium Reduction

Immediately following the Capital Reduction and the Sub-division becoming effective, the entire amount of approximately HK$396.278 million standing to the credit of the Share Premium Account be reduced by approximately HK$396.278 million to nil.

Upon the Capital Reorganisation becoming effective, the entire credit amount arising from the Capital Reduction and the Share Premium Reduction of approximately HK$402.190 million be transferred to the contributed surplus account of the Company within the meaning of the Companies Act 1981 (as amended) of Bermuda to then be applied to set off the accumulated losses of the Company as at the effective date of the Capital Reorganisation or be applied by the Board in a manner as permitted by the Bye-Laws and all applicable laws of Bermuda from time to time without further authorisation from the Shareholders.

As at 31 March 2025, the issued shares of the Company are 31,117,201 shares.

CONTINGENT LIABILITIES

As at 31 March 2025, the Company did not provide any corporate guarantee to third parties.

DIVIDEND

The Directors of the Company did not recommend the payment of any dividend for the year ended 31 March 2025 (2024: Nil).

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR EXECUTIVES

EXECUTIVE DIRECTORS

Mr. Chan Yan Tak ("Mr. Chan"), Chairman and Executive Director

Mr. Chan Yan Tak, aged 56, joined the Company on 22 July 2022. Mr. Chan is the Chairman and the Controlling Shareholder of the Company. Mr. Chan is the chairman of the Nomination Committee and a member of Remuneration Committee of the Company.

Mr. Chan is the chairman and chief executive officer of Wisdomcome Group Limited. The group engaged in different businesses including, health food supplements and pharmaceutical trading business as well as property investment and development. Mr. Chan was the chairman of the board of directors of Shunten International (Holdings) Limited, a company the shares of which are listed on The Stock Exchange of Hong Kong Limited until 1 April 2019. Mr. Chan has acted as the honorary president of the Federation of Beauty Industry (H.K.). He has been a member of the Association of Hong Kong and Kowloon Practitioners of Chinese Medicine Limited since 2004 and was then appointed as the advisor of the abovementioned association in 2008. Mr. Chan is currently a director of Yan Oi Tong and a founding member of Affectionate World Charitable Foundation Limited (人間有情慈善基金有限公司) since May 2017, both are registered non-profit making charitable organisations.

Mr. Chan was adjudged bankrupt by virtue of the bankruptcy order made by the High Court of Hong Kong on 19 January 2000 as a result of the bankruptcy petitions made by a creditor against him on 25 October 1999 for his default in repayment of a loan granted by the creditor to Mr. Chan and his spouse (the liability of them in respect of the loan being joint and several). By the expiration of four years since his bankruptcy order, Mr. Chan was discharged from bankruptcy on 19 January 2004 pursuant to section 30A of Bankruptcy Ordinance (Chapter 6, the Laws of Hong Kong) and a Certificate of Discharge was made by the High Court of Hong Kong on 11 March 2004.

On 16 December 2024, Mr. Chan Tsz Hong has enforced the share charge over the 9,059,843 ordinary shares of the Company held by Best Richest Management Company Limited (a company wholly and beneficially owned by Mr. Chan) (the "Charged Shares"), which represents approximately 29.12% of the total issued shares of the Company. The Charged Shares were charged in favour of Mr. Chan Tsz Hong as security for loans made available by Mr. Chan Tsz Hong to Mr. Chan. Immediately after the enforcement of Charged Shares, Mr. Chan was ceased to hold any shares in the Company.

Mr. Chan is the brother-in-law of Mr. Lim Ming Shing, Tony, an Executive Director of the Company.

Mr. Lim Ming Shing, Tony ("Mr. Lim"), Executive Director

Mr. Lim Ming Shing, Tony, aged 63, joined the Company on 22 July 2022. Mr. Lim is a member of Nomination Committee and Remuneration Committee of the Company.

Mr. Lim is a senior officer of Wisdomcome Group Limited. The group engaged in different businesses including health food supplements and pharmaceutical trading business as well as property investment and development. From January 2016 to August 2017, he served as director and chief financial officer of Shunten International (Holdings) Limited. Mr. Lim has over 22 years of experience in financial and management accounting. He was awarded a professional diploma in management accountancy from the Hong Kong Polytechnic University (previously known as Hong Kong Polytechnic) in 1985 and he obtained his Master Degree in Business Administration from Heriot-Watt University, United Kingdom in 1999. He is a member of Hong Kong Institute of Certified Public Accountants, Association of Chartered Certified Accountants and Chartered Institute of Management Accountants.

Mr. Lim is the brother-in-law of Mr. Chan, the Chairman and Executive Director of the Company.

Ms. Siu Yeuk Hung, Clara ("Ms. Siu"), Executive Director

Ms. Siu Yeuk Hung, Clara, aged 60, joined the Company on 9 August 2017. Ms. Siu has extensive experience in marketing and business development. Prior to joining the Company, Ms. Siu has worked in a company listed on The Stock Exchange of Hong Kong Limited, responsible for the marketing and business development since 2006.

Mr. Law Ka Kei ("Mr. Law"), Executive Director

Mr. Law Ka Kei, aged 48, is a director of several subsidiaries of the Company. Mr. Law joined the Group as the general manager of a subsidiary of the Company in 2012 and appointed as Executive Director of the Company with effect from 2 July 2020. Mr. Law has over 18 years' retail chain management experience. Mr. Law obtained a Degree of Business Administration from Lingnan University, Hong Kong.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Lee King Fui ("Mr. Lee"), Independent Non-executive Director

Mr. Lee King Fui, aged 46, joined the Company in July 2019. Mr. Lee is the Chairman of the Audit Committee and Remuneration Committee, the member of Nomination Committee of the Company. Mr. Lee is a director of Visionwide Consultancy Limited since October 2017. Mr. Lee has more than 20 years of experience in accounting, audit and corporate finance and advisory services in Malaysia, Hong Kong and Mainland China. He worked at Enesoon Technology Limited from January 2016 to December 2016, and his last position was vice president of strategic investment. Mr. Lee had been the chief financial officer of different companies in Hong Kong and China namely, Legend Oilfield Services Limited, Aujet Industry Limited, and Wellable Marine Biotech Holding Limited for the period from August 2011 to April 2015. Prior to the above mentioned positions, Mr. Lee worked in KPMG Hong Kong from October 2006 to March 2011 and the last position that he held was senior manager. Mr. Lee is an independent non-executive director of S&P International Holding Limited, which listed on the main board of The Stock Exchange of Hong Kong Limited (Stock code: 1695).

Mr. Lee obtained a master's degree in accountancy from The Hong Kong Polytechnic University in October 2012. He was admitted as an associate member of the Hong Kong Institute of Certified Public Accountants since January 2012 and became a fellow member since September 2020. Mr. Lee was admitted as a member of the Association of Chartered Certified Accountants in September 2003 and became a fellow member since September 2008. Mr. Lee was also admitted as a chartered accountant of the Malaysian Institute of Accountants since March 2004.

Mr. Joseph Rodrick Law ("Mr. Law"), Independent Non-executive Director

Mr. Joseph Rodrick Law, aged 45, joined the Company on 22 July 2022. He is a member of the Audit Committee, Nomination Committee, and Remuneration Committee of the Company.

Mr. Law is an entrepreneur, investor, bestselling author, visiting professor, and philanthropist. He serves as the Chairman and CEO of J Global Limited, a consultancy firm providing strategic services to private and public companies across multiple regions, including Australia, Hong Kong, Southeast Asia, India, the United States, and Europe.

In addition, Mr. Law is the CEO of Chill Labs Artificial Intelligence Limited and is actively engaged in the startup and technology sectors. He serves as a mentor for Cyberport and the Tasmu Accelerator Program by the Qatar Government. He is also a member of the Cyberport Investor Network and has served as a judge for JUMPSTARTER, the global pitch competition presented by the Alibaba Entrepreneurs Fund.

A prolific writer, Mr. Law is an Amazon.com bestselling author. He has authored two notable books: "The Chill Panda: Dealing with Change in Work and Life" and "Authentic Power and Greatness." He is a contributing writer for Forbes China.

Mr. Law is deeply committed to philanthropy and mental health advocacy. He is the Chairman of the International Association of Mental Health Hong Kong and the CEO of the JC Happiness Charity Foundation.

A strong proponent of the United Nations' Sustainable Development Goals (SDGs) and ESG (Environmental, Social, and Governance) principles, Mr. Law spearheaded the Inner Chill Campaign, which united 16,000 participants to raise awareness for mental health and successfully set a Guinness World Record.

Ms. Ho Sau Ping, Pia ("Ms. Ho"), Independent Non-executive Director

Ms. Ho Sau Ping, Pia, aged 66, joined the Company on 16 January 2023. Ms. Ho is a member of Audit Committee, Remuneration Committee and Nomination Committee of the Company.

Ms. Ho has been a senior media company officer, and has been engaged in executive management of media content and broadcast programme activities, as well as philanthropy and operational management of social and cultural enterprises, for over 14 years.

Ms. Ho was formerly Creative Director and Producer at Hong Kong Commercial Broadcasting Company Limited, one of Hong Kong's major broadcasting companies. She is a co-founding member of international theatre company Zuni Icosahedron, that has managed events in more than 30 cities, is a venue partner of the Hong Kong Cultural Centre, and is one of the major Hong Kong government-supported professional performing arts groups.

CORPORATE GOVERNANCE REPORT

CORPORATE GOVERNANCE

Corporate Governance Practices

The Company is committed to achieving high standards of corporate governance to protect the interests of the shareholders of the Company. The Company had complied with the code on the basis of the Corporate Governance Code (the "CG Code") as set out in the Appendix C1 of the GEM Listing Rules throughout the year ended 31 March 2025.

During the year ended 31 March 2025, the Board was responsible for determining the policy for the corporate governance of the Company performing the corporate governance duties as below:

- to develop and review the Group' s policies and practices on corporate governance and make recommendations;
- to review and monitor the training and continuous professional development of the Directors and senior management;
- to review and monitor the Group's policies and practices on compliance with all legal and regulatory requirements (where applicable);
- to develop, review and monitor the code of conduct and compliance manual applicable to employees and Directors; and
- to review the Group's compliance with the CG Code and disclosure requirements in the corporate governance report.

SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the required standard of dealings set out in Rules 5.48 to 5.67 (the "Required Standard of Dealings") of the GEM Listing Rules.

Specific enquiry has been made of all the Directors and the Directors have confirmed that they have complied with the Required Standard of Dealings for the financial year ended 31 March 2025.

BOARD OF DIRECTORS

Composition of the Board, Number of Board Meetings and Directors' Attendance

The Company's Board is comprised of experienced and highly competent individuals and a balanced composition of Executive and Non-executive Directors. 5 Board meetings and 2 general meetings were held during the financial year ended 31 March 2025. The composition of the Board and attendance of the Directors are set out below:

Name of Directors	**Attendance/ Number of Board meetings held during the year**	**Attendance/ Number of General meetings held during the year**
Executive Directors		
Mr. Chan Yan Tak *(Chairman)*	5/5	2/2
Mr. Lim Ming Shing, Tony	5/5	2/2
Ms. Siu Yeuk Hung, Clara	5/5	2/2
Mr. Law Ka Kei	5/5	2/2
Independent Non-executive Directors		
Mr. Lee King Fui	5/5	2/2
Mr. Joseph Rodrick Law	5/5	2/2
Ms. Ho Sau Ping, Pia	5/5	2/2
Mr. Cheung Leung (resigned on 10 April 2025)	5/5	2/2

The list of directors (by category) is also disclosed in all corporate communications issued by the Company pursuant to the GEM Listing Rules.

The Executive Directors are responsible for the leadership and control of the Company and oversee the Group's businesses, strategic decisions and performances and are collectively responsible for promoting the success of the Company by directing and supervising its affairs.

The Independent Non-executive Directors are responsible for ensuring a high standard of financial and other mandatory reporting of the Board as well as providing adequate checks and balances in the Board in order to protect shareholders' interest and overall interest of the Group.

Each Independent Non-executive Director has given the Company an annual confirmation of independence pursuant to Rule 5.09 of the GEM Listing Rules. The Company considers that all the Independent Non-executive Directors are independent and meet the independent guidelines set out in Rule 5.09 of the GEM Listing Rules.

CHAIRMAN AND CHIEF EXECUTIVE

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

Mr. Chan Yan Tak was appointed as the chairman of the Company and Ms. Siu Yeuk Hung, Clara remains as the chief executive officer of the Company. Therefore, the Company has complied with Code Provision C.2.1.

BOARD COMMITTEES

Remuneration Committee

During the year ended 31 March 2025, a remuneration committee (the "Remuneration Committee"), consisting of four Independent Non-executive Directors and three Executive Directors, was set up by the Company in accordance with the Code. The Remuneration Committee has adopted written terms of reference in compliance with Code Provision E.1.2. The primary duties of the Remuneration Committee include the following:

– evaluating the performance and making recommendations to the Board on the remuneration packages of the individual executive directors and senior management;

– making recommendations to the Board on the Company's policy and structure for all Directors' and senior management remuneration and on the establishment of a formal and transparent procedure for developing remuneration policy;

– reviewing and approving the management's remuneration proposals with reference to the Board's corporate goals and objectives.

During the year ended 31 March 2025, the Remuneration Committee held one meeting with presence of all eligible members and reviewed and made recommendations on the remunerations packages of the Directors of the Group.

None of the Directors participated in the determination of his/her own remuneration. Attendance of the members of the Remuneration Committee is set out below:

Name of Directors	Number of meetings attended/Number of meetings held
Mr. Lee King Fui	1/1
Mr. Chan Yan Tak	1/1
Mr. Lim Ming Shing, Tony	1/1
Ms. Siu Yeuk Hung, Clara	1/1
Mr. Joseph Rodrick Law	1/1
Ms. Ho Sau Ping, Pia	1/1
Mr. Cheung Leung (resigned on 10 April 2025)	1/1

Audit Committee

The Company established an audit committee ("Audit Committee") with written terms of reference in compliance with the GEM Listing Rules. The primary duties of the Audit Committee are to review the Company's annual report and financial statements, interim report and to provide advice and comment thereon to the Board. The Audit Committee is also responsible for reviewing and supervising the financial reporting process and internal control procedures of the Group. During the year ended 31 March 2025, it consists of four Independent Non-executive Directors, Mr. Lee King Fui, chairman of the Audit Committee, Mr. Joseph Rodrick Law, Ms. Ho Sau Ping, Pia and Mr. Cheung Leung (resigned on 10 April 2025). Two meetings were held during the financial year ended 31 March 2025. Attendance of the members of the Audit Committee is set out below:

Name of Directors	Number of meetings attended/Number of meetings held
Mr. Lee King Fui	2/2
Mr. Joseph Rodrick Law	2/2
Ms. Ho Sau Ping, Pia	2/2
Mr. Cheung Leung (resigned on 10 April 2025)	2/2

The Company's annual results for the year ended 31 March 2025, have been reviewed by the Audit Committee.

Nomination Committee

During the year ended 31 March 2025, a nomination committee (the "Nomination Committee") consisting of four Independent Non-executive Directors and three Executive Directors was set up by the Company in accordance with the CG Code. The Nomination Committee has adopted written terms of reference, which have been amended by the Board in compliance with Code Provision B.3. The primary duties of the Nomination Committee include:

– reviewing the structure, size and composition (including the skills, knowledge and experience) of the Board at least annually and making recommendations on any proposed changes to the Board to complement the issuer's corporate strategy;

– identify individuals suitably qualified to become board members and select or make recommendations to the Board on the selection of, individuals nominated for directorships;

– reviewing the nomination of Directors and making recommendations to the Board on terms of such appointment;

– assessing the independence of Independent Non-executive Directors.

During the year ended 31 March 2025, the Nomination Committee held one meeting with the presence of all eligible members and (i) reviewed and discussed the structure, size and composition of the Board to ensure that it has a balance of expertise, skills, experience and diversity of perspectives appropriate to the requirements for the business of the Group and (ii) recommendation on the re-election of the retiring Directors. Attendance of the members of the Nomination Committee is set out below:

Name of Directors	Number of meetings attended/Number of meetings held
Mr. Chan Yan Tak	1/1
Mr. Lim Ming Shing, Tony	1/1
Ms. Siu Yeuk Hung, Clara	1/1
Mr. Lee King Fui	1/1
Mr. Joseph Rodrick Law	1/1
Ms. Ho Sau Ping, Pia	1/1
Mr. Cheung Leung (resigned on 10 April 2025)	1/1

DIVERSITY

The Company has adopted a board diversity policy (the "Board Diversity Policy"), which sets out its approach to achieve and maintain diversity on the Board in order to enhance the effectiveness of the Board.

The Company recognises the benefits of Board diversity and endeavours to ensure that the Board has the appropriate balance and level of skills, experience and perspectives required to support the execution of its business strategies. The Company seeks to achieve Board diversity through the consideration of a number of factors, including professional qualifications and experience, cultural and educational background, gender and age. The Company will also take into consideration factors based on its own business model and specific needs from time to time in determining the optimum composition of the Board.

The Board has set measurable objectives (in terms of gender, skills and experience) to implement the Board Diversity Policy and review such objects from time to time to ensure their appropriateness and ascertain the progress made towards achieving those objectives. The Nomination Committee will review the Board Diversity Policy, as appropriate, to ensure its continued effectiveness from time to time.

The Company considers that the current composition of the Board is characterised by diversity, whether considered in terms of professional background and skills.

TRAINING AND CONTINUING DEVELOPMENT FOR DIRECTORS

All Directors should participate in continuing professional development to develop and refresh their skills to ensure that they have appropriate understanding of the business and operations of the Group and that they are sufficiently aware of their responsibilities and obligations under the GEM Listing Rules and relevant regulatory requirements.

The existing Directors are continually updated with legal and regulatory developments, and the business and market changes to facilitate the discharge of their responsibilities. Continuing briefings and professional development for Directors will be arranged where necessary.

The Company has also continually updated Directors on the latest development regarding the GEM Listing Rules and other regulatory requirements, to ensure compliance and enhance their awareness of good corporate governance practices.

RESPONSIBILITIES IN RESPECT OF THE FINANCIAL REPORTING

The Board is responsible for presenting a balanced, clear and understandable assessment of annual, interim and quarterly reports, price-sensitive announcements and other disclosures required under the GEM Listing Rules and other regulatory requirements.

The Directors acknowledged their responsibility for preparing the financial statements of the Company for the year ended 31 March 2025.

The statement of the external auditors of the Company about their reporting responsibilities on the financial statements is set out in the "Independent Auditor's Report" on pages 55 to 58.

AUDITOR'S REMUNERATION AND AUDITOR RELATED MATTERS

For the year ended 31 March 2025, the remuneration paid or payable to the Company's auditor, CL Partners CPA Limited, is set out as follows:

	Fee
	HK$'000
Statutory audit services	880

RISK MANAGEMENT AND INTERNAL CONTROLS

The Board has overall responsibility for the internal control system of the Company. The Board has developed its systems of internal control and risk management and is also responsible for reviewing and maintaining an adequate internal control system to safeguard the interests of the shareholders and the assets of the Company.

The Audit Committee assists the Board in leading the management and overseeing their design, implementation and monitoring of the risk management and internal control systems.

The Board provides direction to senior management by setting the organisation's risk appetite. It also seeks to identify the principal risks facing the organization. Thereafter, the Board assures itself on an ongoing basis that senior management is responding appropriately to these risks. The Group has adopted three lines of defence to identify, assess and manage different types of risks. As the first line of defence, operational management has ownership, responsibility and accountability for directly assessing, controlling and mitigating risks. The second line of defence, consists of the compliance officer, financial controller, company secretary, IT department and all department heads, monitors and facilitates the implementation of effective risk management practices by operational management and assists the risk owners in reporting adequate risk related information up and down the organization. It ensures that risks are within acceptable range and that the first line of defence is effective. As the final line of defense, the independent consultant assists the Audit Committee to review the first and second lines of defense. The independent consultant will, through a risk-based approach to their work, provide assurance to the Board and Audit Committee.

As the corporate and operation structure of the Group is not complex and a separate internal audit department may divert resources of the Group, the Group currently does not have an internal audit department. However, the Group has engaged an independent third party internal control consultant to, on an annual basis, review and provide recommendations on improving its internal control system in order to manage our business risks and to ensure our smooth operation. The review covered certain operational procedures. No significant control failings or weakness have been identified by the consultant during the review. The Board and the Audit Committee would review the need for an internal audit function on an annual basis.

The management has reported to the Board and the Audit Committee on the effectiveness of the risk management and internal control systems for the year ended 31 March 2025. The Board and the Audit Committee considered the risk management and internal control systems effective and adequate. No significant areas of concern that might affect shareholders were identified.

It should be acknowledged that the Group's risk management and internal control system are designed to manage rather than eliminate the risk of failure to achieve business objectives at the reasonable level, but not absolute assurance against material misstatement or loss.

Inside Information

The Company has developed its disclosure policy which provides a general guide to the Company's Directors, officers, senior management and relevant employees in handling confidential information, monitoring information disclosure and responding to enquiries.

Control procedures have been implemented to ensure that unauthorized access and use of inside information are strictly prohibited.

INVESTOR RELATIONS

The Company recognises the importance in engaging in regular, effective and fair communication with its shareholders and is committed to conveying important and relevant information to the shareholders on a timely basis.

The Company strives to ensure that information is made publicly available in a prompt and timely disseminated manner. Disclosure of information is made through announcements to the Stock Exchange, the Company's annual reports and interim reports, as well as the corporate website (www.ecrepay.com).

SHAREHOLDERS' RIGHTS

The rights of shareholders and the procedures for demanding a poll on resolutions at shareholders' meetings are contained in the Company's Bye-laws. Details of such rights to demand a poll will be included in the circular to shareholders in relation to the holding of 2025 annual general meeting and explained during the proceedings of the meeting.

Save as aforesaid, pursuant to section 62 of the Bye-Laws, special general meetings of the Company (the "SGM") shall be convened on the requisition of the members of the Company holding at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company carrying the right of voting at general meetings of the Company shall at all times have the right, by written requisition to the Board or the company secretary of the Company, to require a SGM to be called by the Board for the transaction of any business or resolution specified in such requisition; and the SGM shall be held within two months after the deposit of such requisition. If within twenty-one days of such deposit the Board fails to proceed to convene such meeting, the requisitionist(s) himself (themselves) may convene in accordance with the provisions of Section 74(3) of the Companies Act.

To ensure effective communication between the Board and the shareholders, the Company has adopted a shareholders' communication policy (the "Policy"). Under the Policy, the Company's information shall be communicated to the shareholders mainly through general meetings, including annual general meetings, the Company's financial reports (annual and interim reports), and its corporate communications and other corporate publications on the Company's website and the Stock Exchange's website. Shareholders may at any time make a request for the Company's information to the extent that such information is publicly available. Any such questions shall be first directed to the Chairman of the Board of the Company at the Company's principal place of business in Hong Kong by post or by email. Shareholders may also directly raise questions during the shareholders' meetings.

The number of shareholders necessary for putting forward a proposal at a shareholders' meeting shall be any number of shareholders representing not less than one-tenth of the paid up capital of the Company carrying the right of voting at general meetings at the date of the request.

ENVIRONMENTAL ISSUES

The Company is committed to the sustainable development of the environment and our society. The Group has endeavoured to comply with laws and regulations regarding environmental protection and adopted effective environmental policies to ensure its projects meet the required standards and ethics in respect of environmental protection.

RELATIONSHIPS WITH STAKEHOLDERS

The Company recognises that our employees, customers and suppliers and business associates are key stakeholders to the Company's success. We strive to achieve corporate sustainability through engaging our employees, providing quality products and services to our customers, collaborating with suppliers to deliver quality sustainable products and services and supporting our community.

COMPANY SECRETARY

Mr. To Chi is the company secretary of the Company. Mr. To has confirmed that he had received no less than 15 hours of relevant professional training for the year ended 31 March 2025, in compliance with Rule 5.15 of the GEM Listing Rules.

REPORT OF THE DIRECTORS

The directors of the Company (the "Directors") present their annual report together with the audited consolidated financial statements for the year ended 31 March 2025.

PRINCIPAL ACTIVITIES

The Group is principally engaged in money lending business, financial instruments and quoted shares investment, retail and wholesale business.

BUSINESS REVIEW

A review of the business of the Group and a discussion on the Group's future business development during the year ended 31 March 2025 are provided in the Chairman's Statement on page 5 and Management Discussion and Analysis on pages 6 to 16 of this Annual Report.

An analysis of the Group's performance during the year ended 31 March 2025 using financial key performance indicators is provided in the Financial Summary on page 3 of this Annual Report.

Discussion on the Group's environmental issues and compliance with the relevant laws and regulations that have a significant impact on the Company are contained in the Corporate Governance Report and Environmental, Social and Governance Report on pages 19 to 25 and 32 to 54 of this Annual Report.

The Company's key relationships with its employees, customers and suppliers and business associates that have a significant impact on the Company and on which the Company's success depends are shown in the Management Discussion and Analysis under "Employees" section on page 15 and in the Corporate Governance Report on pages 19 to 25 of this Annual Report.

RESULTS AND APPROPRIATIONS

The results of the Group for the year ended 31 March 2025 are set out in the consolidated statement of profit or loss and other comprehensive income on page 59 of the annual report.

The Directors of the Company did not recommend the payment of any dividend for the year ended 31 March 2025 (2024: Nil).

FINANCIAL SUMMARY

A summary of the results and of the assets and liabilities of the Group for the last five years is set out on page 3.

PROPERTY, PLANT AND EQUIPMENT

Details of the movements in property, plant and equipment of the Group are set out in note 14 to the consolidated financial statements.

ISSUED CAPITAL

Details of the movements in issued capital of the Company for the year ended 31 March 2025 are set out in note 31 to the consolidated financial statements.

RESERVES

Details of the movements in reserves of the Group during the year are set out on page 62 in the consolidated financial statements.

DISTRIBUTABLE RESERVES

The Company's reserves available for distribution to shareholders as at 31 March 2025, comprising share premium, contributed surplus and accumulated losses, amounted to HK$26,313,000.

MAJOR CUSTOMERS AND SUPPLIERS

The five largest suppliers of the Group accounted for approximately 56.7% of its cost of sale for the year ended 31 March 2025. The largest supplier of the Group accounted for approximately 22.8% of its cost of sale for the year ended 31 March 2025.

Sales to the Group's five largest customers accounted for approximately 29.9% of the Group's turnover for the year ended 31 March 2025. The Group's largest customer accounted for approximately 27.3% of the Group's turnover for the year ended 31 March 2025.

Save as disclosed above, if any, none of the Directors or any of their associates (as defined in the Rules Governing the Listing of Securities on GEM (the "GEM Listing Rules")) or any shareholders of the Company (who, to the knowledge of the Directors, own more than 5% of the issued share capital of the Company) had any beneficial interest in any of the five largest suppliers or customers of the Group for year ended 31 March 2025.

DONATION

During the year ended 31 March 2025, no donation was made by the Group (2024: Nil).

DIRECTORS

The Directors who held office during the year are:

Executive Directors

Mr. Chan Yan Tak *(Chairman)*
Mr. Lim Ming Shing, Tony
Ms. Siu Yeuk Hung, Clara
Mr. Law Ka Kei

Independent Non-executive Directors

Mr. Lee King Fui
Mr. Joseph Rodrick Law
Ms. Ho Sau Ping, Pia
Mr. Cheung Leung (resigned on 10 April 2025)

LIABILITY INSURANCE FOR THE DIRECTORS AND OFFICERS

The Company has in force appropriate insurance coverage on Director's and officer's liabilities arising from the Group's business. The Company reviews the extent of insurance coverage on an annual basis.

DIRECTORS' SERVICE CONTRACTS

All of the Directors have entered into a service contract with the Company and the service contracts shall be renewed automatically after a year unless and until terminated by not less than three months' notice in writing served by either party to the other. Pursuant to the Company's Bye-laws, the Directors, regardless of his/her term of appointment, if any, are subject to retirement by rotation at least once every three years and any new director appointed to fill a casual vacancy is subject to re-election by shareholders at the first general meeting after his/her appointment.

MANAGEMENT CONTRACTS

No contract concerning the management and administration of the whole or any substantial part of the business of the Company was entered into or existed during the year ended 31 March 2025.

EMOLUMENT POLICY

A remuneration committee is set up for reviewing the Group's emolument policy and structure of all remuneration of the Directors and senior management of the Group, having regard to the Group's operating results, individual performance and comparable market practices.

REMUNERATION OF DIRECTORS, SENIOR MANAGEMENT AND FIVE INDIVIDUALS WITH HIGHEST EMOLUMENTS

Details of the emoluments of the Directors, senior management and five individuals with highest emoluments are set out in notes 9 and 10 to the consolidated financial statements respectively.

SHARE OPTION SCHEME

The Company has adopted a share option scheme pursuant to Chapter 23 of the GEM Listing Rules (the "Share Option Scheme") on 29 May 2023 (the "Date of Adoption").

The purpose of the Share Option Scheme is to enable the Company to grant Share Options to the selected eligible participants ("Eligible Participants") as incentives or rewards for their contribution or potential contribution to the development and long-term growth of the Group.

Eligible Participants means any person belonging to the following classes of participants:

(a) any Employee Participant – means any director (including independent non- executive Director) and employee (whether full time or part time) of the Company or the Group who in the sole discretion of the Board has contributed or will contribute to the Group;

(b) any Related Entity Participant – means any director and employee of the Related Entity, i.e. the holding companies, fellow subsidiaries or associated companies of the Company; and

(c) any Service Provider – means any person providing services to the Group on a continuing and recurring basis in its ordinary and usual course of business of the Group, the grant of Options to whom is in the interests of the long-term growth of the Group as determined by the Board.

The eligibility of each Eligible Participant shall be determined by the Board from time to time on the basis of the contribution or potential contribution of the Eligible Participant to the development and growth of the Group.

The Share Option Scheme shall be valid and effective for a period of ten years commencing from the Date of Adoption. Therefore, as at the date of this report, the remaining life of the Share Option Scheme was approximately nine years.

Under the Share Option Scheme, the Board shall be entitled to determine the grant of share options and the number of share options to be granted to the relevant grantees taking into account such factors as the Board may consider appropriate. The maximum number of shares which may be issued upon exercise of all options to be granted under the Share Option Scheme and other share option scheme(s) of the Company (if any) and the awards to be granted under share award scheme(s) of the Company (if any), is 2,593,220 shares (after effective of capital reorganisation on 29 November 2024), being 10% of the total number of shares in issue as at the Date of Adoption. The Company may seek the approval of its shareholders in general meeting to refresh the aforesaid scheme mandate limit pursuant to the Share Option Scheme and the GEM Listing Rules.

No option shall be granted to any Eligible Participant, if at the relevant time of grant, the number of shares issued and to be issued in respect of all grants made under any share scheme(s) of the Company (granted and proposed to be granted, whether exercised, cancelled or outstanding, excluding any options or awards lapsed in accordance with any share schemes of the Company) to the relevant Eligible Participant in the 12-month period up to and including the date of such grant would exceed 1% of the total number of shares in issue at such time. Any grant or further grant of share options in excess of this limit is subject to shareholders' approval in a general meeting of the Company.

The total number of shares which may be issued in respect of all options to be granted to the Service Provider(s) under the Share Option Scheme and all options and awards to be granted under any other share option scheme(s) and share award scheme(s) of the Company shall not exceed 0.5% of the total number of shares in issue ("Service Provider Sublimit") as at the Date of Adoption or the relevant date of approval of the refreshment of the Service Provider Sublimit.

The exercise price of share options is determined by the Board and shall be at least the highest of (i) the closing price of the Company's shares as stated in the daily quotations sheet of the Stock Exchange on the date of offer of the share options, which must be a business day; (ii) the average of the closing prices of the Company's shares as stated in the daily quotations sheets of the Stock Exchange for the five business days immediately preceding the date of offer of the share options. Offers for grant of options shall be valid for acceptance within 30 days after the date of offer, when the grantee shall pay HK$1.00 to the Company as consideration for the grant.

Vesting period for the options granted under the Share Option Scheme shall not be less than twelve (12) months.

No options have been granted, cancelled, exercised or lapsed under the Share Option Scheme from the Date of Adoption. As at the date of this report, the number of share options available for grant under the scheme mandate is 2,593,220 and the Service Provider Sublimit is 129,661.

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

As at 31 March 2025, none of the interests and short positions of the Directors and chief executive of the Company in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of part XV of the SFO), which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which were required, pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules relating to securities transactions by the Directors to be notified to the Company and the Stock Exchange.

INTERESTS AND SHORT POSITIONS OF SUBSTANTIAL SHAREHOLDERS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS

So far as known to the Directors, as at 31 March 2025, the Directors were not aware of any other person (other than the Directors and chief executive of the Company as disclosed above) who had an interests or short position in the shares or underlying shares or debentures of the Company which would fall to be disclosed under Divisions 2 and 3 of Part XV of the SFO, or who was interested in 10% or more of the nominal value of any class of share capital, or options in respect of such capital, carrying rights to vote in all circumstances at general meetings of the Company.

Name	**No. of Shares**	**Approximate percentage to the issued share capital of the Company as at 31 March 2025**
Mr. Chan Tsz Hong	9,059,843	29.12%
Mr. Cheng Sai Chit, Luke *(Note 1)*	3,952,500	12.70%

Note:

1. Mr. Cheng Sai Chit, Luke is the brother-in-law of both Mr. Chan Yan Tak and Mr. Lim Ming Shing, Tony, both are the executive directors of the Company.

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Company's Bye-laws or the laws of Bermuda, which would oblige the Company to offer new shares on a pro rata basis to existing shareholders of the Company.

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

For the year ended 31 March 2025, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

RELATED PARTY TRANSACTIONS

Details of the related party transactions for the period are set out in note 33 to the consolidated financial statements.

Save as disclosed therein, there were no other transactions to be disclosed as related party transactions in accordance with the requirements of the GEM Listing Rules.

COMPETING INTEREST

None of the Directors or the controlling shareholder (as defined in the GEM Listing Rules) of the Company has an interest in a business, which competes or may compete with the business of the Group.

CONFIRMATION OF INDEPENDENCE

The Company has received from each of the Independent Non-executive Directors an annual confirmation of independent pursuant to Rule 5.09 of the GEM Listing Rules and considers all the Independent Non-executive Directors to be independent.

SUFFICIENCY OF PUBLIC FLOAT

Based on the information publicly available to the Company and within the knowledge of the Directors as at the date of this report, the Company maintained the prescribed public float under the GEM Listing Rules.

AUDITOR

The consolidated financial statements for the year ended 31 March 2025, 2024 and 2023 were audited by CL Partners CPA Limited whose term of office will expire upon the annual general meeting. A resolution for the re-appointment of CL Partners CPA Limited as the auditor of the Company for the subsequent year will be proposed at the forthcoming annual general meeting.

On behalf of the Board
Wisdomcome Group Holdings Limited

Chan Yan Tak
Chairman

Hong Kong, 25 June 2025

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

ABOUT THIS REPORT

Introduction

In accordance to Appendix C2- Environmental, Social and Governance Reporting Guide (the "ESG Reporting Guide") of the Rules Governing the Listing of Securities (the "Listing Rules") on the Stock Exchange of Hong Kong Limited (the "Stock Exchange"), Wisdomcome Group Holdings Limited and its subsidiaries (collectively known as the "Group" or "We") are pleased to present this Environmental, Social and Governance Report (the "ESG Report"). The purpose of the ESG Report is to provide our stakeholders with a comprehensive view of our environmental, social and governance ("ESG") performance, initiatives and achievements in four areas: environmental protection, employment and labour policies, operational practices and community involvement.

Reporting Principles

The ESG Report is prepared according to the "Comply or Explain" provisions and the four Reporting Principles as required by the ESG Reporting Guide:

1. Materiality: Disclosure is required in this Report if ESG issues have a material impact on our investors and other stakeholders.

2. Quantitative: The identified ESG data are measurable, so that the KPIs in this Report can be compared with peers, industry standards and our previous years' performance.

3. Balance: The performance information in the Report is presented in an unbiased manner, avoiding selections, omissions or presentation that might inappropriately influence the decisions or judgments of stakeholder.

4. Consistency: To ensure comparability, all key performance indicators calculations and assumptions are consistent with previous years. Any changes in relevant assumptions or calculation methods are clearly disclosed to inform stakeholders.

Reporting Boundary

The scope of the ESG Report mainly focuses on the Group's principle businesses which includes money lending business, financial instruments and quoted shares investment, retail and wholesale business in Hong Kong. The information stated in this report covers the period from 1 April 2024 to 31 March 2025 (the "Reporting Period"). The disclosure of systems, policies, and compliance with laws and regulations is made on a Group-wide basis. The Group has compiled ESG Key Performance Indicator ("KPI"), as shown in this ESG Report and supplemented by notes for benchmarking purposes. In addition to achieving our business objectives, we recognize our responsibility to operate in a more responsible and sustainable manner by integrating ESG considerations into our day-to-day operations. Information regarding to the Group's corporate governance practices, please refer to the section headed "Corporate Governance Report" in the latest annual report.

ESG GOVERNANCE

Our Sustainability Mission

In response to the concept of sustainable development and to create long-term value for our shareholders, the Group has incorporated ESG themes into our daily operations in an effort to pursue sustainable business development. We have incorporated "sustainability" as an ESG factor into our business operations, which is an important part of our corporate strategic objectives.

Our Approach to Sustainability

The Board believes that sustainable development is an important aspect for the future development of the Company and therefore attaches great importance to the Group's sustainable development performance and plans during the Reporting Period. The Board believes that sustainable development should come from internal management and takes the lead in implementing green strategies to contribute to the achievement of carbon neutrality.

The Board is committed to taking overall responsibility for setting and overseeing the Group's sustainability direction and strategy by conducting at least one corporate risk assessment each year to identify current and potential risks in our complex operating environment, including but not limited to ESG aspects. It also actively engages with various stakeholders to ensure that the Group's ESG performance meets their expectations. In addition, the Board, in order to address environmental related risks and social sustainability risks, has taken a series of measures to address the risks identified in the corporate risk assessment to reduce the impact of potential risks on stakeholders and the environment.

STAKEHOLDER ENGAGEMENT

In its activities with stakeholders, the Group is committed to creating positive social value. We define stakeholders according to their relationship with the Group, the extent to which they are affected by our business operations and the extent to which they influence the achievement of our business objectives. The Group believes it is important to consider the interests of all stakeholders in order to strengthen stakeholder relationships with our internal and external stakeholders. The key stakeholders engaged during the Reporting Period included investors, employees, suppliers, media, communities, customers and stock exchanges.

Stakeholder engagement is essential for the Group to understand their concerns and expectations in order to identify the most important aspects of ESG. It is the foundation of our sustainability strategy, supports our long-term sustainability and this ensures that the Group keeps abreast of ESG developments in our industry and the changing operating environment. At the same time the Group will continue to proactively engage with key stakeholder groups in a variety of ways to fully understand their views and expectations. The areas of concern to stakeholders are listed below:

Major Stakeholders		Communication and Response Channels	Major Concerns
Internal	Employees	• Staff training events • Team building activities • Performance appraisal • Meetings and interview	• Training opportunities and career development • Compensation and benefits • Health and safety of working environment • Employee rights, benefits and compensation
	Shareholders and investors	• Press release • Corporate Announcements and Circulars • Annual and Interim Reports • Annual General Meetings	• Sound risk management and effective corporate governance • Profitability • Financial stability and responsible investment • Information Disclosure and Transparency
External	Suppliers	• Tender conferences • Site visits • Supplier performance review • Phone calls	• Fair and transparent supplier selection process
	Governments and Supervisory Institutions	• Site visits and conferences • Examinations and inspections • Mandatory local and regional reporting requirements	• Compliance to laws and regulations • Community engagement and social welfare • Corporate governance • Environmental impact and carbon footprint
	Stock Exchange	• Webinars and reports on regulatory updates • Training events • Online meetings	• Disclosure of materials ESG topics • Compliance with the Listing Rules • Corporate governance • Timely announcements and the publish of external reports
	Media	• Public relation events • Company website	• Financial performance • Corporate governance • Community engagement • Environmental impact
	Community	• Community volunteering events and services • Charitable activities	• Environmental impact • Community development and Charitable Activities • Corporate social responsibility • Integrity of business
	Customers	• Customer service hotline and e-mails • Meetings and Correspondences • Telephone consultations	• Quality of product and services • Privacy protection • Fair and reasonable pricing

During this period, we have learned through multiple communication channels the main points of concern for our key stakeholders, including ESG compliance, environmental impact and anti-corruption measures. At the same time, in order to contribute more in protecting the environment and supporting social contributions, we embarked on a wave of change to lead the business with sustainability as the main driver. We emphasize the importance of sustainability in our operational strategy, as we believe that for the Group to grow in the long term, we must follow a sustainable path.

MATERIALITY ASSESSMENT

During the Reporting Period, in order to help stakeholders to understand the Group's ESG performance and understanding of sustainable development, the Group conducted an annual review to identify the main concerns and key interests of stakeholders on ESG issues through a substantive assessment survey with stakeholder participation. Based on the level of influence and dependence of internal and external stakeholders on the Group, some stakeholders, including employees and suppliers, participated in this substantive assessment.

In addition, some stakeholders were invited to participate in an electronic survey to express their views on the list of ESG questions. The table below briefly shows the results of the assessment. The ESG issues located in the second quadrant (top right) are the most important areas of concern and will be prioritized for resource investment.

Below is the detailed methodology of our materiality assessment method:

1. Design of the methodology: The materiality analysis was designed around the implementation of ESG initiatives and is in line with the materiality principles outlined in the Reporting Principles section above and the Listing Rules.

2. Identification of material ESG issues: The Group relies on the previous year's material ESG issues, stakeholder feedback, policies and procedures, industry and international trend reports, regulatory updates and external standards to identify ESG issues.

3. Stakeholder validation and engagement: ESG issues are rated with internal and external stakeholders based on a rating range from 0 (no significance) to 5 (high significance). Other ESG issues not covered in the above assessment can also be raised and stakeholders are encouraged to provide feedback on our engagement approach.

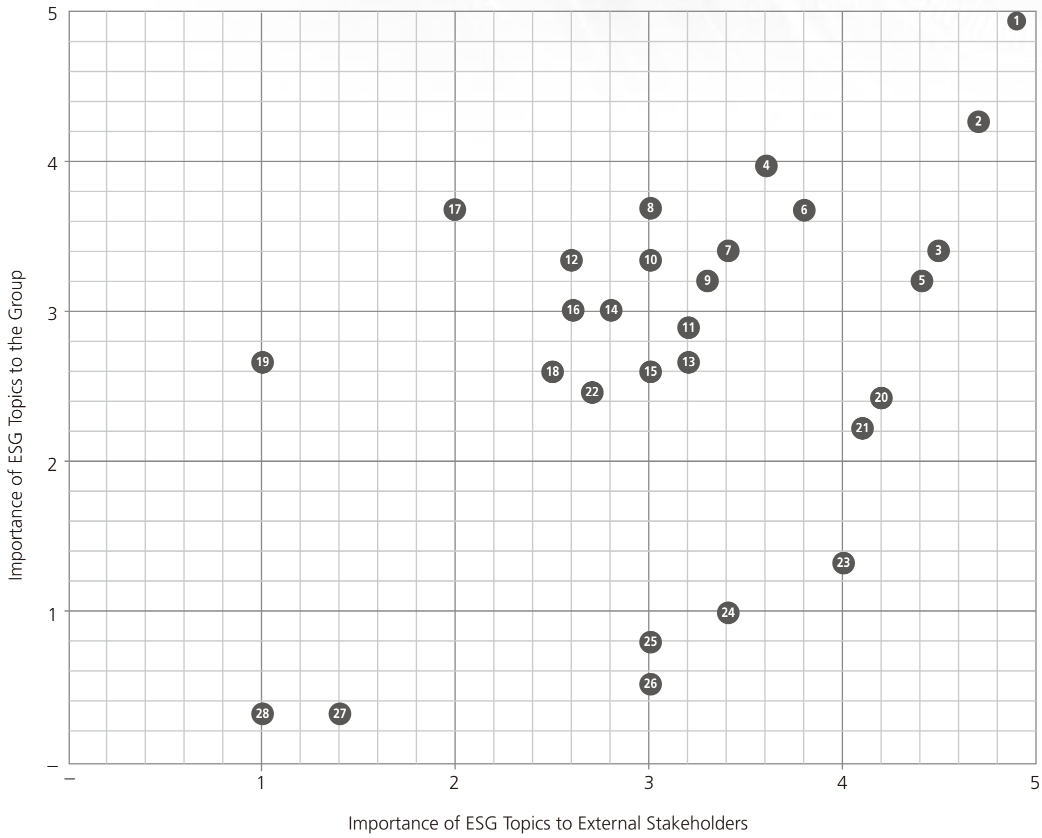
4. Prioritization of significant ESG issues: Through statistical analysis of the data, ESG issues are prioritized according to their importance and presented in a chart.

The following table provides an overview of the ranking of materiality of the ESG topics of the Group:

Item	ESG Topic	Item	ESG Topic
1	Employee remuneration, benefits and rights	15	Environmental risks and social risks of the suppliers
2	Product health and safety	16	Marketing communications
3	Selection and monitoring of suppliers	17	Number of concluded legal cases regarding corrupt practices
4	Customer satisfaction	18	Environmentally preferable products and services
5	Employee development and training	19	Community support
6	Customer information and privacy	20	Energy use
7	Anti-corruption policies and whistle-blowing procedure	21	Water use
8	Cultivation of local employment	22	Preventing child and forced labor
9	Observing and protecting intellectual property rights	23	Hazardous waste production
10	Anti-corruption training provided to directors and staff	24	Non-hazardous waste production
11	Occupational health and safety	25	Mitigation measures to protect environment and natural resources
12	Diversity and equal opportunity of employees	26	Climate change
13	Use of materials	27	Air emissions
14	Product and service labelling	28	Greenhouse gas emissions

The following table briefly shows the results of the assessment:

Materiality Assessment Matrix



Through the above analysis, the Group has identified "Employee Remuneration, Benefits and Rights", "Product Health and Safety" and "Supplier Selection and Monitoring" as highly important issues. Given the high level of concern over these significant issues, the Group has carefully evaluated the risks and opportunities behind these issues, which are detailed in the following sections of this ESG report.

Information and Feedback

The Group welcomes all feedback from investors and stakeholders in particular the important areas identified in the materiality assessment. Your opinion is highly valued, should you have any suggestions or comments, please contact us through the channels below:

Post:	Unit 502, 5/F, Eastmark, 21 Sheung Yuet Road, Kowloon Bay, Kowloon, Hong Kong
Telephone:	+(852) 2898 0567
E-mail:	info@ecrepay.com

A. ENVIRONMENTAL

The Group is committed to sustainable development and environmental management as an important part of our business strategy, in order to promote better environmental management, the Group continues to make its best efforts to comply with all laws, regulations and rules relating to air and greenhouse gas emissions in its operations, including but not limited to, the Air Pollution Control Ordinance (Cap 311), and the Protection of Odour Layer Ordinance (Cap 403). During the Reporting Period, the Group was not aware of any non-compliance with laws and regulations relating to emissions and the environment.

In general, the Group's energy consumption and raw material use are relatively low within the scope of its operations. The Group's main business is the provision of providing high quality financial services with minimal direct impact on the environment and, in addition, we do not generate significant amount of hazardous waste.

Aspect A1: Emissions and waste generated

The Group implements robust systems to ensure all discharges to air, water and land are compliant with regulatory standards. During the Reporting Year, the Group has encountered no incidents of non-compliance with all applicable laws and regulations related to environmental impacts in Hong Kong. Major laws and regulations applicable are detailed in respective sections.

Air Emissions

Due to the nature of its business, the Group does not generate significant emissions. In view of the daily business activities of the Group, direct emissions are mainly from the combustion of fuel in the operational vehicles. The Group endeavours to use alternative channels to replace the use of daily business vehicles, such as arranging online calls or video conferences. If in-person meetings are required for business purposes, the Group encourages the use of public transportation for long distances and bicycles or walking for short distances.

Regarding the approximate amounts of sulphur oxides ("SOx"), nitrogen oxides ("NOx") and respiratory suspended particulate matter ("RSP") generated during the Group's operations, the figures are shown in the table below:

Emissions from Vehicles	Unit	2025/24	2024/23	Percentage Comparison
Sulphur oxides (SOx)	Kilograms	0.05	0.10	-50%
Nitrogen oxides (NOx)	Kilograms	2.12	3.44	-38%
Respiratory suspended particles (RSP)	Kilograms	0.16	0.25	-36%

During the Reporting Period, the total emission of SOx, NOx and RSP are 0.05 kg, 2.12 kg, and 0.16 kg, respectively. Comparing to the emissions data in the last Reporting Period, the air emissions of SOx, NOx and RSP have decreased 50%, 38% and 36% respectively. During the Reporting Period, the Group's vehicles consumed less fuel compared to previous year. The Group will keep monitoring on the emissions data in order to enhance the least usage of vehicles in the future. The Group is aware of the air pollutants generated from vehicles usage and will consider to use a more environment-friendly fuel type, such as electricity or other biomass sources, in the upcoming Reporting Period to reduce carbon footprint.

Greenhouse Gas Emissions

The Group has been closely monitoring the level of greenhouse gas emissions and exploring different ways to reduce our carbon footprint. The Group's main contribution to its carbon footprint comes from indirect GHG emissions from air travel for business purposes and electricity consumption, mainly due to the use of office equipment in the workplace, including but not limited to lighting systems, air conditioning and office machines. The Group's greenhouse gas emissions can be broadly categorized into direct emissions (Scope 1), indirect emissions from energy (Scope 2) and other indirect emissions (Scope 3). During the Reporting Period, the greenhouse gas emissions are as follows:

Aspects[1]	**Unit[2]**	**2025/24**	**2024/23**	**Percentage Comparison**
Scope 1 – Direct Emissions[3]	tCO_2e	8.61	18.97	-55%
Scope 2 – Indirect Emissions[4]	tCO_2e	239.94	363.48	-34%
Scope 3 – Other Indirect Emissions[5]	tCO_2e	8.03	13.44	-40%
Total GHG Emissions	**tCO_2e**	**256.58**	**395.89**	**-35%**
GHG emission intensity[6]	**tCO_2e/number of employees**	**6.93**	**10.41**	**-33%**

Notes:

1. GHG emission data is presented in terms of carbon dioxide equivalent and the methodology adopted for reporting on GHG. The above GHG emission data have been compiled with reference to "How to prepare an ESG Report–Appendix II: Reporting Guidance on Environmental KPIs" issued by the Stock Exchange.
2. tCO_2e refers to tonnes of carbon dioxide equivalent.
3. Direct emissions of the Group were from fuel combustion in vehicles.
4. Energy indirect emissions of the Group were from purchased electricity.
5. Other indirect emissions of the Group included air travel for business, paper used and recycled and electricity used for fresh water and sewage processing by government department.
6. The intensity is calculated by dividing the GHG emissions by the Group's total number of employees during the Reporting Period.

During the year, the total carbon emissions are approximately 256.58 tonnes, representing a decrease of 139.31 tonnes, or 35%, compared with the figure in the last fiscal year. Looking forward, the Group endeavours to reduce the GHG emissions by reducing the energy consumption level and adoption of various energy saving measures with a view to reduce greenhouse gas emission. The Group will continue to assess and record its greenhouse gas emissions and other environmental data annually and compare it with last year's data to assist the Group in further developing emission reduction targets in the future.

Waste Management

Due to the nature of our business activities, we did not generate significant amounts of hazardous waste from our operations during the Reporting Period. During the Reporting Period, the Group generated approximately 10 pieces of printer cartridges with the intensity of hazardous waste 0.3 pieces per number of employees in 2025. Regarding non-hazardous waste, our waste mainly comes from general office waste and paper. During the Reporting Period, the Group generated 0.37 tonnes of general office waste and 0.87 tonnes of paper waste. As part of our environmental protection strategy, our non-hazardous waste is handed over to qualified waste disposal companies in each of our business areas for disposal in an appropriate manner.

Non-hazardous waste	**Units**	**2025/24**	**2024/23**	**Percentage Comparison**
General office waste	Tonnes	0.37	1.48	-75%
Paper	Tonnes	0.87	1.14	-24%
Total non-hazardous waste	**Tonnes**	**1.24**	**2.62**	**-53%**
Non-hazardous waste intensity[2]	**Tonnes/number of employees**	**0.03**	**0.07**	**-57%**

Note:

1. The intensity is calculated by dividing the non-hazardous waste by the Group's total number of employees during the Reporting Period.

Conserving paper is one of the best measures to protect forests and the environment. In order to save energy and protect resources, the Group uses office paper scientifically and reasonably; for this reason, the Group also advocates its employees to start from the side, save every piece of paper, cherish and protect our ecological environment.

The Group has also adopted a number of practical conservation measures to contribute to the saving of resources and to enable employees to consciously develop green and low-carbon working habits, including but not limited to the following:

- Encourage employees to reduce unnecessary printing by sharing documents among colleagues via network transfer, thereby reducing paper usage;
- Encourage double-sided printing and the use of waste paper in printing;
- Use recycled paper for informal documents and draft documents within the Group; and
- Set up waste paper recycling bins in the office, and put fully utilized paper and waste newspapers into the bins, and collect a certain amount for recycling and disposal.

During the Reporting Period, the Group adhered with all relevant laws and regulations on the generation of hazardous waste and non-hazardous waste including but not limited to the Waste Disposal Ordinance (Cap 354 of the Laws of Hong Kong). The Group adopts a range of environmental measures to reduce hazardous and non-hazardous waste. The Company also advocates for its employees to minimize any unnecessary waste of raw materials at the start of their work. Looking forward, the Group plans to minimize the waste at the source, promote recycling of waste and create a paperless office, and continue to strengthen disposal of hazardous waste, so as to reduce both the discharge of hazardous and non-hazardous waste in next year.

Aspect A2: Use of Resources

The Group is committed to continually monitoring and improving resource efficiency as an integral part of business strategy and operating methods, as well as complying with relevant government policies and environmental legislations. During the Reporting Year, the Group has encountered no incidents of non-compliance with all applicable laws and regulations related to the use of energy and water resources. Major laws and regulations applicable are detailed in respective sections.

The Group is not a manufacturing company and, as such, the use of resources in our business activities is minimal. The Group understands that the proper use of resources is an integral part of sustainable development. The Group continues to uphold the highest environmental standards in our business operations as the Group believes that environmental protection is a key factor in the sustainable development of our business.

The Group's energy use mainly includes electricity and water as well as paper use. To meet regulatory requirements, the Group has developed and implemented a series of measures to regulate the use of resources, and our strategies for the effective use of electricity, water and paper are further elaborated in the "Electricity and Water Management" and "Waste Management" sections of this ESG report.

Electricity and Water Management

The Group is acutely aware that water plays an important role in many sustainable development trends. Water is not only an important resource for our society, but also vital to the natural environment; at the same time, managing the use of electricity wisely can help us further reduce energy consumption and ultimately reduce greenhouse gas emissions, and therefore the wise use of resources is an integral part of sustainable development. The resources used by the Group mainly refer to the electricity and water consumed by the office. The approximate electricity consumption of the Group during the Reporting Period is shown in the table below:

Types of Energy Sources[1]	**Unit**	**2025/24**	**2024/23**	**Percentage Comparison**
Direct energy consumption	**kWh**	**29,511.59**	**69,107.68**	**-57%**
– Petrol	kWh	29,511.59	69,107.68	-57%
Indirect energy consumption	**kWh**	**581,347.00**	**862,081.00**	**-33%**
– Electricity purchased	kWh	581,347.00	862,081.00	-33%
Total energy consumption	**kWh**	**610,858.59**	**931,188.68**	**-34%**
Energy intensity[2, 3]	**kWh/number of employees**	**16,509.69**	**24,504.96**	**-33%**

Notes:

1. The above data have been compiled with reference to "How to prepare an ESG Report–Appendix II: Reporting Guidance on Environmental KPIs" issued by the Stock Exchange.

2. The intensity is calculated by dividing the energy consumption by the Group's total number of employees during the Reporting Period. The energy consumption intensity in 2025 decreased compare to 2024.

3. The decrease of electricity consumption this year was mainly due to closure of several retail stores of the Group.

For the year ended 31 March 2025, the Group's energy consumption was 610,858.59 kWh, representing a decrease of 320,330.09 kWh, or 34%, compared to the figure for the previous financial year.

As our greenhouse gas emissions are largely based on our level of energy consumption, the Group has adopted a number of energy saving measures so as to optimize the use of electricity, reduce greenhouse gas emissions and demonstrate our commitment to protect the environment by complying with relevant laws and regulations, including but not limited to the Energy Efficiency (Labelling of Products) Ordinance (Cap. 598).

The Group actively promotes measures including, but not limited to, the following：

- Choose energy-saving appliances, such as using LED energy-saving lamps instead of traditional lamps.
- Turn off air conditioning and lighting systems during non-office hours.
- Reduce unnecessary energy use by setting the air conditioning to 25 degrees Celsius when it is running and keeping all doors and windows closed.
- Encourage employees to turn off equipment and appliances when not in use to conserve power in the workplace; and
- Post written notices such as "Energy Conservation" in the workplace to remind employees to conserve energy.

The Group will continue implement energy saving measures above and review the use of energy regularly to further reduce the total energy consumption in next year.

Water resources

The details of the water consumption generated by the Group are as follows:

Indicators	**Unit**	**2025/24**	**2024/23**	**Percentage Comparison**
Water consumption[2]	cubic meters	393.00	650.00	-40%
Water consumption intensity[1]	**cubic meters/number of employees**	**10.62**	**17.10**	**-38%**

Notes:

1. The intensity is calculated by dividing the water consumption by the Group's total number of employees during the Reporting Period.

2. The decrease of water consumption this year was mainly due to closure of several retail stores of the Group.

The Group's water is used mainly for drinking water and for the daily activities of its employees. During the Reporting Period, the Group's water consumption was 393.0 cubic meters, representing a decrease of 257.0 cubic meters, or 40%, which is due to the closure of several retail stores. The Group is committed to raising awareness of water conservation among its employees and other stakeholders by implementing various measures and initiatives to reduce water consumption. These measures and initiatives include but are not limited to:

- Encouraging employees to develop good habits of water conservation by turning off water taps with their hands.
- Posting water conservation signs to raise employees' awareness of water conservation; and
- Strengthening the management of water-using equipment to prevent water leakage.

The Group will continue to review the water consumption regularly, with the consideration of the feasibility to water recycling in an effort to further reduce the water consumption next year.

Packaging Materials

Packaging materials are used in the Group's business, mainly including compression bags, cartons and labels. Due to the nature of the business, the weight information of packaging materials is not important to the Group, so the disclosure here is based on the number of pieces. During the Reporting Period, the Group used 10,632, 39,000 and 131,401 pieces of compression bags, cartons and labels respectively in its daily operations. We continuously follow up on the use of materials to ensure that they are utilized to the maximum extent possible so as to avoid excessive storage and waste of materials.

Packaging Materials	**Units**	**2025/24**	**2024/23**	**Percentage Comparison**
Total consumption	**Pieces**	**181,033**	**404,848**	**-55%**
– Compression bags	Pieces	10,632	120,848	-91%
– Cartons	Pieces	39,000	42,000	-7%
– Labels	Pieces	131,401	242,000	-46%
Total consumption intensity[1, 2]	**Pieces/number of employees**	**4,892.8**	**10,653.89**	**-54%**

Note:

1. The intensity is calculated by dividing the total consumption by the Group's total number of employees during the Reporting Period.
2. The decrease of packaging material this year was mainly due to the closure of several retail stores of the Group.

The Group operates to the highest environmental standards in reducing resource use and non-hazardous waste generation, and strives to create a more efficient, environmentally friendly and paper-free workplace in the future, thereby continuing to reduce paper use and further protect the environment.

Investment Practices

The Group follows the principle of incorporating ESG issues into the investment analysis and decision-making process when acting as placement agent or underwriter for fundraising activities, actively seeking to work with companies that have good practices in addressing environmental, humanitarian and governance issues.

Companies that perform well in ESG, both in the immediate and long term, help generate better profits and returns for investors. Companies that perform well in ESG will have a long-term competitive advantage, be more resistant to falls and have a better reputation. Companies that focus on ESG factors significantly outperform the market average in resisting risk in the face of unpredictable and significant risks, and these factors can give investors great confidence. When the Group looks for investment targets, the Group reads the prospectuses and annual reports of these companies carefully and takes into account their transparency and accountability. The Group is concerned about who is managing these companies or who is serving on their boards and is concerned about the environmental, social and workers' rights conduct of these companies.

The Group seeks to create a resilient and sustainable future for our shareholders by partnering with environmentally conscious companies that (i) strive to reduce energy use, waste and pollution; (ii) make best efforts to conserve resources, such as using recyclable materials and minimizing paper communications; and (iii) develop natural resources in a responsible manner.

The Group looks for socially responsible companies that (i) work with high quality suppliers with high ethical standards; (ii) have high levels of customer satisfaction; (iii) interact with government and regulatory agencies with integrity; (iv) consider maximizing positive impacts and minimizing negative impacts on society when making decisions; and (v) provide charitable contributions and support to the community.

The Group wants to work with companies that respect workers' rights and human rights. These companies ensure the health and safety of the work environment and surrounding communities, and provide fair and equitable wages and benefits.

Companies with which the Group works should also have a robust governance mechanism that properly manages a variety of corporate governance issues, including but not limited to financial reporting and other disclosures, investor relations, executive compensation, conflicts of interest, and regulatory compliance.

The Group shares this set of principles and best practices with our key clients and encourages them to adopt the same principles when selecting companies in which to invest.

Aspect A3: The Environment and Natural Resources

Because we are a non-production business, we do not cause any other significant pollution or damage to the environment or natural resources. The main environmental impact of the business is the indirect impact of carbon dioxide from the use of electricity and paper in the daily activities of the business. The Group has taken measures to reduce our carbon footprint and prevent any damage to the environment by adopting energy saving measures as mentioned in the Emissions and Resource Utilization section of the report. The Group complies with relevant laws and regulations and has not found any violations of regulations related to emissions and the environment during the Reporting Period.

We understand that the government, businesses and the public will be increasingly concerned about carbon emissions. The Group will continue to assess the climate and environmental risks in our business operations, formulate countermeasures and regularly review and update our environmental policies.

Aspect A4: Climate Change

According to the United Nations, climate change is occurring faster and more severely than expected, and for businesses, the effects of climate change are changing and even reshaping the current business ecosystem. With this new business challenge, the Group recognizes that addressing the risks of climate change scientifically and setting carbon reduction targets scientifically will become essential skills for the Group to turn risks into opportunities.

The money lending business is the core business of the Group and generates stable income for the Group, and in this business the weather is not expected to have a significant impact on our business. It is mainly a physical risk, which is caused by extreme weather related events such as thunderstorms, typhoons and hurricanes, resulting in employees being unable to provide services to customers. The Group will consider physically designing a set of interventions to address the impact and risk that climate change may have on the Group's business, for example, by issuing official weather warning reports at all times and reminding employees to prioritize the completion of projects in the office during extreme weather.

However, since 2015, the Group has been developing its retail and wholesale business, which represent only a small part of the Group's business. In this type of business, weather may pose a market risk to us in addition to physical risk, i.e., disruption by extreme weather that affects our retail and wholesale business operations, thus creating resilience risk, such as our suppliers not being able to supply normally. After assessing the relevant potential impact that may lead to the interruption of the Group's supply network, the Group maintains suppliers in different geographical locations in the list of qualified suppliers to prevent the interruption of the supply network. Therefore, the Group has not been affected by extreme weather such as flood and storm since its establishment, and the risk of being affected by flood and storm weather is relatively low.

The board of directors will also continuously monitor climate related matters and the dynamics of the government's actions to address climate change, and take actions to minimize the impact on business operations.

B. SOCIAL

Aspect B1: Employment

The Group insists in believing that employees are the company's most valuable asset and an indispensable part of the company's sustainable development. The Group is committed to the Group's endeavour to create a safe and healthy working environment, to provide a workplace free from any form of discrimination and harassment for its employees and to build a diverse workforce.

To this end, the Group also establishes appropriate policies and procedures, including but not limited to recruitment, transfer and promotion, termination, salary, capital calculation and compensation, and other benefits. The Group focuses on a transparent recruitment and employment mechanism and also establishes a transparent platform to receive feedback from employees, measure employee satisfaction, focus on their personal growth, and protect and respect their legal rights.

During the Reporting Period, the Group adhered with the relevant laws and regulations regarding with labour, including but not limited to the Employment Ordinance (Cap. 57 of the Laws of Hong Kong), and the Mandatory Provident Fund Schemes Ordinance (Cap. 485 of the Laws of Hong Kong). The Group did not find any incompliance with the relevant rules and regulations that had a significant impact on us.

At the end of the Reporting Period, the Group decreased the size of workforce by 3% compared with the previous year to 37 employees. The distribution of our workforce by gender, age, employment type and geographical region are as follows:

Number of Employee of the Group[1]	As at 31 March 2025	As at 31 March 2024	Movement	Percentage Comparison
By Gender				
Male	15	16	-1	-6%
Female	22	22	–	–
By Age				
Below 30 years old	–	–	–	–
Between 31 to 50 years old	19	21	-2	-10%
Over 50 years old	18	17	+1	+6%
By Employment Type				
Full-time	37	38	-1	-3%
Part-time	–	–	–	–
By Geographic Location				
Hong Kong	37	38	-1	-3%

Note:

1. The data of the number of employees is based on the labour contracts signed with employees provided by the human resources department of the Group. The data cover employees who have a direct employment relationship with the Group in accordance with relevant local laws and those whose work or workplace is controlled by the Group. The above method of reporting employment data is based on the "How to prepare an ESG Report – Appendix 3: Reporting Guidance on Social KPIs".

The Group actively takes various measures to retain talents and thus reduce the turnover rate of employees, such as:

- Optimize the recruitment process so that candidates can fully understand the working environment and welfare level of the Group.
- Emphasis on training employees on corporate culture to improve their sense of cultural identity with the Group.
- Pay attention to the work pressure of employees and promote dialogue between management and employees to relieve the psychological pressure of employees.
- Expand the development channels for employees within the Group and provide employees with a competitive career platform so that the Group can fully meet the career development requirements of employees.

The employee turnover rate by (i) gender, (ii) age group (iii) geographical region are presented in the table below:

Percentage of Employee left the Group[1]	Unit	As at 31 March 2025	As at 31 March 2024 (restated)	Percentage Point Change
Total	**Percentage**	**2.70%**	**97.37%**	**-95%**
By Gender				
Male	Percentage	6.67%	118.75%	-112%
Female	Percentage	–	81.81%	-82%
By Age				
Below 30 years old	Percentage	–	–	–
Between 31 to 50 years old	Percentage	10.52%	100%	-89%
Over 50 years old	Percentage	–	47.06%	-47%
By Geographic Location				
Hong Kong	Percentage	2.70%	97.37%	-95%

Note:

1. The formula to calculate total percentage of employees left the Group is the total number of employees left divided by the number of employees during that Reporting Period. The percentage of employees left the Group by geographic location is calculated by employees in the specified category leaving employment divided by the number of employees in the specified category. The above method of reporting employment data is reference from the "How to prepare an ESG Report – Appendix 3: Reporting Guidance on Social KPIs".

Compared with the previous year, the Group's turnover rate decreased from 97.37% to 2.70% this year. The Group had made on continuing to give more attention to its employees and integrate them into the Group as a family so the turnover rate of employees had greatly decreased since 31 March 2024.

Remuneration and welfare

Employees of the Group are remunerated at a competitive level and are rewarded according to their performance and experience. The promotion and remuneration of the Group's employees are subject to annual review. Permanent employees enjoy benefits such as medical coverage, a wide variety of paid leave including study, maternity, paternity and compassionate leave. Employees in Hong Kong are entitled to the defined contribution retirement scheme. Details are set out in the staff handbook to ensure information transparency on the responsibilities and rights of employees.

Compensation Package

In all labour relations within the Group, whether it is recruitment, promotion or dismissal, the Group only places importance on the candidate's or employee's ability, qualifications, experience and performance to match the job. We arrange a fair and reasonable remuneration package for all employees, and the top salary of employees is not only related to the market salary but also to their job duties, annual performance, professional designation, etc. In addition, the compensation package set by the Group includes additional compensation benefits and bonuses, which are adjusted according to the performance of employees' compensation targets. These goals are designed to align employee performance with the Group's strategic objectives. Employees are also entitled to benefits under the Mandatory Provident Fund Schemes Ordinance (Chapter 485 of the Laws of Hong Kong) and the Employment Ordinance (Chapter 57 of the Laws of Hong Kong).

All our employees are basically entitled to fair wages, fixed working hours, and all statutory holidays, leave and benefits in accordance with laws and regulations, including but not limited to sick leave, maternity leave, marriage leave, paternity leave and jury leave. In addition, the Group organizes various leisure activities for its employees, including but not limited to annual dinners, birthday or Christmas parties, to enhance employee cohesion.

Recruitment, Promotion and Dismissal

Our set is committed to developing diversified talent recruitment channels to meet our recruitment needs. In the recruitment process, we strictly abide by the Recruitment System and use objective criteria such as the principle of "openness, transparency, fairness and impartiality" to make the selection. We also prohibit any discriminatory behaviour against any applicant or current employee.

The Group has established an "Employee Manual", which includes terms and conditions of employment, employee working hours, rest periods, employee benefits (entitled holidays, insurance and training), and Office rules and policies, etc. In addition, the Group provides various forms of incentives to employees, including but not limited to competitive salaries and benefits. These incentives are evaluated based on employees' personal qualifications and work performance, and refer to the situation of companies in the same industry that year.

The Group provides open and equal promotion opportunities for each employee by having them complete a self-assessment through qualitative and quantitative indicators and an assessment with their supervisors to determine whether they have sufficient knowledge and expertise in the field to be promoted based on their performance. Encourage employees to go above and beyond by providing a healthy competitive environment.

When employees resign, the Group will provide them with reasonable compensation for their resignation based on their reasons and policies. We will also understand employees' thoughts and feelings and suggestions during their employment with the Group. The feedback from employees will be used to further develop the Group's working conditions and thus increase employee satisfaction.

During the Reporting Period, the Group has complied with employment-related laws and regulations.

Diversity and Inclusion

The Group values a diverse workforce that can bring more of the best talent to the Group. Gaining more talent and building a more cohesive team creates impactful results for our stakeholders. This is consistent with our "people first" philosophy and underpins our commitment and initiatives.

Our leadership team is committed to upholding the principles of diversity and inclusion and strictly prohibits any form of discrimination against employees and applicants for employment based on gender, race, colour, national origin, religion, sexual orientation, disability, military service or marital status and other status protected by local law. The Group believes that with a diverse team, it will stimulate creativity and bring new ideas to our business.

During the Reporting Period, the Group will continue to focus on the principles of diversity and inclusion with innovative solutions, products and services to meet the needs of our stakeholders and changing markets, and to create a professional and positive workplace for our employees.

Aspect B2: Health and Safety

It is of paramount importance to ensure a safe and healthy workplace for our employees. The Group's management team is responsible for identifying any actual and potential hazards and risks to each individual, work towards a safe and hygienic work environment and to ensure that our work environment is adhered to the requirements of relevant laws and regulations. During the Reporting Year, the Group has encountered no incidents of non-compliance with all applicable laws and regulations related to occupational health and safety. Major laws and regulations applicable include, but are not limited to, "Occupational Safety and Health Ordinance" in Hong Kong.

The health and safety of our employees is the foundation of our stable operation. Therefore, we have been creating a safe and healthy working and healthy working environment to promote the physical and mental health of our employees.

The total indicators regarding to health and safety are as follows:

Indicators[3]	2025/24	2024/23	2023/22
Number of work-related fatalities	–	–	–
Rate of work-related fatalities	–	–	–
Number of reportable injuries[1]	–	–	–
Number of reportable occupational diseases	–	–	–
Number of lost days due to work injury[2]	–	–	–

Notes:

1. Reportable injuries refer to work-related accidents to employees resulting in incapacity for a period exceeding three days in Hong Kong.

2. Lost days refer to the days that could not be worked as a consequence of a worker being unable to perform their usual work because an occupational accident or disease.

3. The above method of reporting employment data is reference from the "How to prepare an ESG Report – Appendix 3: Reporting Guidance on Social KPIs".

The Group is concerned about the safety and health of all employees and has medical allowance for all full-time employees and medical insurance, and employees' compensation insurance. When an accident or injury occurs on our premises, the management team will be notified immediately and an investigation will be initiated to analyse the cause of the accident.

The Group has established policies and procedures for primary hazard prevention and all aspects of workplace health and safety. The main objectives of this policy are (1) to maintain and improve the physical health and working conditions of employees; (2) to further reduce the risk of occupational hazards; and (3) to develop a work culture in a direction that supports health and safety in the workplace. All employees must comply with all policies and procedures related to fire safety, suspicious mail alerts, storm warnings, typhoon arrangements and office tidiness policies in order to avoid employee injuries from the above.

The Group complied with the Occupational Safety and Health Ordinance (Chapter 509 of the Laws of Hong Kong). In addition, the Group is not aware of any violation of laws and regulations relating to the health and safety of employees.

Aspect B3: Development and Training

The Group cares about the career planning and development of its employees and believes that the provision of good training can help enhance their quality of work and their speedy integration into the business, thereby strengthening the overall development and overall competitiveness of the Group. This not only strives to help employees acquire the expertise to perform their duties, but also helps them develop a lifelong career. Training includes internal, external, induction, on-the-job, competency and corporate culture training, covering management systems and regulations, market trends and industry-related expertise.

Training programs are designed to meet the different needs of employee types, particularly new hires, front-line employees, supervisory staff and employees with compliance functions. Upon joining the firm, all new employees are given a briefing on AML/CTF as part of their induction. To ensure that these sessions provide value to our employees and our business, employees are invited to provide feedback on their preferred training topics.

Our mission is to equip our employees with important skills to remain relevant in an ever-changing world. All directors of the Group receive comprehensive, formal and targeted induction training to ensure that they understand the Group's business operations, the responsibilities of directors and their obligations under the Listing Rules and other regulatory requirements. They also receive regular training on the latest relevant statutory requirements and market changes to ensure that they have a high level of awareness of industry trends.

In order to develop our talented workforce, we encourage our employees to set career goals each year and are supported in this process by our HR and culture departments. Employee training schedules are all planned by the directors and updated regularly for the relevant employees. Records of training participation will be kept by the directors.

As of 31 March 2025, all employees have participated in training for a total of 115 hours. The training information by gender and employee category compared to last year are as follows:

Number of employees trained by the Group[2]	As at 31 March 2025	As at 31 March 2024	Percentage Comparison[1]
Total employees trained	37	38	-3%
By Gender			
Male	15	16	-6%
Percentage of male trained	**41%**	**42%**	**-1%**
Female	22	22	–
Percentage of female trained	**59%**	**58%**	**+1%**
By Employee Category			
Management	18	17	+6%
Percentage of Management trained	**49%**	**45%**	**+4%**
Frontline and other employees	19	21	-10%
Percentage of frontline and other employees trained[2]	**51%**	**55%**	**-4%**

Average training hours of the Group[2]	As at 31 March 2025	As at 31 March 2024	Percentage Comparison[1]
Total hours	115	133	-14%
Average training hours per employee	**3.11**	**3.5**	**-11%**
By Gender			
Male	5.93	3.63	+63%
Female	1.18	3.41	-65%
By Employee Category			
Management	4.89	3.47	+41%
Frontline and other employees	1.42	3.52	-60%

Notes:

1. Percentage change = the percentage of training in FY2025 – the percentage of training in FY2024.

2. The above method of reporting employment data is reference from the "How to prepare an ESG Report – Appendix 3: Reporting Guidance on Social KPIs".

Aspect B4: Labour Standards

The Group strictly complies with all laws and regulations relating to the prohibition of child labour or forced labour, including but not limited to the Prohibition of Child Labour Regulations, and the Employment Ordinance (Chapter 57 of the Laws of Hong Kong). The Group strictly prohibits the employment of child labour and forced labour, discrimination and harassment. We strive to fulfil our responsibilities to our employees, respect their legitimate rights and interests, promote their career development, improve the working environment and pay attention to their physical and mental health in order to achieve the mutual development of the Group and our employees. In the event of suspected violations or infringement of employees' personal rights, employees can report to the management through different communication channels are available for employees to report to the management. The Group will first the employee concerned and conduct an in-depth investigation into the case. The Group will review and improve the relevant systems to plug the loopholes. The Group will review and improve the relevant systems to plug the loopholes.

To maintain a clean working environment, the Group has established a transparent recruitment and hiring mechanism. Applicants will be screened by collecting their original identity documents and graduation certificates. The Human Resources Department first verifies the legitimacy and authenticity of the relevant documents, as well as that they are 16 years old or older. In all hiring decisions, including recruitment, promotion and dismissal, the Group only considers the qualifications, experience and performance of candidates or employees relevant to the job function. The terms and conditions of employment are set out in the "Employee Handbook", which all new employees are required to sign to confirm their acceptance.

During the Reporting Period, the Group was not aware of any violations of laws and regulations concerning the prohibition of child labour that significantly affected us, nor were there any cases of forced or child labour.

Aspect B5: Supply Chain Management

The Group is principally engaged in the wholesale and retail of groceries and frozen foods. The Group is registered as a food importer/food distributor under the Food Safety Ordinance. The Group values the environmental and social impacts of its business activities and takes measures to minimize the adverse environmental and social impacts of the Group and its suppliers and service vendors. All suppliers must become qualified before providing materials and services to the Group. In the process of assessing, selecting and evaluating suppliers and service vendors, we are more keen to select those who respect the environment and respect sustainable development. In addition, we focus on indicators such as product and service quality, cost, delivery time and stability, safety management and relevant qualifications. We also conduct on-site reviews and meeting discussions to gain insight into our suppliers' environmental, social and governance performance, business operations and their risk management approach to mitigate environmental and social risks.

During the Reporting Period, the number of suppliers is listed below.

Number of Suppliers by Region	2025/24	2024/23	Percentage Comparison
Hong Kong	38	41	-7%
South Korea	2	1	+100%
Taiwan China	2	10	-80%
Malaysia	1	1	0%
Japan	4	2	+100%

Aspect B6: Product Responsibility

The Group believes that high quality products are directly related to a good reputation and sustainable business development. Through strict internal controls, the Group strives to ensure that we ensure that our operations are in compliance with the regulations of the regions in which we operate. In particular, in the food distribution business, the Group has established an internal food safety management system in accordance with the requirements of ISO 22000:2005 to ensure that food products are subject to extensive evaluation during processing and delivery. The Product Quality and Product Recall Policy defines the procedures for sample receipt and inspection, sample return and product detail preparation. The quality assurance department inspects products before they are put into storage to ensure that the quality of the products is free from defects. We adopt a customer-first mentality and listen to them, which allows us to enhance their experience with our products and services.

In addition, the Group provides financial services such as loans to individuals and businesses in Hong Kong. The Group's lending business is operated as a licensed money lender under the Money Lenders Ordinance ("MLRO").

During the Reporting Period, the Group has not identified any products and services that do not comply with the relevant legal and regulatory requirements in respect of health and safety, advertising and labelling. Also, no products were sold or shipped by the Group subject to recalls for safety and health reasons during the Reporting Period.

Complaints Handling Procedures

Providing a memorable and positive customer experience is a collective effort of our staff and as such, the Group takes complaint resolution seriously and is committed to responding to any complaints in an efficient, timely and courteous manner. The Group has established policies and procedures for handling complaints. The Customer Service Department is responsible for reviewing all customer complaints, collecting evidence, and providing feedback and recommendations on general complaints.

The Group has established several communication platforms, such as customer service hotline and email, for our customers to lodge complaints. In addition to general suggestions, specific or complex complaints will be forwarded to the relevant department heads for special handling. Upon receipt of all complaints, the Group will provide an initial response and take appropriate follow-up action. Complaints involving any unethical or illegal issues may be escalated to management for further appropriate action.

In order to facilitate effective communication with customers, the Group has been implementing the following measures:

1) Provide multiple communication channels, such as service hotline, email, etc., to facilitate communication between customers and us;

2) providing timely acknowledgement of receipt of customer feedback, including providing a copy of the communication, the date and time of registration and the communication reference code; and

3) respond to customer needs in a timely manner in an appropriate and meaningful manner.

During the Reporting Period, no cases of non-compliance were identified around product or service liability in accordance with relevant laws and regulations. Also, no major products and service complaints have been received by the Group during the Reporting Period.

Intellectual Property Rights

Although intellectual property rights are considered to be immaterial to our business, the Group still abides to the Patents Ordinance (Cap. 514 of the Laws of Hong Kong), and the Copyright Ordinance (Cap. 528 of the Laws of Hong Kong). The Group will continue to evaluate whether intellectual property rights is significant to the business and will develop methods to safeguard the intellectual property rights where necessary.

Aspect B7: Anti-Corruption

The Group does not tolerate any corruption, fraud or other violations of professional ethics. The Group values and upholds the principles of integrity, honesty and fairness in the conduct of our business, which are essential to maintaining our reputation and the confidence of our business partners. An ethical culture, including zero tolerance for corruption and bribery, is also an important factor in the health and sustainability of our business. In order to make this firm commitment in our business, the Group has developed an Anti-Money Laundering and Counter-Terrorist Financing Policy and Procedures (the "AML and Counter-Terrorist Financing Policy") and Anti-Bribery and Corruption Statement with reference to the Drug Trafficking (Recovery of Proceeds) Regulations, the Organized and Serious Crimes Regulations, the United Nations (Anti-Terrorism Measures) Regulations and the Anti-Money Laundering and Counter-Terrorist Financing (Financial Institutions) Regulations. The AML and Counter-Terrorist Financing Policy sets out clear responsibilities and obligations for the Group's directors and employees and defines a range of terms relating to anti-corruption, explaining how these terms apply in a variety of situations to ensure compliance.

The Company is committed to the highest ethical standards and in order to promote anti-fraud principles and consistent organizational behaviour, the Group is required to:

- Conduct regular AML and CTF risk assessments in order to identify, assess and take effective action to mitigate its ML/TF risks;

- Encourage employees to speak up against unethical behaviour, criminal activity, fraud, misconduct, management overreach, and non-compliance with regulations;

- Obtain necessary information from customers prior to conducting business with them and potentially take all reasonable steps and customer due diligence procedures; and

- Arrange for personnel to conduct the necessary ongoing monitoring of transactions to identify suspicious transactions.

For customers with higher risk levels, additional measures will be taken, i.e. enhanced customer due diligence procedures. The Group has put in place appropriate controls and monitoring procedures to monitor accounts consisting of frequent cash transactions, suspicious transaction patterns and large third-party transactions. In the area of combating terrorist financing, the Group applies the principle of customer due diligence, Know Your Customer ("KYC") to monitor any unusual transactions and identify the beneficiaries.

The Group is committed to creating a culture of integrity and fairness by accepting internal complaints and whistleblowing. The whistleblowing channels set out in the Anti-Money Laundering and Anti-Terrorist Financing Policy and Procedures are in place and employees at all levels can raise any concerns without fear of retaliation. Reporting of any suspected business irregularities is encouraged within the Group and each reporting channel has a procedure in place to ensure that reports of unethical behaviour are confidential and anonymous. Also, the discovery of a violation is a matter that all employees can respond to the Anti-Money Laundering Compliance Manager or Compliance Officer or, in extremely serious cases, by filing a complaint or report directly to the Chairman of the Audit Committee of the Board of Directors.

The Group did not identify any non-compliance with laws or regulations that have a material impact on bribery, extortion, fraud or money laundering during the Reporting Period. During the period under review, the Group complied with all applicable anti-money laundering laws and regulations in Hong Kong and conducted regular internal assessments to evaluate the different risk factors of the Group's money laundering activities. There was no concluded legal cases regarding corrupt practice brought against the Group or its employees during the Reporting Period.

The Group holds regular training sessions on employee behaviour, ethics, integrity literacy and anti-corruption, aimed at challenging employees to assess their ethical beliefs, promoting ways to make their work environment more ethical, and improving their ability to prevent and identify different anti-corruption and anti-bribery cases.

Aspect B8: Community Investment

Recognizing our responsibility to the community, the Group is committed to providing available resources to support the community. The Group continues to help the community by engaging in various community activities to encourage employees to participate in various charitable and voluntary activities.

We actively advocate our employees to seek opportunities to work with charitable organizations and participate in various charitable activities to draw the attention of the community and drive our employees to further participate in community services. The Group believes that through active participation in community service activities, employees can develop a sense of social responsibility and further enhance our reputation as an active community builder.

Looking ahead, the Group will continue to adhere to the principle of responsibility to our shareholders, investors, suppliers, customers and the public, seek further development opportunities and maintain a harmonious relationship with our stakeholders.

HKEX ESG REPORTING GUIDE CONTENT INDEX

Aspects, General Disclosures and KPIs	**Description**	**Relevant Chapter/Explanation**
A. Environmental		
Aspect A1: Emissions and Waste Generated		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	Emissions
KPI A1.1	The types of emissions and respective emissions data.	Emissions—Air Emissions
KPI A1.2	Direct (Scope 1) and energy indirect Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Emissions—GHG Emissions
KPI A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Emissions—Waste Management
KPI A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Emissions—Waste Management
KPI A1.5	Description of emissions target(s) set and steps taken to achieve them.	Emissions
KPI A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	Emissions—Waste Management
Aspect A2: Use of Resources		
General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	Use of Resources
KPI A2.1	Direct and/or indirect energy consumption by type gas or oil) in total (kWh in ’000s) and intensity (e.g. per unit of production volume, per facility).	Use of Resources—Energy Management
KPI A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	Use of Resources—Water Stewardship
KPI A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	Use of Resources—Energy Management
KPI A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	Use of Resources—Water Stewardship
KPI A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	Use of Resources—Packaging

Aspects, General Disclosures and KPIs	Description	Relevant Chapter/Explanation
Aspect A3 The Environment and Natural Resources		
General Disclosure	Policies on minimising the issuer's significant impact on the environment and natural resources.	The Environment and Natural Resources
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	The Environment and Natural Resources
Aspect A4: Climate Change		
General Disclosure	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	Climate Change
KPI A4.1	Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.	Climate Change
B. Social		
Aspect B1: Employment		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	Employment
KPI B1.1	Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region.	Employment
KPI B1.2	Employee turnover rate by gender, age group and geographical region.	Employment
Aspect B2: Health and Safety		
General Disclosure	Information on (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	Health and Safety
KPI B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	Health and Safety
KPI B2.2	Lost days due to work injury.	Health and Safety
KPI B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	Health and Safety
Aspect B3: Development and Training		
General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities	Development and Training
KPI B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Development and Training
KPI B3.2	The average training hours completed per employee by gender and employee category.	Development and Training

Aspects, General Disclosures and KPIs	Description	Relevant Chapter/Explanation
Aspect B4: Labour Standard		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	Labour Standards
KPI B4.1	Description of measures to review employment practices to avoid child and forced labour.	Labour Standards
KPI B4.2	Description of steps taken to eliminate such practices when discovered.	Labour Standards
Aspect B5: Supply Chain Management		
General Disclosure	Policies on managing environmental and social risks of the supply chain.	Supply Chain Management
KPI B5.1	Number of suppliers by geographical region.	Supply Chain Management
KPI B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	Supply Chain Management
KPI B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Supply Chain Management
KPI B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Supply Chain Management
Aspect B6: Product Responsibility		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	Product Responsibility
KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Product Responsibility
KPI B6.2	Number of products and service related complaints received and how they are dealt with.	Product Responsibility－Complaints Handling Procedures
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	Product Responsibility－Intellectual Property Rights
KPI B6.4	Description of quality assurance process and recall procedures.	Product Responsibility－Product Recall
KPI B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	Product Responsibility－Customer Data Privacy

Aspects, General Disclosures and KPIs	Description	Relevant Chapter/Explanation
Aspect B7: Anti-Corruption		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	Anti-corruption
KPI B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	Anti-corruption
KPI B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored.	Anti-corruption
KPI B7.3	Description of anti-corruption training provided to directors and staff.	Anti-corruption
Aspect B8: Community Investment		
General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	Community Investment
KPI B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	Community Investment
KPI B8.2	Resources contributed (e.g. money or time) to the focused area.	Community Investment

CL Partners

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF WISDOMCOME GROUP HOLDINGS LIMITED

(Continued in Bermuda with limited liability)

OPINION

We have audited the consolidated financial statements of Wisdomcome Group Holdings Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 59 to 126, which comprise the consolidated statement of financial position as at 31 March 2025, and 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 for the year then ended, and notes to the consolidated financial statements, including material accounting policy information and other explanatory information.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 March 2025, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with HKFRS Accounting Standards issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

BASIS FOR OPINION

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

KEY AUDIT MATTERS

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

KEY AUDIT MATTERS *(Continued)*

Key audit matter	How the matter was addressed in our audit
Impairment losses on loans and advances to customers	
We identified the impairment losses of loans and advances to customers as a key audit matter due to significant management judgements and estimates involved in identification and measurement of expected credit losses ("ECL"). As disclosed in note 21 to the consolidated financial statements, the net carrying amount of loans and advances to customers is HK$23,447,000, after recognising an impairment allowance of HK$89,572,000 as at 31 March 2025. The management estimates the provision for impairment of loans and advances to customers based on the measurement of ECL under a "three-stage" model. In measuring ECL of loans and advances to customers, the management uses judgements in applying the inputs and assumptions regarding probability of default and loss given default with reference to the historical delinquency ratio of loan portfolio, value of collateral and forward-looking information on macroeconomic factors. We focused on this area because the carrying amount of loans and advances to customers is significant to the consolidated financial statements and the management's impairment assessment of loans and advances to customers requires the use of significant judgements and estimates.	Our procedures in relation to the impairment losses on loans and advances to customers included: • Understanding key controls and how the management estimates the provision for impairment of loans and advances to customers, and the methodology used by the management in the measurement of ECL; • Testing the inputs used by the management in the measurement of ECL, by comparing individual items in the analysis with the relevant loan agreements and other supporting documents on a sample basis; • Assessing the reasonableness of the inputs and assumptions applied to the ECL model for loans and advances to customers, including criteria on determination of internal credit ratings of loans and advances to customers, probability of default, loss given default, value of collateral and forward-looking information on macroeconomic factors; • Reviewing the Group's historical loss experience; • Testing the mathematical accuracy of the calculation in the ECL model; • Examining underlying documentation supporting the value of collateral, if any, on a sample basis; and • Evaluating the appropriateness of disclosures regarding the impairment assessment of loans and advances to customers in the consolidated financial statements.

OTHER INFORMATION

The directors of the Company are responsible for the other information. The other information comprises the information included in the annual report but does not include the consolidated financial statements and our auditor's report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF DIRECTORS AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

These charged with governance are responsible for overseeing the Group's financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion solely to you, as a body, in accordance with Section 90 of the Bermuda Companies Act 1981 and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

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

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

As part of an audit in accordance with HKSAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors of the Company.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed of the group audit. We remain solely responsible for our audit opinion.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

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

CL Partners CPA Limited
Certified Public Accountants

Leung Man Kit
Practising Certificate Number: P08413

Hong Kong, 25 June 2025

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 March 2025

	Notes	2025 HK$'000	2024 HK$'000
Revenue from money lending	5(a)	**7,494**	14,029
Revenue from sale of goods	5(a)	**34,065**	39,289
Cost of goods sold		**(28,798)**	(33,169)
Gross profit from sale of goods		**5,267**	6,120
Investment and other income	6	**454**	1,714
Other gains and losses, net	7	**(14,399)**	(46,302)
Servicing, selling and distribution costs		**(4,208)**	(4,801)
Administrative expenses		**(37,885)**	(49,151)
Reversal of/(allowance for) expected credit losses on trade receivables, net	34(b)	**394**	(13,157)
Allowance for expected credit losses on loans and advances to customers, net	21(b)	**(2,891)**	(22,644)
Finance costs	11	**(197)**	(470)
Loss before tax	8	**(45,971)**	(114,662)
Income tax credit	12	–	14
Loss and total comprehensive expense for the year		**(45,971)**	(114,648)
Loss and total comprehensive expense for the year attributable to:			
Owners of the Company		**(45,421)**	(114,403)
Non-controlling interests		**(550)**	(245)
		(45,971)	(114,648)
			(Restated)
Loss per share attributable to owners of the Company	13		
Basic and diluted		**HK$(1.60)**	HK$(4.52)

The notes on pages 65 to 126 are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

31 March 2025

	Notes	2025 HK$'000	2024 HK$'000
ASSETS			
Non-current assets			
Property, plant and equipment	14	–	–
Right-of-use assets	15	–	–
Goodwill	27	–	1,344
Interests in associates	16	–	–
Deposits, prepayments and other receivables	20	**606**	39
Loans and advances to customers	21	**12,313**	21,512
		12,919	22,895
Current assets			
Inventories	18	**6,063**	8,539
Trade receivables	19	**1,880**	1,551
Deposits, prepayments, other receivables and other assets	20	**5,798**	22,283
Loans and advances to customers	21	**11,134**	19,999
Financial assets at fair value through profit or loss ("FVTPL")	17	**150**	5,070
Cash and cash equivalents	22	**3,964**	4,913
		28,989	62,355
Asset held for sale	14	–	1,600
		28,989	63,955
LIABILITIES			
Current liabilities			
Trade and other payables	23	**7,480**	10,251
Contract liabilities	24	**1,421**	1,092
Lease liabilities	25	**2,389**	1,366
Borrowing	26	–	1,200
		11,290	13,909
Net current assets		**17,699**	50,046
Total assets less current liabilities		**30,618**	72,941

CONSOLIDATED STATEMENT OF FINANCIAL POSITION *(Continued)*

31 March 2025

	Notes	2025 HK$'000	2024 HK$'000
Non-current liability			
Lease liabilities	25	**1,883**	383
		1,883	383
Net assets		**28,735**	72,558
EQUITY			
Equity attributable to owners of the Company			
Share capital	31(b)	**311**	5,186
Reserves	31(c)	**29,219**	67,617
Equity attributable to owners of the Company		**29,530**	72,803
Non-controlling interests		**(795)**	(245)
Total equity		**28,735**	72,558

The consolidated financial statements on pages 59 to 126 were approved and authorised for issue by the board of directors on 25 June 2025 and are signed on its behalf by:

Chan Yan Tak
Director

Lim Ming Shing, Tony
Director

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 March 2025

	Attributable to owners of the Company							
	Share capital *HK$'000* *(note 31(b))*	Share Premium *HK$'000* *(note 31(c)(i))*	Capital reserve *HK$'000* *(note 31(c)(ii))*	Contributed surplus *HK$'000* *(note 31(c)(iii))*	Accumulated losses *HK$'000*	Sub-total *HK$'000*	Non-controlling interest *HK$'000* *(note 36)*	Total *HK$'000*
Balance at 1 April 2023	4,326	380,527	29,320	145,926	(388,393)	171,706	–	171,706
Loss and total comprehensive expense for the year	–	–	–	–	(114,403)	(114,403)	(245)	(114,648)
Issue of shares *(note 31(b))*	860	16,340	–	–	–	17,200	–	17,200
Share issuance expenses	–	(1,700)	–	–	–	(1,700)	–	(1,700)
Balance at 31 March 2024 and 1 April 2024	5,186	395,167	29,320	145,926	(502,796)	72,803	(245)	72,558
Loss and total comprehensive expense for the year	–	–	–	–	(45,421)	(45,421)	(550)	(45,971)
Issue of shares *(note 31(b))*	1,037	1,141	–	–	–	2,178	–	2,178
Share issuance expenses	–	(30)	–	–	–	(30)	–	(30)
Capital reduction *(note 31(b))*	(5,912)	(396,278)	–	402,190	–	–	–	–
Balance at 31 March 2025	311	–	29,320	548,116	(548,217)	29,530	(795)	28,735

The notes on pages 65 to 126 are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 March 2025

	Notes	2025 HK$'000	2024 HK$'000
Operating activities			
Loss before tax		**(45,971)**	(114,662)
Adjustments for:			
Depreciation on property, plant and equipment	14	**638**	4,642
Depreciation of right-of-use assets	15	**1,647**	4,549
Fair value loss on financial assets at FVTPL, net	7	**3,450**	27,818
Finance costs	11	**197**	470
Interest income from bank balances	6	**(1)**	(163)
Interest income from rental deposits	6	**(29)**	(52)
(Gain)/loss on early termination of lease	7	**(508)**	129
(Gain)/loss on disposal of property, plant and equipment, net	7	**(130)**	328
Written-off of property, plant and equipment	7	**–**	435
Impairment loss on property, plant and equipment	7	**8,049**	5,120
Impairment loss on right-of-use assets	7	**4,150**	1,677
Impairment loss on other assets	7	**–**	11,096
Impairment loss on goodwill	7	**1,344**	–
Provision for impairment/write-down of inventories	8	**4,904**	1,000
(Reversal of)/allowance for expected credit losses on trade receivables, net	34(b)	**(394)**	13,157
Waiver of promissory note	7	**(1,345)**	–
Allowance for expected credit losses on loans and advances to customers, net	21(b)	**2,891**	22,644
Gain on disposal of subsidiaries	29	**–**	(1,889)
Loss on disposal of associates	7	**–**	1,688
		(21,108)	(22,013)
(Increase)/decrease in inventories		**(2,428)**	1,194
Decrease/(increase) in trade receivables		**65**	(1,885)
Decrease/(increase) in deposits, prepayments, other receivables and other assets		**15,274**	(10,376)
Decrease/(increase) in loans and advances to customers		**14,143**	(1,204)
Increase in trade and other payables		**209**	6,071
Increase/(decrease) in contract liabilities		**329**	(18)
Cash generated from (used in) operations		**6,484**	(28,231)
Interest received		**1**	163

CONSOLIDATED STATEMENT OF CASH FLOWS *(Continued)*

For the year ended 31 March 2025

	Notes	2025 HK$'000	2024 HK$'000
Net cash generated from (used in) operating activities		**6,485**	(28,068)
Investing activities			
Purchase of financial assets at FVTPL		**–**	(1,814)
Proceeds from disposal of financial assets at FVTPL		**1,470**	1,497
Purchase of property, plant and equipment	14	**(8,687)**	(1,673)
Acquisition of subsidiaries	28	**–**	(2,000)
Disposal of subsidiaries	29	**–**	510
Proceeds from disposal of asset held for sale		**1,600**	–
Proceeds from disposal of property, plant and equipment		**130**	400
Net cash used in investing activities		**(5,487)**	(3,080)
Financing activities			
Proceeds from borrowing	22(b)	**1,000**	–
Repayment of borrowing	22(b)	**(2,200)**	–
Interest paid	22(b)	**(25)**	(288)
Repayment of lease liabilities	22(b)	**(2,870)**	(4,971)
Proceeds from issue of shares, net		**2,148**	15,500
Net cash (used in) generated from financing activities		**(1,947)**	10,241
Net decrease in cash and cash equivalents		**(949)**	(20,907)
Cash and cash equivalents at the beginning of year		**4,913**	25,820
Cash and cash equivalents at the end of year		**3,964**	4,913

The notes on pages 65 to 126 are an integral part of these consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

1. GENERAL INFORMATION

Wisdomcome Group Holdings Limited (the "Company") was an exempted company continued into Bermuda with limited liability with effect from 30 April 2008. The address of its registered office is Victoria Place, 5th Floor, 31 Victoria Street, Hamilton HM 10, Bermuda.

The principal places of business of the Company and its subsidiaries (collectively referred to as the "Group") are in Hong Kong. The Company's principal place of business in Hong Kong is Unit 502, 5/F., Eastmark, 21 Sheung Yuet Road, Kowloon Bay, Kowloon, Hong Kong. The Company's shares are listed on the GEM of The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

In the opinion of the directors of the Company, the Company's ultimate controlling shareholder is Mr. Chan Tsz Hong.

The consolidated financial statements are presented in Hong Kong dollars ("HK$"), which is the same as the functional currency of the Company and its subsidiaries, and all values are rounded to the nearest thousand except where otherwise indicated.

The Group is principally engaged in the money lending business, financial instruments and quoted shares investment, and retail and wholesale business.

These consolidated financial statements were approved and authorised for issue by the board of directors on 25 June 2025.

2. APPLICATION OF NEW AND AMENDMENTS TO HKFRS ACCOUNTING STANDARDS

Amendments to HKFRS Accounting Standards that are mandatorily effective for the current year

In the current year, the Group has applied the following new and amendments to HKFRS Accounting Standards issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") for the first time, which are mandatorily effective for the Group's annual period beginning on 1 April 2024 for the preparation of the consolidated financial statements:

Amendments to HKFRS 16	Lease Liability in a Sale and Leaseback
Amendments to HKAS 1	Classification of Liabilities as Current or Non-current and related amendments to Hong Kong Interpretation 5 (2020)
Amendments to HKAS 1	Non-current Liabilities with Covenants
Amendments to HKAS 7 and HKFRS 7	Supplier Finance Arrangements

The application of the amendments to HKFRS Accounting Standards in the current year has had no material impact on the Group's financial positions and performance for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

2. APPLICATION OF NEW AND AMENDMENTS TO HKFRS ACCOUNTING STANDARDS *(Continued)*

New and amendments to HKFRS Accounting Standards in issue but not yet effective

The Group has not early applied the following new and amendments to HKFRS Accounting Standards that have been issued but are not yet effective:

HKFRS 18	Presentation and Disclosure in Financial Statements[4]
Amendments to HKFRS Accounting Standards	Annual Improvements to HKFRS Accounting Standards – Volume11[3]
Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments[3]
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature-dependent Electricity[3]
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture[1]
Amendments to HKAS 21	Lack of Exchangeability[2]

[1] Effective for annual periods beginning on or after a date to be determined.
[2] Effective for annual periods beginning on or after 1 January 2025.
[3] Effective for annual periods beginning on or after 1 January 2026.
[4] Effective for annual periods beginning on or after 1 January 2027.

Except for the new and amendments to HKFRS Accounting Standards mentioned below, the directors of the Company anticipate that the application of all other new and amendments to HKFRS Accounting Standards will have no material impact on the consolidated financial statements in the foreseeable future.

HKFRS 18 "Presentation and Disclosure in Financial Statements"

HKFRS 18 "Presentation and Disclosure in Financial Statements", which sets out requirements on presentation and disclosures in financial statements, will replace HKAS 1 "Presentation of Financial Statements". This new HKFRS Accounting Standard, while carrying forward many of the requirements in HKAS 1, introduces new requirements to present specified categories and defined subtotals in the statement of profit or loss; provide disclosures on management-defined performance measures in the notes to the financial statements and improve aggregation and disaggregation of information to be disclosed in the financial statements. In addition, some HKAS 1 paragraphs have been moved to HKAS 8 and HKFRS 7. Minor amendments to HKAS 7 "Statement of Cash Flows" and HKAS 33 "Earnings per Share" are also made.

HKFRS 18, and amendments to other standards, will be effective for annual periods beginning on or after 1 January 2027, with early application permitted. The application of the new standard is expected to affect the presentation of the statement of profit or loss and disclosures in the future financial statements. The Group is in the process of assessing the detailed impact of HKFRS 18 on the Group's consolidated financial statements.

3. MATERIAL ACCOUNTING POLICY INFORMATION

Statement of compliance

The consolidated financial statements have been prepared in accordance with HKFRS Accounting Standards, which includes all Hong Kong Financial Reporting Standards ("HKFRS"), Hong Kong Accounting Standards ("HKAS") and HK (IFRIC) Interpretations, HK Interpretations and HK (SIC) Interpretations (collectively referred to as "Interpretations"), issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and the disclosure requirements of the Hong Kong Companies Ordinance. The consolidated financial statements also comply with applicable disclosure provisions of the Rules Governing the Listing of Securities on the GEM of the Stock Exchange (the "GEM Listing Rules").

Going concern assessment

The directors of the Company have, at the time of approving the consolidated financial statements, a reasonable expectation that the Group has adequate resource to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the consolidated financial statements.

Basis of preparation and consolidation

The consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain financial instruments, which are measured at fair values at the end of each reporting period. The measurement bases are described in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of HKFRS 2 "Share-based Payment", leasing transactions that are accounted for in accordance with HKFRS 16, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in HKAS 2 "Inventories" or value in use ("VIU") in HKAS 36 "Impairment of Assets".

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

For financial instruments which are transacted at fair value and a valuation technique that unobservable inputs is to be used to measure fair value in subsequent periods, the valuation technique is calibrated so that at initial recognition the results of the valuation technique equals the transaction price.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

- Level 3 inputs are unobservable inputs for the asset or liability.

3. MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

Basis of preparation and consolidation *(Continued)*

The consolidated financial statements incorporate the financial statements of the Company and its subsidiaries and the Group's interests in associates. The income and expenses of subsidiaries acquired or disposed of during the year are included in profit or loss and other comprehensive income from the effective date of acquisition and up to the effective date of disposal, as appropriate.

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

All intra-group transactions, balances, income and expenses within the Group are eliminated on consolidation.

Non-controlling interest in subsidiaries are presented separately from the Group's equity therein, which represent present ownership interests entitling their holders to a proportionate share of net assets of the relevant subsidiaries upon liquidation.

Business combinations

The Group can elect to apply an optional concentration test, on a transaction-by-transaction basis, that permits a simplified assessment of whether an acquired set of activities and assets is not a business. The concentration test is met if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets. The gross assets under assessment exclude cash and cash equivalents, deferred tax assets, and goodwill resulting from the effects of deferred tax liabilities. If the concentration test is met, the set of activities and assets is determined not to be a business and no further assessment is needed.

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the relevant subsidiary's net assets in the event of liquidation are initially at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets or at fair value. The choice of measurement basis is made on a transaction-by-transaction basis. Other types of non-controlling interests are measured at their fair value.

When the consideration transferred by the Group in a business combination includes assets or liabilities resulting from a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and included as part of the consideration transferred in a business combination. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with the corresponding adjustments made against goodwill. Measurement period adjustments are adjustments that arise from additional information obtained during the "measurement period" (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see above), and additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised at that date.

3. MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business (see the accounting policy above) less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units ("CGUs") (or groups of CGUs) that is expected to benefit from the synergies of the combination, which represent the lowest level at which the goodwill is monitored for internal management purposes and not larger than an operating segment.

A cash-generating unit ("CGU") (or group of CGUs) to which goodwill has been allocated is tested for impairment annually or more frequently when there is an indication that the unit may be impaired. For goodwill arising on an acquisition in a reporting period, the CGU (or group of CGUs) to which goodwill has been allocated is tested for impairment before the end of that reporting period. If the recoverable amount is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill and then to the other assets on a pro-rata basis based on the carrying amount of each asset in the unit (or group of CGUs).

On disposal of the relevant CGU or any of the CGU within the group of CGUs, the attributable amount of goodwill is included in the determination of the amount of profit or loss on disposal. When the Group disposes of an operation within the CGU (or a CGU within a group of CGUs), the amount of goodwill disposed of is measured on the basis of the relative values of the operation (or the CGU) disposed of and the portion of the CGU (or the group of CGUs) retained.

Interests in associates

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

The results and assets and liabilities of associates are incorporated in these consolidated financial statements using the equity method of accounting. Under the equity method, an investment in an associate is initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate. Changes in net assets of the associate other than profit or loss and other comprehensive income are not accounted for unless such changes resulted in change in ownership interest held by the Group. When the Group's share of losses of an associate exceeds the Group's interest in that associate (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate.

An interest in an associate is accounted for using the equity method from the date on which the investee becomes an associate. On acquisition of the investment in an associate, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately in profit or loss in the period in which the investment is acquired.

The Group assesses whether there is an objective evidence that the interest in an associate may be impaired. When any objective evidence exists, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with HKAS 36 as a single asset by comparing its recoverable amount (higher of VIU and fair value less costs of disposal) with its carrying amount. Any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with HKAS 36 to the extent that the recoverable amount of the investment subsequently increases.

3. MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

Interests in associates *(Continued)*

When the Group ceases to have significant influence over an associate, it is accounted for as a disposal of the entire interest in the investee with a resulting gain or loss being recognised in profit or loss. When the Group retains an interest in the former associate and the retained interest is a financial asset within the scope of HKAS 39, the Group measures the retained interest at fair value at that date and the fair value is regarded as its fair value on initial recognition. The difference between the carrying amount of the associate and the fair value of any retained interest and any proceeds from disposing the relevant interest in the associate is included in the determination of the gain or loss on disposal of the associate. In addition, the Group accounts for all amounts previously recognised in other comprehensive income in relation to that associate on the same basis as would be required if that associate had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognised in other comprehensive income by that associate would be reclassified to profit or loss on the disposal of the related assets or liabilities, the Group reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) upon disposal/partial disposal of the relevant associate.

The Group continues to use the equity method when an investment in an associate becomes an investment in a joint venture or an investment in a joint venture becomes an investment in an associate. There is no remeasurement to fair value upon such changes in ownership interests.

When the Group reduces its ownership interest in an associate but the Group continues to use the equity method, the Group reclassifies to profit or loss the proportion of the gain or loss that had previously been recognised in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be reclassified to profit or loss on the disposal of the related assets or liabilities.

When a group entity transacts with an associate of the Group, profits and losses resulting from the transactions with the associate are recognised in the Group's consolidated financial statements only to the extent of interest in the associate that are not related to the Group.

Property, plant and equipment

Property, plant and equipment are stated at cost, less subsequent depreciation and impairment. Cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated using the straight-line method to write off the cost of each asset to its residual value over its estimated useful life as follows:

Leasehold improvements	20% or over the lease terms, whichever is shorter
Equipment	20% to 33%
Furniture and fixtures	20% to 50%
Motor vehicles	20%
Ship	10%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Gains and losses on disposals are determined by comparing the disposal proceeds with the carrying amount and are included in profit or loss.

3. MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

Impairment on tangible assets

At the end of the reporting period, the Group reviews the carrying amounts of its tangible assets with finite useful lives to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the relevant asset is estimated in order to determine the extent of the impairment loss (if any). The recoverable amounts of tangible assets are estimated individually, when it is not possible to estimate the recoverable amount individually, the Group estimates the recoverable amount of the CGU to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual CGUs, or otherwise they are allocated to the smallest group of CGUs for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and VIU. In assessing VIU, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset (or a CGU) for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or a CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or a CGU) is reduced to its recoverable amount. In allocating the impairment loss, the impairment loss is allocated first to reduce the carrying amount of any goodwill (if applicable) and then to the other assets on a pro-rate basis based on the carrying amount of each asset in the unit. The carrying amount of an asset is not reduced below the highest of its fair value less costs of disposal (if measurable), its VIU (if determinable) and zero. The amount of the impairment loss that would otherwise have been allocated to the asset is allocated pro rata to the other assets of the unit. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or a CGU) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or a CGU) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is calculated using the weighted average method. Net realisable value represents the estimated selling price for inventories less all estimated costs necessary to make the sale. Costs necessary to make the sale include incremental costs directly attributable to the sale and non-incremental costs which the Group must incur to make the sale.

Other assets

The other assets represented the non-fungible tokens on hand at the end of the reporting period which can be bought and sold, do not qualify for recognition as cash and cash equivalents or financial assets, and are similar to intangible assets in nature. They are stated at the lower of cost and net realisable value. Cost represents the historical purchase cost which is calculated using weighted-average method. Net realisable value represents the estimated selling price less all estimated costs of completion and costs necessary to make the sale. Costs necessary to make the sale include incremental costs directly attributable to the sale and non-incremental costs which the Group must incur to make the sale.

3. MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, bank balances, bank overdrafts and three-month time deposits.

Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are also included as a component of cash and cash equivalents for the purpose of the consolidated statement of cash flows.

In the consolidated statement of financial position, bank overdrafts are shown in current liabilities.

Financial instruments

Financial assets and financial liabilities are recognised when a group entity becomes a party to the contractual provisions of the instrument. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place.

Financial assets and financial liabilities are initially measured at fair value except for trade receivables arising from contracts with customers which are initially measured in accordance with HKFRS 15. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets or financial liabilities at FVTPL) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognised immediately in profit or loss.

The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating interest income and interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts and payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset or financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Interest income which is derived from the Group's ordinary course of business are presented as revenue.

Financial assets

Classification and subsequent measurement of financial assets

Financial assets that meet the following conditions are subsequently measured at amortised cost:

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

All other financial assets are subsequently measured at fair value.

3. MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

Financial instruments *(Continued)*

Financial assets *(Continued)*

Classification and subsequent measurement of financial assets (Continued)

A financial asset is classified as held for trading if:

- it has been acquired principally for the purpose of selling in the near term;
- on initial recognition it is a part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

In addition, the Group may irrevocably designate a financial asset that are required to be measured at the amortised cost or fair value through other comprehensive income as measured at financial assets at FVTPL if doing so eliminates or significantly reduces an accounting mismatch.

(i) Amortised cost and interest income

Interest income is recognised using the effective interest method for financial assets measured subsequently at amortised cost. For financial instruments other than purchased or originated credit-impaired financial assets, interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired (see below). For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset from the next reporting period. If the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset from the beginning of the reporting period following the determination that the asset is no longer credit impaired.

(ii) Financial assets at FVTPL

Financial assets designated at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in profit or loss. The net gain or loss recognised in profit or loss excludes any dividend or interest earned on the financial asset and is included in the "other gains and losses, net" line item.

Credit losses and impairment of financial assets

The Group recognises a credit loss allowance for expected credit losses ("ECL") on financial assets which are subject to impairment under HKFRS 9 (including trade and other receivables and loans and advances to customers), and on loan commitments issued which are not measured at FVTPL. The amount of ECL is updated at the end of each reporting period to reflect changes in credit risk since initial recognition.

Simplified approach

For trade receivables that do not contain a significant financing component or when the Group applies the practical expedient of not adjusting the effect of a significant financing component, the Group applies the simplified approach in calculating ECLs. Under the simplified approach, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at the end of each reporting period. The Group has applied loss rates which are reference to the default rates, adjusted for forward-looking factors and the economic environment.

3. MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

Financial instruments *(Continued)*

Financial assets *(Continued)*

Credit losses and impairment of financial assets (Continued)

General approach

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months ("12m ECLs"). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (lifetime ECLs).

At the end of each reporting period, the Group assesses whether the credit risk on a financial instrument has increased significantly since initial recognition. When making the assessment, the Group compares the risk of a default occurring on the financial instrument as at the end of the reporting period with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information that is available without undue cost or effort, including historical and forward-looking information.

For financial assets, the Group considers that there has been a significant increase in credit risk when contractual payments are past due. The Group considers these financial assets are in default when contractual payments are 30 days past due.

Loan and advances to customers are subject to impairment under the general approach and they are classified within the following stages for measurement of ECLs.

Stage 1 – Financial instruments for which credit risk has not increased significantly since initial recognition and for which the loss allowance is measured at an amount equal to 12m ECLs.

Stage 2 – Financial instruments for which credit risk has increased significantly since initial recognition but that are not credit-impaired financial assets and for which the loss allowance is measured at an amount equal to lifetime ECLs.

Stage 3 – Financial assets that are credit-impaired at the end of the reporting period (but that are not purchased or originated credit-impaired) and for which the loss allowance is measured at an amount equal to lifetime ECLs.

(i) Significant increase in credit risk

In assessing whether the credit risk has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at the end of the reporting period with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonably supportable, including historical experience and forward-looking information that is available without undue cost or effort.

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

- an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- significant deterioration in external market indicators of credit risk, e.g. a significant increase in the credit spread, the credit default swap prices for the debtor;
- existing or forecast adverse changes in (1) regulatory, economic or technological environments; (2) business or financial conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- an actual or expected significant deterioration in the operating results of the debtor; or
- financial reorganisation/restructuring entered by the debtors.

3. MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

Financial instruments *(Continued)*

Financial assets *(Continued)*

Credit losses and impairment of financial assets (Continued)

(i) Significant increase in credit risk *(Continued)*

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonably supportable information that demonstrates otherwise.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

(ii) Definition of default

For internal credit risk management, the Group considers an event of default occurs when information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collateral held by the Group).

Irrespective of the above, the Group considers that default has occurred when: (1) the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or (2) the financial asset is more than 30 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

(iii) Credit-impaired financial assets

A financial asset is credit-impaired when one or more events of default that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

(a) significant financial difficulty of the issuer or the borrower;

(b) a breach of contract, such as a default or past due event;

(c) the lenders of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower concessions that the lenders would not otherwise consider;

(d) probable bankruptcy or other financial reorganisation entered by the debtor;

(e) probable shortfall that expected cash inflows from the realisation of collateral is below the carrying amount of financial assets; or

(f) the disappearance of an active market for that financial asset because of financial difficulties.

(iv) Write-off policy

The Group writes off the gross carrying amount of a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, for example, when the counterparty has entered into bankruptcy proceedings. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate.

A write-off constitutes a derecognition event. Any subsequent recoveries will result in an impairment gain and is included in profit or loss.

3. MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

Financial instruments *(Continued)*

Financial assets *(Continued)*

Credit losses and impairment of financial assets (Continued)

(v) Measurement and recognition of ECL

The measurement of ECL is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information. Estimation of ECL reflects an unbiased and probability-weighted amount that is determined with the respective risks of default occurring as the weights.

Generally, the ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and the cash flows that the Group expects to receive, discounted at the effective interest rate determined at initial recognition.

Where ECL is measured on a collective basis or caters for cases where evidence at the individual instrument level may not yet be available, the financial instruments are grouped on the below basis:

- Nature of financial instruments (i.e. the Group's trade receivables, loans and advances to customers are each assessed as a separate group. Other receivables are collective assessed;
- Past-due status;
- External credit ratings where available; and
- Nature, size and industry of debtors.

The grouping is regularly reviewed by management to ensure the constituents of each group continue to share similar credit risk characteristics in accordance with the internal credit risk categories as disclosed in note 34(b).

Interest income is calculated based on the gross carrying amount of the financial asset unless the financial asset is credit impaired, in which case interest income is calculated based on amortised cost of the financial asset.

Derecognition of financial assets

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

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

Financial liabilities and equity instruments

Debt and equity instruments issued by a group entity are classified as either financial liabilities or as equity in accordance with substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs.

Financial liabilities at amortised cost

Financial liabilities (including trade and other payables and borrowings) are subsequently measured at amortised cost, using the effective interest method.

3. MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

Financial instruments *(Continued)*

Financial liabilities and equity instruments *(Continued)*

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition. Interest expense is recognised on an effective interest basis.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

Leases

Definition of a lease

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

For contracts entered into or modified or arising from business combinations on or after the date of initial application, the Group assesses whether a contract is or contains a lease based on the definition under HKFRS 16 at inception, modification date or acquisition date, as appropriate. Such contract will not be reassessed unless the terms and conditions of the contract are subsequently changed.

The Group as a lessee

Allocation of consideration to components of a contract

For a contract that contains a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

As a practical expedient, leases with similar characteristics are accounted on a portfolio basis when the Group reasonably expects that the effects on the consolidated financial statements would not differ materially from individual leases within the portfolio.

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to leases of clinics that have a lease term of 12 months or less from the commencement date and do not contain a purchase option. It also applies the recognition exemption for lease of low-value assets.

Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis or another systematic basis over the lease term.

3. MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

Leases *(Continued)*

The Group as a lessee *(Continued)*

Right-of-use assets

The cost of right-of-use asset includes:

- the amount of the initial measurement of the lease liability;
- any lease payments made at or before the commencement date, less any lease incentives received;
- any initial direct costs incurred by the Group; and
- an estimate of costs to be incurred by the Group in dismantling and removing the underlying assets, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities.

Right-of-use assets in which the Group is reasonably certain to obtain ownership of the underlying leased assets at the end of the lease term are depreciated from commencement date to the end of the useful life.

Otherwise, right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term.

The Group presents right-of-use assets as a separate line item on the consolidated statement of financial position.

Refundable rental deposits

Refundable rental deposits paid are accounted under HKFRS 9 "Financial Instruments" and initially measured at fair value. Adjustments to fair value at initial recognition are considered as additional lease payments and included in the cost of right-of-use assets.

Lease liabilities

At the commencement date of a lease, the Group recognises and measures the lease liability at the present value of lease payments that are unpaid at that date. In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable.

The lease payments include:

- fixed payments (including in-substance fixed payments) less any lease incentives receivable; and
- payments of penalties for terminating a lease, if the lease term reflects the Group exercising an option to terminate the lease.

After the commencement date, lease liabilities are adjusted by interest accretion and lease payments. The Group remeasures lease liabilities (and makes a corresponding adjustment to the related right-of-use assets) whenever:

- the lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the related lease liability is remeasured by discounting the revised lease payments using a revised discount rate at the date of reassessment.
- the lease payments change due to changes in market rental rates following a market rent review/expected payment under a guaranteed residual value, in which cases the related lease liability is remeasured by discounting the revised lease payments using the initial discount rate.

The Group presents lease liabilities as a separate line item on the consolidate statement of financial position.

3. MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

Leases *(Continued)*

The Group as a lessee *(Continued)*

Lease modifications

The Group accounts for a lease modification as a separate lease if:

- the modification increases the scope of the lease by adding the right to use one or more underlying assets; and
- the consideration for the leases increases by an amount commensurate with the stand-alone price for the increase in scope and any appropriate adjustments to that stand-alone price to reflect the circumstances of the particular contract.

For a lease modification that is not accounted for as a separate lease, the Group remeasures the lease liability based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The Group accounts for the remeasurement of lease liabilities by making corresponding adjustments to the relevant right-of-use asset. When the modified contract contains a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the modified contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

Borrowing costs

Borrowing costs are recognised in profit or loss in the period in which they are incurred.

Income tax

Income tax expense represents the sum of the tax currently payable and deferred tax.

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

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

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

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

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rate (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

3. MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

Income tax *(Continued)*

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

For the purposes of measuring deferred tax liabilities or deferred tax assets for investment properties that are measured using the fair value model, the carrying amounts of such properties are presumed to be recovered entirely through sale, unless the presumption is rebutted. The presumption is rebutted when the investment property is depreciable and is held within a business model whose objective is to consume substantially all of the economic benefits embodied in the investment property over time, rather than through sale.

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

Retirement benefit costs

Payments to the Mandatory Provident Fund Scheme are recognised as an expense when employees have rendered service entitling them to the contributions.

Revenue recognition

Revenue from contracts with customers

Under HKFRS 15, the Group recognises revenue when (or as) a performance obligation is satisfied, i.e. when "control" of the goods or services underlying the particular performance obligation is transferred to the customer.

A performance obligation represents a good or service (or a bundle of goods or services) that is distinct or a series of distinct goods or services that are substantially the same.

A contract liability represents the Group's obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer.

A contract liability relating to a contract are accounted for a presented on a net basis.

Revenue from the sale of goods is recognised at the point in time when control of the goods are transferred to the customer. Revenue from sale of goods is generally recognised upon delivery of goods to customers.

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods sold in the normal course of business, net of discounts.

3. MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

Related parties

(a) A person, or a close member of that person's family, is related to the Group if that person:

(i) has control or joint control over the Group;

(ii) has significant influence over the Group; or

(iii) is a member of the key management personnel of the Group or the Company's parent.

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

(i) the entity and the Group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others);

(ii) one entity is an associate or a joint venture of the other entity (or an associate or a joint venture of a member of a group of which the other entity is a member);

(iii) both entities are joint ventures of the same third party;

(iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;

(v) the entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group;

(vi) the entity is controlled or jointly controlled by a person identified in (a);

(vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); and

(viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the Group or the Group's parent.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of these consolidated financial statements requires the directors of the Group to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

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

(a) ECL allowances for loans and advances to customers

The Group estimates the provision for impairment of loans and advances to customers based on the measurement of ECL under a "three-stage" model. The allowance for ECL on the loans and advances to customers are calculated based on loss rates which are reference to the default rates from international credit rating agencies and historical data, adjusted for forward-looking information specific to the debtors and the economic environment. Specifically, a credit loss is the present value of the difference between (i) the contractual cash flows that are due to an entity under the contract and (ii) the cash flows that the entity expects to receive. Such assessment involves a high degree of estimation and uncertainty. When the actual future cash flows are less or more than expected, a material provision for ECL or material reversal of provision for ECL may arise, accordingly. As at 31 March 2025, the carrying amount of loans and advances to customers is HK$23,447,000 (2024: HK$41,511,000), after recognising an impairment allowance of HK$89,572,000 (2024: HK$89,422,000).

(b) ECL allowances for trade receivables

Management regularly assesses the allowance for ECL on trade receivables and recognises lifetime ECL for trade receivables. Allowances for ECL on trade receivables are made based on evaluation of ECL for trade receivables and involve exercise of management's judgments, which are made by reference to the estimation of the future cash flows discounted to the present value. A considerable amount of judgment is required in assessing the ultimate realisation of these debtors, including their current creditworthiness and the risk of default occurring on debtors with significant balances and/or collectively using a provision matrix with appropriate groupings. The assessment on the probability of default and loss given default is based on historical data adjusted by forward-looking information. As at 31 March 2025, the carrying amount of trade receivables is HK$1,880,000 (2024: HK$1,551,000), after recognising an impairment allowance of HK$18,481,000 (2024: HK$18,875,000).

(c) Impairment assessment on property, plant and equipment and right-of-use assets

Property, plant and equipment and right-of-use assets are stated at costs less accumulated depreciation and impairment, if any. In determining whether an asset is impaired, the Group has to exercise judgement and make estimation, particularly in assessing: (1) whether an event has occurred or any indicators that may affect the asset value; (2) whether the carrying value of an asset can be supported by the recoverable amount, in the case of VIU, the net present value of future cash flows which are estimated based upon the continued use of the asset; and (3) the appropriate key assumptions to be applied in estimating the recoverable amounts including cash flow projections and an appropriate discount rate. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the CGU to which the asset belongs. Changing the assumptions and estimates, including the discount rates or the growth rate in the cash flow projections, could materially affect the net present value used. Based on the assessment prepared by the management, the recoverable amount of the relevant CGUs are lower than their carrying amounts and the Group recognised impairment loss of approximately HK$8,049,000 (2024: HK$5,120,000) on property, plant and equipment, and impairment loss of approximately HK$4,150,000 (2024: HK$1,677,000) on right-of-use assets for the year ended 31 March 2025.

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY *(Continued)*

(d) Impairment assessment on interests in associates

The Group estimates the recoverable amounts of these interests in associates based on VIU calculation. The VIU calculation requires the Group to estimate the future cash flows expected to arise from the associates with assumptions of terminal growth rates and discount rates in order to calculate the present values. As at 31 March 2025, the carrying amounts of the Group's interests in One Dollar Movies Productions Limited ("One Dollar Movies") and One Dollar Distribution Limited ("One Dollar Distribution") are HK$Nil and HK$Nil, respectively (2024: One Dollar Movies, One Dollar Distribution are HK$Nil and HK$Nil, respectively), after recognising impairment allowances of HK$2,800,000 and HK$2,000,000 (2024: One Dollar Movies, One Dollar Distribution are HK$2,800,000, HK$2,000,000, respectively), respectively.

(e) Impairment assessment on goodwill

The Group estimates the recoverable amount of the CGU (or group of CGUs) to which goodwill has been allocated, which is the higher of the VIU or fair value less costs of disposal. The VIU calculation requires the Group to estimate the future cash flows expected to arise from the CGU (or a group of CGUs) and a suitable discount rate in order to calculate the present value. Where the actual future cash flows are less than expected, or change in facts and circumstances which results in downward revision of future cash flows or upward revision of discount rate, a material impairment loss or further impairment loss may arise. As at 31 March 2025, the carrying amount of goodwill is HK$Nil (2024: HK$1,344,000) (net of accumulated impairment loss of HK$1,344,000 (2024: HK$Nil)).

5. REVENUE AND SEGMENT INFORMATION

(a) Revenue

Revenue represents the aggregate of the net amounts received and receivable from third parties for the year. There is no seasonality and cyclicality of the operations of the Group. The performance obligation is part of a contract that has an original expected duration of one year or less. Disaggregation revenue from contracts with the customers are as follows:

	2025	2024
	HK$'000	*HK$'000*
Revenue from contracts with customers within the scope of HKFRS 15		
Contracts with customers		
Retail sales of grocery products and restaurant operation	**21,682**	28,432
Wholesale of frozen food and processed food	**12,383**	10,857
	34,065	39,289
Revenue from contracts with customers not within the scope of HKFRS 15		
Revenue from money lending	**7,494**	14,029
	41,559	53,318
Timing of revenue recognition within the scope of HKFRS 15		
At point in time	**34,065**	39,289

5. REVENUE AND SEGMENT INFORMATION *(Continued)*

(b) Segment information

The chief operating decision makers have been identified as the executive directors of the Company (the "Executive Directors"). The Executive Directors review the Group's internal reporting in order to assess performance and allocate resources. Management determined the operating segments based on these reports.

Management assesses the performance based on the nature of the Group's businesses which are principally located in Hong Kong, and comprise (i) money lending; and (ii) groceries retail and wholesale.

Segment results represent the loss generated by each segment without allocation of central administration costs, investment and other income, other gains and losses, net, finance costs, and income tax credit. This is the measure reported to the Executive Directors for the purposes of resources allocation and assessment of segment performance.

Segment assets include all assets, other than unallocated corporate assets. Segment liabilities include all liabilities, other than unallocated corporate liabilities, and current tax liabilities.

(c) Segment results, assets and liabilities

	Money lending		Groceries retail and wholesale		Total	
	2025	2024	**2025**	2024	**2025**	2024
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
Reportable segment revenue from external customers	**7,494**	14,029	**34,065**	39,289	**41,559**	53,318
Reportable segment loss before tax	**(2,594)**	(16,830)	**(16,242)**	(14,939)	**(18,836)**	(31,769)
Depreciation of property, plant and equipment	**3**	944	**334**	1,140	**337**	2,084
Depreciation of right-of-use assets	**–**	201	**1,140**	3,030	**1,140**	3,231
(Reversal of)/allowance for expected credit losses on trade receivables, net	**–**	–	**(394)**	13,157	**(394)**	13,157
Allowance for expected credit losses on loans and advances to customers, net	**2,891**	22,644	**–**	–	**2,891**	22,644
Reportable segment assets	**25,911**	48,446	**12,382**	22,896	**38,293**	71,342
Additions to property, plant and equipment	**62**	–	**7,210**	43	**7,272**	43
Reportable segment liabilities	**1,533**	2,823	**7,649**	3,943	**9,182**	6,766

5. REVENUE AND SEGMENT INFORMATION *(Continued)*

(d) Reconciliations of reportable segment revenue, loss before tax, assets and liabilities

	2025 *HK$'000*	2024 *HK$'000*
Revenue		
Reportable segment revenue and consolidated revenue	**41,559**	53,318

	2025 *HK$'000*	2024 *HK$'000*
Loss before tax		
Reportable segment loss before tax	**(18,836)**	(31,769)
Unallocated head office corporate expenses	**(12,993)**	(37,835)
Investment and other income	**454**	1,714
Other gains and losses, net	**(14,399)**	(46,302)
Finance costs	**(197)**	(470)
Consolidated loss before tax	**(45,971)**	(114,662)

	2025 *HK$'000*	2024 *HK$'000*
Assets		
Reportable segment assets	**38,293**	71,342
Unallocated corporate assets	**3,615**	15,508
Consolidated total assets	**41,908**	86,850

	2025 *HK$'000*	2024 *HK$'000*
Liabilities		
Reportable segment liabilities	**9,182**	6,766
Unallocated corporate liabilities	**3,991**	7,526
Consolidated total liabilities	**13,173**	14,292

5. REVENUE AND SEGMENT INFORMATION *(Continued)*

(e) Information about major customer

Revenue from customer of the corresponding years contributing over 10% of the total revenue of the Group is as follows:

	2025	2024
	HK$'000	*HK$'000*
Customer A[1]	**11,351**	10,781

[1] Revenue form groceries retail and wholesale segment.

(f) Geographical information

All of the Group's operations and assets are located in Hong Kong, in which all of its revenue was derived.

6. INVESTMENT AND OTHER INCOME

	2025	2024
	HK$'000	*HK$'000*
Interest income from		
– bank balances	**1**	163
– rental deposits	**29**	52
Others	**424**	1,499
	454	1,714

7. OTHER GAINS AND LOSSES, NET

	2025	2024
	HK$'000	*HK$'000*
Fair value loss on financial assets at FVTPL, net	**(3,450)**	(27,818)
Impairment loss of other assets	**–**	(11,096)
Gain/(loss) on disposal of property, plant and equipment, net	**130**	(328)
Loss on disposal of associates *(note 16)*	**–**	(1,688)
Gain on disposal of subsidiaries *(note 29)*	**–**	1,889
Gain/(loss) on early termination of lease	**508**	(129)
Written-off of property, plant and equipment *(note 14)*	**–**	(435)
Impairment loss on property, plant and equipment *(note 14)*	**(8,049)**	(5,120)
Impairment loss on right-of-use assets *(note 15)*	**(4,150)**	(1,677)
Impairment loss on goodwill *(note 27)*	**(1,344)**	–
Recovery of bad debt	**611**	–
Waiver of promissory note *(note 22(c))*	**1,345**	–
Others	**–**	100
	(14,399)	(46,302)

8. LOSS BEFORE TAX

	2025	2024
	HK$'000	*HK$'000*
Loss before tax is arrived at after charging:		
Auditor's remuneration	**880**	880
Commission expense		
– Money lending business	**255**	551
– Retail and wholesale business	**277**	102
Minimum lease payments in respect of short-term leases of land and buildings	**531**	714
Employee benefit expenses (including directors' emoluments)		
– Basic salaries, allowances and other benefits in kind	**13,238**	20,184
– Retirement benefit scheme contributions	**812**	611
	14,050	20,795
Depreciation of property, plant and equipment *(note 14)*		
– Owned assets (included in administrative expenses)	**638**	4,631
– Owned assets (included in cost of goods sold)	**–**	11
	638	4,642
Depreciation of right-of-use assets *(note 15)*		
– Included in administrative expenses	**1,647**	4,521
– Included in cost of goods sold	**–**	28
	1,647	4,549
Carrying amount of inventories sold	**23,517**	31,215
Provision for impairment/write-down of inventories (included in cost of goods sold)	**4,904**	1,000
Cost of inventories recognised as expenses	**28,421**	32,215

9. DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS

Pursuant to section 383 of the Hong Kong Companies Ordinance (Cap. 622), Companies (Disclosure of Information about Benefit of Directors) Regulation (Cap. 622G) and the GEM Listing Rules, the remuneration paid or payable to each of the eight (2024: nine) directors of the Company is set out below:

	For the year ended 31 March 2025				
	Fees	**Salaries, allowances and benefits in kind**	**Bonus**	**Retirement benefit scheme contributions**	**Total**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Executive Directors					
Mr. CHAN Yan Tak, the Chairman	–	1	–	–	1
Mr. LIM Ming Shing, Tony	–	1	–	–	1
Ms. SIU Yeuk Hung, Clara	–	741	–	18	759
Mr. LAW Ka Kei	–	720	–	18	738
	–	1,463	–	36	1,499
Independent Non-Executive Directors					
Mr. LEE King Fui	100	–	–	–	100
Mr. Joseph Rodrick LAW	100	–	–	–	100
Ms. HO Sau Ping, Pia	100	–	–	–	100
Mr. CHEUNG Leung (appointed on 15 November 2023 and resigned on 10 April 2025)	100	–	–	–	100
	400	–	–	–	400
Total emoluments	400	1,463	–	36	1,899

9. DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS *(Continued)*

	For the year ended 31 March 2024				
	Fees	Salaries, allowances and benefits in kind	Bonus	Retirement benefit scheme contributions	Total
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Executive Directors					
Mr. CHAN Yan Tak, the Chairman	–	1	–	–	1
Mr. LIM Ming Shing, Tony	–	1	–	–	1
Ms. SIU Yeuk Hung, Clara	–	741	–	18	759
Mr. LAW Ka Kei	–	757	–	18	775
	–	1,500	–	36	1,536
Independent Non-Executive Directors					
Mr. LEE King Fui	100	–	–	–	100
Mr. Joseph Rodrick LAW	100	–	–	–	100
Mr. TO Kwan (resigned on 15 November 2023)	62	–	–	–	62
Ms. HO Sau Ping, Pia	100	–	–	–	100
Mr. CHEUNG Leung (appointed on 15 November 2023 and resigned on 10 April 2025)	38	–	–	–	38
	400	–	–	–	400
Total emoluments	400	1,500	–	36	1,936

Except as disclosed above, there was no remuneration paid to other directors of the Company for the years ended 31 March 2025 and 2024.

During the years ended 31 March 2025 and 2024, no emolument was paid by the Group to any of the directors of the Company as an inducement to join or upon joining the Group or as compensation for loss of office and none of the directors of the Company has waived any emoluments during the year.

"Salaries, allowances and benefits in kind" paid to or for the executive directors are generally emoluments paid or receivable in respect of those persons' other services in connection with the management of the affairs of the Company and its subsidiaries. The independent non-executive directors' emoluments shown above were mainly for their services as directors of the Company.

10. FIVE HIGHEST PAID INDIVIDUALS

Of the five individuals with the highest emoluments in the Group, two (2024: two) were directors of the Company whose emoluments are included in the disclosures in note 9 above. The emoluments payable to the remaining three (2024: three) individuals in which all of them (2024: all of them) were senior management during the year are as follows:

	2025	2024
	HK$'000	*HK$'000*
Salaries, allowances and benefits in kind	**2,493**	2,292
Retirement benefit scheme contributions	**54**	50
	2,547	2,342

The emoluments of the highest paid three (2024: three) individuals for the year fell within the following bands:

	Number of individuals	
	2025	2024
Emolument bands		
Nil – HK$1,000,000	**2**	3
HK$1,000,001 – HK$1,500,000	**1**	–

11. FINANCE COSTS

	2025	2024
	HK$'000	*HK$'000*
Interest expenses on:		
Borrowing	**25**	288
Lease liabilities	**172**	182
	197	470

12. INCOME TAX CREDIT

	2025	2024
	HK$'000	*HK$'000*
Current tax: Hong Kong		
– Over-provision in prior years	**–**	14
	–	14
Deferred tax *(note 30)*	**–**	–
Income tax credit	**–**	14

For the years ended 31 March 2025 and 2024, Hong Kong Profits Tax was calculated under the two-tiered profits tax rates regime, the first HK$2,000,000 of profits of the qualifying group entity will be taxed at 8.25%, and profits above HK$2,000,000 will be taxed at 16.5%. The profits of group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%.

12. INCOME TAX CREDIT *(Continued)*

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

	2025	2024
	HK$'000	*HK$'000*
Loss before tax	**(45,971)**	(114,662)
Tax at the domestic income tax rate at 16.5% (2024: 16.5%)	**(7,585)**	(18,919)
Tax effect of non-taxable income	**(7)**	(182)
Tax effect of non-deductible expenses	**1,662**	9,241
Tax effect of unused tax losses not recognised	**6,204**	7,763
Utilisation of tax loss previously not recognised	**(48)**	–
Tax effect of deductible temporary differences not recognised	**(226)**	2,097
Over-provision in prior years	**–**	(14)
Income tax credit	**–**	(14)

At the end of the reporting period, the Group has unused tax losses of HK$269,423,000, (2024: HK$232,115,000) for offset against future profits. A deferred tax asset has been recognised in respect of HK$877,000 (2024: HK$1,102,000) of such losses. The tax losses do not expire under current legislation. No deferred tax asset has been recognised in respect of the tax losses of HK$268,546,000 (2024: HK$231,013,000) due to the unpredictability of future profit streams.

As 31 March 2025, the Group has deductible temporary differences of HK$20,121,000 (2024: HK$21,491,000) of which deferred tax asset has not been recognised. Tax effect of such deductible temporary differences as at 31 March 2025 was HK$3,320,000 (2024: HK$3,546,000).

13. LOSS PER SHARE

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

	2025	2024
	HK$'000	*HK$'000*
Loss		
Loss for the year attributable to owners of the Company	**(45,421)**	(114,403)

	2025	2024 (Restated)
Number of ordinary shares		
Weighted average number of ordinary shares for the purpose of basic and diluted loss per share	**28,460,777**	25,319,599

The weighted average number of ordinary shares of 28,460,777 (2024: 25,319,599 (Restated)) in issue during the year ended 31 March 2025, as adjusted to reflect the effect of the share consolidation as disclosed in note 31(b). Comparative figures have also been adjusted on the assumption that the share consolidation on 27 November 2024 had been effective in the prior year.

The computation of diluted loss per share for the years ended 31 March 2025 and 2024 is the same as the computation of basic loss per share as there were no potential ordinary shares in issue.

14. PROPERTY, PLANT AND EQUIPMENT

	Building and Leasehold improvements *HK$'000*	Computer & equipment *HK$'000*	Furniture and fixtures *HK$'000*	Motor vehicles and ship *HK$'000*	Total *HK$'000*
Cost					
At 1 April 2023	11,295	11,915	2,581	2,486	28,277
Additions	–	73	–	1,600	1,673
Written off	(5,354)	(2,148)	(2,307)	–	(9,809)
Disposals	–	–	–	(780)	(780)
Asset classified as held for sale *(note)*	(1,860)	–	–	–	(1,860)
Disposal of a subsidiary *(note 29)*	(1,363)	(871)	(28)	–	(2,262)
At 31 March 2024 and 1 April 2024	2,718	8,969	246	3,306	15,239
Additions	2,044	6,637	6	–	8,687
Disposals	–	–	–	(616)	(616)
At 31 March 2025	4,762	15,606	252	2,690	23,310
Accumulated depreciation and accumulated impairment					
At 1 April 2023	6,711	7,419	2,508	709	17,347
Charge for the year *(note 8)*	2,408	1,629	27	578	4,642
Written back on disposals	–	–	–	(52)	(52)
Written back	(5,033)	(2,067)	(2,274)	–	(9,374)
Impairment loss *(note 7)*	255	2,791	3	2,071	5,120
Asset classified as held for sale *(note)*	(260)	–	–	–	(260)
Disposal of a subsidiary *(note 29)*	(1,363)	(803)	(18)	–	(2,184)
At 31 March 2024 and 1 April 2024	2,718	8,969	246	3,306	15,239
Charge for the year *(note 8)*	492	145	1	–	638
Written back on disposals	–	–	–	(616)	(616)
Impairment loss *(note 7)*	1,552	6,492	5	–	8,049
At 31 March 2025	4,762	15,606	252	2,690	23,310
Carrying amounts					
At 31 March 2025	**–**	**–**	**–**	**–**	**–**
At 31 March 2024	–	–	–	–	–

Note:

As at 31 March 2024, the carrying amount of assets classified as held for sale is HK$1,600,000 (2025: HK$Nil). On 9 February 2024, the Group entered into the provisional agreement with Mr. Gidwani Dheeraj ("Purchaser"), independent third party, pursuant to which the Group has agreed to sell, and the Purchaser has agreed to purchase, the building at the consideration of HK$1,600,000. The transaction that resulted in the reclassification of asset held for sale as at 31 March 2024, and the transaction completed in April 2024.

14. PROPERTY, PLANT AND EQUIPMENT *(Continued)*

Impairment assessment on property, plant and equipment and right-of-use assets

Due to the significant loss incurred for the year ended 31 March 2025, the management of the Group concluded that there was indication of impairment and conducted impairment assessment on property, plant and equipment and right-of-use assets with carrying amounts (before any impairment) as at 31 March 2025 of approximately HK$8,049,000 and HK$4,150,000, respectively. For the purposes of impairment testing, assets are grouped at each operating segment for which there are separately identifiable cash flows (CGUs). An impairment loss was recognised for the amount by which the carrying amount of the assets/CGU exceeds its recoverable amount.

The recoverable amount of the CGU of money lending business operating segment has been determined based on a VIU calculation. That calculation uses cash flow projections based on financial budgets approved by management covering a 5-year period with a pre-tax discount rate of 11.4% (2024: 12.2%). The cash flows beyond the 5-year period are extrapolated using a steady 2.6% growth rate (2024: 2.6%) of revenue. Other key assumptions for the VIU calculations relate to the estimation of cash inflows/outflows which include budgeted sales and gross margin, such estimation is based on the money lending business's past performance and management's expectations for the market development.

The recoverable amount of the CGU of groceries retail and wholesale business operating segment has been determined based on a VIU calculation. That calculation uses cash flow projections based on financial budgets approved by management covering a 5-year period with a pre-tax discount rate of 12.5% (2024:15.1%). The cash flows beyond the 5-year period are extrapolated using a steady 2.6% growth rate (2024: 2.6%) of revenue. Other key assumptions for the VIU calculations relate to the estimation of cash inflows/outflows which include budgeted sales and gross margin, such estimation is based on the groceries retail and wholesale business's past performance and management's expectations for the market development.

The estimated recoverable amounts of the CGU of money lending business operating segment and the CGU of groceries retail and wholesale business operating segment are lower than the respective carrying amounts of the CGUs, the Group recognised impairment loss of approximately HK$8,049,000 (2024: HK$5,120,000) on property, plant and equipment, and impairment loss of approximately HK$4,150,000 (2024: HK$1,677,000) on right-of-use assets for the year ended 31 March 2025.

15. RIGHT-OF-USE ASSETS

	Land and buildings HK$'000
Cost	
At 1 April 2023	15,451
Remeasurement	470
Additions	744
Early termination of leases	(4,879)
Disposal of subsidiaries *(note 29)*	(782)
At 31 March 2024 and 1 April 2024	11,004
Additions	5,797
At 31 March 2025	16,801
Accumulated depreciation and accumulated impairment	
At 1 April 2023	8,943
Charge for the year *(note 8)*	4,549
Written back on early termination of leases	(3,969)
Impairment loss *(note 7)*	1,677
Disposal of subsidiaries *(note 29)*	(196)
At 31 March 2024 and 1 April 2024	11,004
Charge for the year *(note 8)*	1,647
Impairment loss *(note 7)*	4,150
At 31 March 2025	16,801
Carrying amounts	
At 31 March 2025	**–**
At 31 March 2024	–

For both years, the Group leases office buildings for its operations. Lease contracts which effective interest rates of 4.4% (2024: 4.4%) are entered into for fixed terms of 2 to 3 years (2024: 1 to 3 years), but may have extension and termination options included. The Group applies judgement in evaluating whether it is reasonably certain to exercise the option to renew. That is, it considers all relevant factors that create an economic incentive for it to exercise the renewal option. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is beyond its control and affects its ability to exercise (or not to exercise) the option to renew (e.g. a change in business strategy).

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. In determining the lease term and assessing the length of the non-cancellable period, the Group applies the definition of a contract and determines the period for which the contract is enforceable.

Details of impairment assessment on right-of-use assets are set out in note 14.

16. INTERESTS IN ASSOCIATES

	2025	2024
	HK$'000	*HK$'000*
Unlisted shares, at cost	**4,800**	4,800
Less: allowance for impairment	**(4,800)**	(4,800)
	–	–

Notes:

(i) Particulars of the Group's interests in the Group's associates at 31 March 2025 and 2024 are as follows:

Name of associates	Class of shares held	Particulars of paid up capital	Proportion of ownership interest held by the Group				Principal activities	Place of incorporation and operations
			Directly		Indirectly			
			2025	2024	**2025**	2024		
			%	*%*	***%***	*%*		
Big Max Limited	Ordinary	N/A (2024: N/A)	**–**	–	**N/A**	N/A	Operation of a restaurant	Hong Kong
Diamond Brave Limited	Ordinary	N/A (2024: N/A)	**–**	–	**N/A**	N/A	Operation of a restaurant	Hong Kong
Sunshine Team Limited	Ordinary	N/A (2024: N/A)	**–**	–	**N/A**	N/A	Operation of a restaurant	Hong Kong
One Dollar Movies Productions Limited	Ordinary	HK$10 (2024: HK$10)	**40**	40	**N/A**	N/A	Movies production	Hong Kong
One Dollar Distribution Limited	Ordinary	HK$10 (2024: HK$10)	**40**	40	**N/A**	N/A	Movies production	Hong Kong

All of the above associates are unlisted and accounted for using the equity method in the consolidated financial statements.

On 21 March 2024, the Group entered into a sale and purchase agreement with Round Table Group Limited, pursuant to which the Group agreed to dispose of its 20% equity interest in Big Max Limited, Diamond Brave Limited and Sunshine Team Limited at total consideration of HK$3. The disposal was completed on 22 March 2024. A loss of HK$1,688,000 from the disposal of associates was recognised and incurred in other gains and losses, net (note 7) during the year ended 31 March 2024.

17. FINANCIAL ASSETS AT FVTPL

	2025	2024
	HK$'000	*HK$'000*
Listed equity securities		
– Hong Kong *(notes (i))*	**–**	1,470
Film rights investments *(note (ii))*	**150**	3,600
	150	5,070

Notes:

(i) The fair values of listed equity securities are determined by reference to their quoted market prices at the end of the reporting period and are categorised as level 1 under fair value measurement hierarchy.

(ii) The balance represents the Group's investments in film productions ("Film Rights") which entitled the Group to predetermined percentage of income to be generated from the films based on the Group's investment portion as specified in respective film rights investments agreements. On 26 May 2025, the Group entered into a sale and purchase agreement with an independent third party ("Purchaser"), pursuant to which the Group has agreed to sell, and the Purchaser has agreed to purchase, the Film Rights at the consideration of HK$150,000. Fair value loss of HK$3,450,000 was recognised in other gains and losses, net.

18. INVENTORIES

	2025	2024
	HK$'000	*HK$'000*
Merchandise, at cost	**6,063**	8,539

19. TRADE RECEIVABLES

	2025	2024
	HK$'000	*HK$'000*
Trade receivables	**20,361**	20,426
Allowance for credit losses	**(18,481)**	(18,875)
	1,880	1,551

The Group maintains payment terms of cash on delivery for retail sales for both years ended 31 March 2025 and 2024. The credit term for certain wholesale customers is 0 to 30 days from the date of billing for the years ended 31 March 2025 and 2024. The Group did not hold any collateral as security or other credit enhancements over the trade receivables.

Details of allowance for credit losses are set out in note 34(b).

19. TRADE RECEIVABLES *(Continued)*

The following is an aged analysis of trade receivables, net of impairment, presented based on the invoice dates:

	2025	2024
	HK$'000	*HK$'000*
Within three months	**686**	1,217
Over three months and within one year	**1,194**	334
	1,880	1,551

20. DEPOSITS, PREPAYMENTS, OTHER RECEIVABLES AND OTHER ASSETS

	2025	2024
	HK$'000	*HK$'000*
Deposits *(note (iii))*	**5,031**	18,122
Prepayments	**619**	2,068
Consideration receivables *(note (iv))*	**718**	2,018
Other receivables	**36**	114
	6,404	22,322
Analysed for reporting purpose as:		
Current portion *(note (i))*	**5,798**	22,283
Non-current portion *(note (iii))*	**606**	39
	6,404	22,322

Notes:

(i) As at 31 March 2025 and 2024, the balances of deposits, prepayments and other receivables were expected to be utilised within one year from the end of the reporting period and hence were classified as current assets except for the long term deposits.

(ii) In the opinion of the directors of the Company, deposits, prepayments and other receivables are neither past due nor impaired.

(iii) Included in deposits was rental deposits of HK$738,000 (2024: HK$929,000) of which HK$414,000 (2024: HK$39,000) is expected to be utilised over one year. Included in deposits was also deposits for development of a platform for operation of HK$Nil (2024: HK$5,500,000), trade deposits to a supplier of HK$1,649,000 (2024: HK$4,500,000) and HK$2,488,000 (2024: HK$5,900,000) of other deposits paid for the arrangement of new retail shops.

(iv) Pursuant to the sale and purchase agreement ("S&P agreement") entered in relation to the acquisition of Union Raise Limited ("Union Raise") and Pets Supermarket Limited ("Pets Supermarket"), in the event that the audited profits after tax of Union Raise and Pets Supermarket for the period from 23 May 2023 to 22 May 2024 is less than HK$1,000,000 per each subsidiary (the "First Profit Guarantee"), Mr. Cheng Sai Chit Luke and Ms. Li Yung (the "vendors") shall pay to the Group the shortfall amounts. The fair value of the contingent consideration receivables represent the First Profit Guarantee in relation to the adjustments to the consideration from the acquisition of Union Raise and Pets Supermarket during the year ended 31 March 2024.

During the year ended 31 March 2025, no repayment of consideration receivables was received from the vendors. The decrease in consideration receivables represented the offset of management fee payables owing to the vendors. Details of provision of management services by the vendors are set out in note 28.

Pursuant to S&P agreement entered in relation to the acquisition of Union Raise and Pets Supermarket, in the event that the audited profits after tax of Union Raise and Pets Supermarket for the period from 23 May 2024 to 22 May 2025 is less than HK$3,000,000 per each subsidiary (the "Second Profit Guarantee"), The vendors shall pay to the Group the shortfall amounts. In the opinion of the directors of the Company, no adjustment was made to the fair value of the contingent consideration receivables in relation to the Second Profit Guarantee as at 31 March 2025 as the vendors are unlikely to pay their credit obligations to the Group in full.

21. LOANS AND ADVANCES TO CUSTOMERS

	2025	2024
	HK$'000	HK$'000
Loans and advances to customers	**113,019**	130,933
Allowance for credit losses	**(89,572)**	(89,422)
	23,447	41,511
Analysed for reporting purpose as:		
Current portion	**11,134**	19,999
Non-current portion	**12,313**	21,512
	23,447	41,511

As at 31 March 2025, loans and advances to customers of HK$3,500,000 (2024: HK$1,462,000) and HK$1,823,000 (2024: HK$1,575,000), respectively, are secured by the customers' pledged first charge and second charge properties located in Hong Kong of which the fair value of the property is higher of the respective loan. In addition, loans and advances to customers of HK$10,862,000 (2024: HK$15,188,000) is secured by the customers' pledged car of which the fair value of the car is higher of the respective loan. The remaining balances are unsecured which include unsecured personal loans and third mortgage loans.

All loans and advances to customers are denominated in HK$. The Group's loans and advances to customers related to a large number of diversified customers with principal amounts ranged from HK$10,000 to HK$4,800,000 (2024: HK$10,000 to HK$8,300,000). The loans and advances to customers carry fixed interest rate as follows with credit terms mutually agreed with the customers:

	Range of interest rate per annum	
Type of loan	**2025**	2024
Secured loan with properties (first charge and second charge)	**14% – 24%**	13% – 20%
Secured loan with car	**10% – 31%**	10% – 36%
Unsecured loan	**5% – 48%**	5% – 52%

21. LOANS AND ADVANCES TO CUSTOMERS *(Continued)*

(a) Analysis of changes in the gross carrying amount is as follows:

	12m ECL	Lifetime ECL (not credit-impaired)	Lifetime ECL (credit-impaired)	Total
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
At 1 April 2023	37,226	5,494	121,920	164,640
Additions	34,284	–	–	34,284
Interest income recognised	9,748	865	3,416	14,029
Transfer from 12m ECL, net	(27,649)	1,929	25,720	–
Transfer to lifetime ECL (credit-impaired), net	–	(1,729)	1,729	–
Repayments	(27,409)	(3,295)	(16,405)	(47,109)
Amounts written off	(1,198)	(420)	(33,293)	(34,911)
At 31 March 2024 and 1 April 2024	25,002	2,844	103,087	130,933
Additions	7,282	–	–	7,282
Interest income	5,262	475	1,757	7,494
Transfer from 12m ECL, net	(3,574)	558	3,016	–
Transfer to lifetime ECL (credit-impaired)	–	(775)	775	–
Repayments	(17,729)	(1,850)	(10,370)	(29,949)
Amounts written off	–	–	(2,741)	(2,741)
At 31 March 2025	**16,243**	**1,252**	**95,524**	**113,019**

(b) Analysis of changes in the corresponding allowance for credit losses is as follows:

	12m ECL	Lifetime ECL (not credit-impaired)	Lifetime ECL (credit-impaired)	Total
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
At 1 April 2023	1,095	1,260	99,334	101,689
Transfer from 12m ECL, net	(4,905)	774	4,131	–
Transfer to lifetime ECL, net	–	(1,448)	1,448	–
Recognition of allowance for ECL, net	5,706	61	16,877	22,644
Amounts written off	(1,198)	(420)	(33,293)	(34,911)
At 31 March 2024 and 1 April 2024	698	227	88,497	89,422
Transfer from 12m ECL, net	(311)	280	31	–
Transfer to lifetime ECL, net	–	(313)	313	–
Recognition/(reversal) of allowance for ECL, net	102	(108)	2,897	2,891
Amounts written off	–	–	(2,741)	(2,741)
At 31 March 2025	**489**	**86**	**88,997**	**89,572**

22. CASH AND CASH EQUIVALENTS

(a) As at 31 March 2025, cash and cash equivalents comprise of cash at banks and on hand (2024: cash at banks and security brokers and on hand).

(b) **Reconciliation of liabilities arising from financing activities**

The table below details the changes in the Group's major liabilities arising from financing activities, including both cash and non-cash changes:

	Lease liabilities *HK$'000* *(note 25)*	Borrowing *HK$'000* *(note 26)*	Total *HK$'000*
At 1 April 2024	1,749	1,200	2,949
Financing cash flows			
Proceeds from borrowing	–	1,000	1,000
Repayment of borrowing	–	(2,200)	(2,200)
Repayment of lease liabilities	(2,870)	–	(2,870)
Interest paid	–	(25)	(25)
	(2,870)	(1,225)	(4,095)
Other changes			
Additions to lease liabilities	5,729	–	5,729
Interest expenses on lease liabilities	172	–	172
Interest expenses on borrowing	–	25	25
Early termination of lease	(508)	–	(508)
	5,393	25	5,418
At 31 March 2025	4,272	–	4,272

22. CASH AND CASH EQUIVALENTS *(Continued)*

(b) Reconciliation of liabilities arising from financing activities *(Continued)*

	Lease liabilities *HK$'000* *(note 25)*	Borrowing *HK$'000* *(note 26)*	Total *HK$'000*
At 1 April 2023	6,921	1,200	8,121
Financing cash flows			
Repayment of lease liabilities	(4,971)	–	(4,971)
Interest paid	–	(288)	(288)
	(4,971)	(288)	(5,259)
Other changes			
Additions to lease liabilities	738	–	738
Remeasurement of lease	465	–	465
Termination of lease	(980)	–	(980)
Interest expenses on lease liabilities	182	–	182
Interest expenses on borrowing	–	288	288
Disposal of a subsidiary *(note 29)*	(606)	–	(606)
	(201)	288	87
At 31 March 2024	1,749	1,200	2,949

(c) Non-cash transactions

At 31 March 2024, included in trade and other payables was promissory note for acquisition of EC Star Finance Limited from a director of the Company of HK$2,980,000. During the year ended 31 March 2025, promissory note payable to a director of Company had been settled through (i) waiver granted by a director of the Company of HK$1,345,000, (ii) settlement of loans and advances to a customer whom was connected person of the director of the Company of HK$1,030,000, and (iii) deposits of HK$605,000.

23. TRADE AND OTHER PAYABLES

	2025	2024
	HK$'000	*HK$'000*
Trade payables	**693**	1,809
Other payables and accruals	**6,787**	5,462
Promissory note for acquisition of a subsidiary *(note)*	**–**	2,980
	7,480	10,251

Note: On 8 November 2022, the Group acquired 100% equity interest in EC Star Finance Limited, which is engaged in money lending business, from a director of the Company for a consideration of HK$2,980,000 by issue of promissory note. The promissory note is bearing interest rate of 2% per annum and repayable on demand.

All of the trade and other payables are expected to be settled within one year or are repayable on demand.

At the end of the reporting period, the ageing analysis of trade creditors (which are included in trade and other payables), based on the invoice date, is as follows:

	2025	2024
	HK$'000	*HK$'000*
0–30 days	**575**	872
31–90 days	**–**	932
Over 90 days	**118**	5
	693	1,809

24. CONTRACT LIABILITIES

	2025	2024
	HK$'000	*HK$'000*
Receipt in advance of retail and wholesale products	**1,421**	1,092

All contract liabilities are expected to be recognised as income within one year.

Movements in contract liabilities are as follows:

	2025	2024
	HK$'000	*HK$'000*
At the beginning of year	**1,092**	1,110
Receipt in advance during the year	**1,421**	1,092
Revenue recognised during the year	**(1,092)**	(1,110)
At the end of year	**1,421**	1,092

25. LEASE LIABILITIES

Lease liabilities are presented in the consolidated statement of financial position as follows:

	2025	2024
	HK$'000	*HK$'000*
At the beginning of year	**1,749**	6,921
Remeasurement	**–**	465
Additions	**5,729**	738
Early termination of lease	**(508)**	(980)
Interest expense	**172**	182
Payments during the year	**(2,870)**	(4,971)
Disposal of a subsidiary *(note 29)*	**–**	(606)
At the end of year	**4,272**	1,749

	2025	2024
Lease liabilities payable		
Within one year	**2,389**	1,366
More than one year but less than two years	**1,883**	252
More than two years but less than five years	**–**	131
	4,272	1,749
Less: Amounts for settlement within 12 months shown under current liabilities	**(2,389)**	(1,366)
Amounts due for settlement after 12 months shown under non-current liabilities	**1,883**	383

26. BORROWING

	2025	2024
	HK$'000	*HK$'000*
Other loan (secured)	**–**	1,200
	–	1,200

The carrying amounts of above borrowing was repayable within one year. As at 31 March 2024, the other loan was secured by a property of a subsidiary of the Company.

The exposure of the Group's borrowing was as follows:

	2025	2024
	HK$'000	*HK$'000*
Fixed-rate borrowing	**–**	1,200

The effective interest rate (which was also equal to contracted interest rate) on the Group's borrowing was as follows:

	2025	2024
Effective interest rate:		
Fixed-rate borrowing	**–**	24%

27. GOODWILL

	2025	2024
	HK$'000	*HK$'000*
Cost		
At 1 April	**1,344**	1,344
Less: Accumulated impairment losses	**(1,344)**	–
At 31 March	**–**	1,344

Impairment assessment on goodwill

Due to the significant loss incurred for the year ended 31 March 2025, the management of the Group concluded that there was indication of impairment and conducted impairment assessment on goodwill with carrying amounts (before any impairment) as at 31 March 2025 of approximately HK$1,344,000. For the purposes of impairment testing, assets are grouped at each operating segment for which there are separately identifiable cash flows (CGUs). An impairment loss was recognised for the amount by which the carrying amount of the assets/CGU exceeds its recoverable amount.

EC Star Finance Limited is incorporated in Hong Kong with limited liability and is engaged in the provision of money lending business. Goodwill arose on the Group's acquisition of EC Star Finance Limited on 8 November 2022, is allocated to the CGU of money lending business operating segment.

The recoverable amount of the CGU of money lending business operating segment has been determined based on a VIU calculation. That calculation uses cash flow projections based on financial budgets approved by management covering a 5-year period with a pre-tax discount rate of 11.4% (2024: 12.2%). The cash flows beyond the 5-year period are extrapolated using a steady 2.6% growth rate (2024: 2.6%) of revenue. Other key assumptions for the VIU calculations relate to the estimation of cash inflows/outflows which include budgeted sales and gross margin, such estimation is based on the money lending business's past performance and management's expectations for the market development.

The estimated recoverable amounts of the CGU of money lending business operating segment are lower than the respective carrying amounts of the CGUs, the Group recognised impairment loss on of approximately HK$1,344,000 (2024: HK$Nil) on goodwill for the year ended 31 March 2025.

28. ACQUISITION OF SUBSIDIARIES

Year ended 31 March 2024

Acquisition of Union Raise Limited ("Union Raise")

On 8 February 2023, the Company, as purchaser, and Mr. Cheng Sai Chit Luke ("Mr. Cheng"), as vendor, entered into the Sale and Purchase Agreement A, pursuant to which the Company has conditionally agreed to purchase, and Mr. Cheng has conditionally agreed to sell, subject to the completion of the Increase in Issued Share Capital A and the terms and conditions under the Sale and Purchase Agreement A, the Sale Shares A, representing approximately 90.1% equity interest in Union Raise, at a consideration of HK$1,000,000.

On 23 May 2023, the Group acquired an 90.10% interest in Union Raise. Union Raise is principally engaged in the retail and trading of pets products and healthcare products and was acquired with the objective of expand the Group's relevant business. The acquisition has been accounted for as acquisition of subsidiary using the acquisition method and resulting in a contingent consideration receivable of HK$1,009,000.

Pursuant to the Sale and Purchase Agreement A, upon the completion of Acquisition A, the Company, Union Raise and Mr. Cheng shall enter into the Management Agreement A, pursuant to which Mr. Cheng, as manager, shall provide such management services to Union Raise for a term commencing from the date of the Management Agreement A and ending on the date falling on the second anniversary of the date of the Management Agreement A, and provide the Profit Guarantee A in favour of Union Raise.

As Mr. Cheng is the brother-in-law of both Mr. Chan Yan Tak, being an executive Director and the chairman of the Board, and Mr. Lim Ming Shing, Tony, being an executive Director, and a director of an indirect wholly-owned subsidiary of the Company, and therefore, Mr. Cheng is a connected person of the Company and the transactions contemplated under the Sale and Purchase Agreement A constitute a connected transaction and the transactions contemplated under the Management Agreement A constitute a continuing connected transaction on the part of the Company under Chapter 20 of the GEM Listing Rules.

Acquisition of Pets Supermarket Limited ("Pets Supermarket")

On 8 February 2023, the Company, as purchaser, and Ms. Li Yung ("Ms. Li"), as vendor, entered into the Sale and Purchase Agreement B, pursuant to which the Company has conditionally agreed to purchase, and Ms. Li has conditionally agreed to sell, subject to the completion of the Increase in Issued Share Capital B and the terms and conditions under the Sale and Purchase Agreement B, the Sale Shares B, representing 90.1% equity interest in Pets Supermarket, at a consideration of HK$1,000,000.

On 23 May 2023, the Group acquired an 90.10% interest in Pets Supermarket. Pets Supermarket is principally engaged in the retail and trading of pets products and healthcare products and was acquired with the objective of expand the Group's relevant business. The acquisition has been accounted for as acquisition of subsidiary using the acquisition method and resulting in a contingent consideration receivable of HK$1,009,000.

Pursuant to the Sale and Purchase Agreement B, upon the completion of Acquisition B, the Company, Pets Supermarket and Ms. Li shall enter into the Management Agreement B, pursuant to which Ms. Li, as manager, shall provide such management services to Pets Supermarket for a term commencing from the date of the Management Agreement B and ending on the date falling on the second anniversary of the date of the Management Agreement B, and provide the Profit Guarantee B in favour of Pets Supermarket.

29. DISPOSAL OF SUBSIDIARIES

Year ended 31 March 2024

Disposal of Pride Fame Limited ("Pride Fame")

On 2 May 2023, the Group disposed of 100% equity interest in Pride Fame, which was engaged in operation of food processing in Hong Kong, to Top Blade Holding Company Limited, independent third party for a cash consideration of HK$510,000. The total net liabilities disposed of were as follows:

	HK$'000
Property, plant and equipment	78
Right-of-use asset	586
Deposits and other receivables	100
Amount due to subsidiary of the Company	(19,180)
Lease liability	(606)
Net liabilities disposed of	(19,022)
Cash consideration	510
Less: net liabilities disposed of	19,022
Less: waiver of inter-company debts	(19,180)
Gain on disposal of a subsidiary	352
Net cash inflow arising on disposal	
Cash consideration received	510
Less: cash and cash equivalents disposed of	–
	510

Disposal of Great Sources Limited ("Great Sources")

On 31 March 2024, the Group disposed of 100% equity interest in Great Sources, which was dormant during the year, to the director of the Company for a cash consideration of HK$1. The total net liabilities disposed of were as follows:

	HK$'000
Deposits, prepayment and other receivables	2,080
Trade and other payables	(3,617)
Amounts due to fellow subsidiaries	(9,795)
Net liabilities disposed of	(11,332)
Cash consideration	–
Less: net liabilities disposed of	11,332
Less: waiver of inter-company debts	(9,795)
Gain on disposal of a subsidiary	1,537
Net cash outflow arising on disposal	
Cash consideration received	–
Less: cash and cash equivalents disposed of	–
	–

30. DEFERRED TAX ASSETS/LIABILITIES

Deferred tax assets/(liabilities) recognised in the consolidated statement of financial position and the movements during the year are as follows:

	Tax losses *HK$'000*	Depreciation allowance in excess of related depreciation *HK$'000*	Total *HK$'000*
At 1 April 2023	240	(240)	–
Deferred tax (charged)/credited to the profit or loss during the year *(note 12)*	(59)	59	–
At 31 March 2023 and 1 April 2024	181	(181)	–
Deferred tax (charged)/credited to the profit or loss during the year *(note 12)*	(37)	37	–
At 31 March 2025	**144**	**(144)**	**–**

31. CAPITAL, RESERVES AND DIVIDENDS

(a) Movements in components of equity

The reconciliation between the opening and closing balances of each component of the Group's consolidated equity is set out in the consolidated statement of changes in equity.

(b) Share capital

	Number of shares	*HK$'000*
Issued and fully paid ordinary shares of HK$0.01 each:		
At 1 April 2023	432,644,031	4,326
Issue of shares *(note (i))*	86,000,000	860
At 31 March 2024	518,644,031	5,186
Issue of shares *(note (ii))*	**103,700,000**	**1,037**
Share consolidation *(note (iii))*	**(591,226,830)**	**–**
Capital reduction *(note (iv))*	**–**	**(5,912)**
At 31 March 2025	**31,117,201**	**311**

All issued shares rank pari passu in all respects with each other.

Notes:

(i) On 8 February 2023, the Company, Mr. Cheng and Ms. Li entered into the subscription agreements, pursuant to which the Company has conditionally agreed to allot and issue, and Mr. Cheng and Ms. Li have conditionally agreed to subscribe for, an aggregate of 86,000,000 ordinary shares at a subscription price of HK$0.20 per subscription share. The gross proceeds were approximately HK$17,200,000 of which HK$860,000 was credited to share capital and the balance of HK$16,340,000 was credited to share premium account of the Company. The share subscription was completed on 23 May 2023.

As Mr. Cheng is the brother-in-law of both Mr. Chan Yan Tak, being an executive Director and the chairman of the Board, and Mr. Lim Ming Shing, Tony, being an executive Director, and a director of an indirect wholly-owned subsidiary of the Company, and therefore, Mr. Cheng is a connected person of the Company and subscription from Mr. Cheng constitutes a connected transaction of the Company under the GEM Listing Rules.

(ii) On 5 September 2024, the Company and six independent subscribers ("subscribers") entered into the subscription agreements, pursuant to which the Company has conditionally agreed to allot and issue, and subscribers have conditionally agreed to subscribe for, an aggregate of 103,700,000 ordinary shares at a subscription price of HK$0.021 per subscription share. The gross proceeds were approximately HK$2,177,700 of which HK$1,037,000 was credited to share capital and the balance of HK$1,140,700 was credited to share premium account of the Company. The share subscription was completed on 4 October 2024.

(iii) On 30 September 2024, the directors of the Company proposed to implement a share consolidation ("Share Consolidation") on the basis that every twenty (20) issued would be consolidated into one (1) consolidated share. Pursuant to an ordinary resolution passed on 10 December 2024, the Share Consolidation was approved by the shareholders of the Company and has become effective on 27 November 2024. Immediately after the Share Consolidation, the total number of issued shares of the Company was adjusted from 622,344,031 to 31,117,201.

(iv) Immediately following the Share Consolidation becoming effective, the capital reduction ("Capital Reduction") whereby the issued share capital of the Company will be reduced by rounding down the total number of Consolidated Shares in the issued share capital of the Company to the nearest whole number by eliminating any fraction of a Consolidated Share in the issued share capital of the Company arising from the Share Consolidation; and cancelling the paid up capital of the Company to the extent of HK$0.19 on each of the then issued Consolidated Shares such that the par value of each issued Consolidated Share has been reduced from HK$0.20 to HK$0.01; the issued share capital has been reduced from HK$6,223,440.31 to HK$311,172.01.

31. CAPITAL, RESERVES AND DIVIDENDS *(Continued)*

(c) Reserves

(i) Share premium

The application of share premium account is governed by section 40 of the Companies Act 1981 of Bermuda.

(ii) Capital reserve

Capital reserve represents (i) the difference between the nominal value of the shares of subsidiaries acquired and the nominal value of shares issued by the Company as consideration thereof pursuant to the reorganisation and (ii) the difference between the consideration paid/received to obtain/release non-controlling interests in certain subsidiaries and their respective carrying amount on the date of acquisition or disposal.

(iii) Contributed surplus

Contributed surplus represents the reduction of issued share capital.

Under the Companies Act 1981 of Bermuda, the contributed surplus account of the Company is available for distribution. However, the Company cannot declare or pay a dividend, or make a distribution out of the contributed surplus, if there are reasonable grounds for believing that: (i) the Company is, or would after the payment be, unable to pay its liabilities as they become due, or (ii) the realisable value of the Company's assets would thereby be less than the aggregate of its liabilities and its issued share capital and the share premium account.

(d) Dividend

No dividend was paid or proposed during the year ended 31 March 2025 nor has any dividend been proposed since the end of the reporting period (2024: Nil).

32. RETIREMENT BENEFIT PLANS

The Group operates a Mandatory Provident Fund Scheme (the "MPF Scheme") under the Hong Kong Mandatory Provident Fund Schemes Ordinance for those employees employed under the jurisdiction of the Hong Kong Employment Ordinance. The MPF Scheme is a defined contribution scheme, the assets of which are held in separate trustee-administered funds. Both the Group and the employees are required to contribute based on a fixed percentage of the employee's relevant income up to a maximum of HK$1,500 per employee per month.

Contributions to the MPF by the Group for its employees are fully and immediately vested in the employees once the contributions are made. There are no contributions forfeited by the Group on behalf of its employees who leave the plan prior to vesting fully in such contribution. Hence, there is no forfeited contributions which may be used by the Group to reduce the existing level of contributions.

33. TRANSACTIONS AND BALANCES WITH RELATED PARTIES

(a) Key management compensation

During both years, compensation of key management personnel represents directors' remuneration and those of senior staff as stated in notes 9 and 10, respectively. The directors' remuneration is determined by the remuneration committee having regard to the performance, responsibilities and experience of individuals and market trends.

(b) Other related party transactions

The Group had significant transactions with the following related parties during the year:

Related party relationship	**Type of transaction**	*Notes*	**Transaction amount** **2025** ***HK$'000***	2024 *HK$'000*
Directors of the Company	Sales of groceries products	*(ii)*	**4**	28
Director of the Company	Waiver of promissory note	*22(c)*	**1,345**	–
Connected person of the director of the Company	Management services fee	*(ii)*	**669**	–
Connected person of the director of the Company	Settlement of loans and advances to customers	*22(c)*	**1,030**	–

Notes:

(i) The directors of the Company are of the opinion that the above transactions were entered into at terms agreed by both parties and the terms of the transactions were determined by the directors with reference to the terms of similar transactions with unrelated third parties.

(ii) The related party transactions in respect of the sales of groceries products and cash coupons and management services fee above constitute connected transactions or continuing connected transactions as defined in Chapter 20 of the GEM Listing Rules. However, those transactions are exempt from the disclosure requirements in Chapter 20 of the Listing Rules as they are below the de minimis threshold under Rule 20.74(1)(c) of the GEM listing Rules.

(iii) Except as disclosed above and elsewhere in the consolidated financial statements, there were no other significant related/connected party transactions with related parties during the year or significant balances with them at the end of the year.

34. FINANCIAL RISK MANAGEMENT AND FAIR VALUE OF FINANCIAL INSTRUMENTS

(a) Financial instruments by category

	2025	2024
	HK$'000	HK$'000
Financial assets		
Financial assets at FVTPL	**150**	5,070
Financial assets at amortised costs		
– Trade receivables	**1,880**	1,551
– Deposits and other receivables	**5,785**	20,254
– Loans and advances to customers	**23,447**	41,511
– Cash and cash equivalents	**3,964**	4,913
	35,076	68,229
Total	**35,226**	73,299
Financial liabilities		
Financial liabilities at amortised cost		
– Trade and other payables	**1,231**	5,052
– Borrowing	**–**	1,200
– Lease liabilities	**4,272**	1,749
Total	**5,503**	8,001

(b) Financial risk factors

The Group is exposed itself to variety of financial risks: market risk (including cash flow and fair value interest rate risk and price risk), credit risk and liquidity risk.

Financial risk management is coordinated at the Group's headquarters, in close co-operation with the directors of the Company. The overall objective in managing financial risks focus on securing the Group's short to medium term cash flows by minimising its exposure to financial markets. Long term financial investments are managed to generate returns with acceptable risk levels.

The Group identifies ways to assess financial markets and monitors the Group's financial risk exposures. Regular reports are provided to the directors of the Company.

34. FINANCIAL RISK MANAGEMENT AND FAIR VALUE OF FINANCIAL INSTRUMENTS *(Continued)*

(b) Financial risk factors *(Continued)*

(a) Market risk

(i) Cash flow and fair value interest rate risk

The Group's cash flow interest rate risk relates primarily to variable-rate cash at banks (2024: cash at banks and security brokers). The Group's cash flow interest rate results mainly from the fluctuations of market interest rates.

The Group is exposed to fair value interest rate risk in relation to fixed-rate loans and advances to customers. The Group currently does not have an interest rate hedging policy. However, the management monitors interest rate exposure and will consider hedging significant interest rate exposure should the need arise.

Interest rates sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to interest rates for variable-rate cash at banks (2024: cash at banks and security brokers) at the end of the reporting period. The analysis is prepared assuming the financial instruments outstanding at the end of the reporting period were outstanding for the whole year. A 50 basis points (2024: 50 basis points) increase or decrease in HIBOR is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

Cash flow interest rate risk

If interest rates had been 50 basis points (2024: 50 basis points) higher/lower and all other variables were held constant, the Group's loss after tax for the year ended 31 March 2025 would decrease/increase by HK$17,000 (2024: decrease/increase by HK$21,000). This is mainly attributable to the Group's exposure to interest rates on its variable-rate bank balances.

Bank balances are excluded from sensitivity analysis as the management considers that the exposure of cash flow interest rate risk arising from variable rate bank balances is insignificant.

In the management's opinion, the sensitivity analysis is unrepresentative of the inherent interest rate risk as the year end exposure does not reflect the exposure during the year.

(ii) Price risk

Equity price risk relates to the risk that the fair values or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than changes in interest rates and foreign exchange rates). The Group is exposed to price risk arising from listed equity securities at the end of the reporting period.

Price sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to price risks at the end of the reporting period. If prices of investments in listed equity securities were 10% higher/lower, loss after tax would decrease/increase by HK$Nil (2024: HK$123,000) for the Group as a result of the changes in fair value of investments which are classified as FVTPL.

34. FINANCIAL RISK MANAGEMENT AND FAIR VALUE OF FINANCIAL INSTRUMENTS *(Continued)*

(b) Financial risk factors *(Continued)*

(b) Credit risk and impairment assessment

Credit risk refers to the risk that the borrowers or counterparties may default on their payment obligations due to the Group. These rights arise from the Group's lending and investment activities and sales of goods. Generally, the maximum credit risk exposure of financial assets is the carrying amount of the financial assets as shown on the face of the consolidated statement of financial positions which are summarised in note 34(a).

In order to minimise the credit risk, the Group has established policies and systems for the monitoring and control of credit risk. The management has delegated different divisions responsible for determination of credit limits, credit approvals and other monitoring processes to ensure that follow-up action is taken to recover overdue debts and past due trade receivables. In addition, management reviews the carrying amounts of loans and advances to customers and trade receivables individually and collectively at the end of each reporting period to ensure that adequate loss allowance for ECL on financial assets is made. In this regard, management considers that the Group's credit risk is significantly reduced.

Loans and advances to customers

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. At the end of the reporting period, the Group has certain concentration of credit risk as 15% (2024: 12%) and 35% (2024: 28%) of the total loans and advances to customers was due from the Group's largest customer and the five largest customers within the money lending segment, respectively.

The management is responsible for developing and maintaining the processes for measuring the ECL of the Group's loans and advances to customers. The ECL is assessed by the management regularly. The Group applies general approach to measure ECL on loans and advances to customers. In addition, forward-looking information is required in estimating the ECL, with the management considering expectation of certain macroeconomic indicators such as gross domestic product growth rate and unemployment rate.

Under the general approach, loans and advances to customers are classified into three stages to reflect the deterioration in credit quality. Impairment allowance of each stage is calculated based on the product of probability of default, loss given default and exposure at default. Stage 1 covers loans and advances to customers that have not deteriorated significantly in credit quality since initial recognition including those that are considered to be low credit risk. Stage 2 covers loans and advances to customers that have deteriorated significantly in credit quality since initial recognition. Stage 3 covers loans and advances to customers for which credit loss events occur and become credit-impaired. 12m ECL is recognised in Stage 1, while lifetime ECL are recognised in Stages 2 and 3.

34. FINANCIAL RISK MANAGEMENT AND FAIR VALUE OF FINANCIAL INSTRUMENTS *(Continued)*

(b) Financial risk factors *(Continued)*

(b) Credit risk and impairment assessment *(Continued)*

Loans and advances to customers (Continued)

The Group's internal credit risk grading assessment on loans and advances to customers comprises the following categories:

Internal credit rating	Description	Basic for recognition of ECL
Normal	Borrowers can honour the terms of their loans. There is no reason to doubt their ability to repay the principal and interest in full on a timely basis.	12m ECL
Special mention	Borrowers are currently able to service their loans and interest, though repayment may be adversely affected by specific factors.	Lifetime ECL – not credit impaired
Sub-standard	Borrowers' ability to service their loans is in question and borrowers cannot rely entirely on normal business revenues to repay the principal and interest. Losses may ensue even when collateral items or guarantees are invoked.	Lifetime ECL – credit impaired
Doubtful	Borrowers cannot repay the principal and interest in full and significant losses will need to be recognised even when collateral or guarantees are invoked.	Lifetime ECL – credit impaired
Loss	Principal and interest of loans cannot be recovered or only a small portion of them can be recovered after taking all possible measures or resorting to all necessary legal procedures.	Amount is written off

The decision rules for stage allocation under general approach are as follows:

Stage	Decision rules (based on internal credit rating)
Stage 1	Loans and advances to customers with internal credit rating of "Normal"
Stage 2	Loans and advances to customers with internal credit rating of "Special mention"
Stage 3	Loans and advances to customers with internal credit ratings of "Sub-standard" and "Doubtful"

34. FINANCIAL RISK MANAGEMENT AND FAIR VALUE OF FINANCIAL INSTRUMENTS *(Continued)*

(b) Financial risk factors *(Continued)*

(b) ***Credit risk and impairment assessment*** *(Continued)*

Loans and advances to customers (Continued)

As part of the Group's credit risk management, the Group applies internal credit rating for its customers in relation to its money lending operation. The following table provides information about the exposure to credit risk for loans and advances to customers which are assessed on a collective basis within lifetime ECL (not credit-impaired). The amounts presented are gross carrying amounts of financial assets.

	31 March 2025		31 March 2024	
	Average loss rate	**Gross carrying amount**	Average loss rate	Gross carrying amount
	%	***HK$'000***	*%*	*HK$'000*
Internal credit rating				
Normal	**3**	**16,243**	3	25,002
Special mention	**7**	**1,252**	8	2,844
Sub-standard	**21**	**3,878**	33	21,213
Doubtful	**96**	**91,646**	100	81,874
		113,019		130,933

The table below shows the past due information based on the Group's credit policy, unless other information is available without undue cost or effort, and year-end staging classification at 31 March 2025 and 2024. The amounts presented are net carrying amounts of financial assets.

	12m ECL	**Lifetime ECL (not credit-impaired)**	**Lifetime ECL (credit-impaired)**	**Total**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
Loans and advances to customers				
– Not yet past due	**15,754**	**–**	**–**	**15,754**
– Less than 30 days past due	**–**	**1,166**	**–**	**1,166**
– More than 30 days past due	**–**	**–**	**6,527**	**6,527**
At 31 March 2025	**15,754**	**1,166**	**6,527**	**23,447**
Loans and advances to customers				
– Not yet past due	24,304	–	–	24,304
– Less than 30 days past due	–	2,617	–	2,617
– More than 30 days past due	–	–	14,590	14,590
At 31 March 2024	24,304	2,617	14,590	41,511

34. FINANCIAL RISK MANAGEMENT AND FAIR VALUE OF FINANCIAL INSTRUMENTS *(Continued)*

(b) Financial risk factors *(Continued)*

(b) Credit risk and impairment assessment *(Continued)*

Trade receivables

The Group applied simplified approach in HKFRS 9 to measures loss allowance for trade receivables at an amount equal to lifetime ECLs. The ECLs on trade receivables are assessed individually for debtors with significant and/or collectively using a provision matrix with appropriate groupings.

The following table provides information about the Group's exposure to credit risk and ECLs for trade receivables at 31 March 2025 and 2024:

	31 March 2025			31 March 2024		
	Expected loss rate	**Gross carrying amount**	**Loss allowance**	Expected loss rate	Gross carrying amount	Loss allowance
	%	***HK$'000***	***HK$'000***	*%*	*HK$'000*	*HK$'000*
Neither past due nor impaired	**0%**	**686**	**–**	0%	1,075	–
Within three months past due	**0%**	**–**	**–**	52%	297	155
Over three months but within one year past due	**55%**	**2,661**	**1,467**	74%	1,294	960
Over one year past due	**100%**	**17,014**	**17,014**	100%	17,760	17,760
		20,361	**18,481**		20,426	18,875

The estimated loss rates are estimated based on historical observed default rate and are adjusted for forward-looking information that is available without undue cost or effort. The grouping is regularly reviewed by management to ensure relevant information about specific debtor is updated.

34. FINANCIAL RISK MANAGEMENT AND FAIR VALUE OF FINANCIAL INSTRUMENTS *(Continued)*

(b) Financial risk factors *(Continued)*

(b) ***Credit risk and impairment assessment*** *(Continued)*

Trade receivables (Continued)

The following table shows the movement in lifetime ECL that has been recognised for trade receivables under simplified approach.

	HK$'000
As at 1 April 2023	6,112
Impairment losses recognised, net	13,157
Bad debts written off	(394)
As at 31 March 2024 and 1 April 2024	18,875
Reversal of impairment losses, net	**(394)**
As at 31 March 2025	**18,481**

The Group writes off a trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, or when the trade receivables are over two years past due, whichever occurs earlier.

34. FINANCIAL RISK MANAGEMENT AND FAIR VALUE OF FINANCIAL INSTRUMENTS *(Continued)*

(b) Financial risk factors *(Continued)*

(b) ***Credit risk and impairment assessment*** *(Continued)*

Other receivables and refundable deposits

For other receivables and refundable deposits, management makes periodic collective assessments as well as individual assessment on the recoverability of other receivables and refundable deposits based on historical settlement records and past due status, assessed that the expected loss rates for the other receivables and refundable deposits was minimal. Thus, no loss allowance for other receivables and refundable deposits was recognised as at 31 March 2025 and 2024.

Bank balances

For the year ended 31 March 2025, all the Group's bank balances are deposited with major banks (2024: major banks and security brokers) located in Hong Kong. The expected credit losses for bank balances are insignificant because such assets are placed in banks and security brokers with good reputation.

(c) ***Liquidity risk***

Liquidity risk relates to the risk that the Group will not be able to meet its obligations associated with its financial liabilities. The Group is exposed to liquidity risk in respect of settlement of trade and other payables, lease liabilities and its financing obligations and also in respect of its cash flow management. The Group manages its liquidity needs on a consolidated basis by carefully monitoring scheduled debt servicing payments for long term financial liabilities as well as forecast cash inflows and outflows due in day to day business.

The Group maintains a level of cash and cash equivalents and marketable securities deemed adequate by the management to meet its liquidity requirements for up to 30-day periods at a minimum. Funding for longer-term liquidity needs is additionally secured by an adequate amount of committed credit facilities and the ability to sell longer-term financial assets.

Analysed below is the Group's remaining contractual maturities for its non-derivative financial liabilities at 31 March 2025 and 2024. When the creditor has a choice of when the liability is settled, the liability is included on the basis of the earliest date on when the Group can be required to pay. Where the settlement of the liability is in instalments, each instalment is allocated to the earliest period in which the Group is committed to pay. The maturity analysis for other non-derivative financial liabilities is prepared based on the scheduled repayment dates.

34. FINANCIAL RISK MANAGEMENT AND FAIR VALUE OF FINANCIAL INSTRUMENTS *(Continued)*

(b) Financial risk factors *(Continued)*

(c) Liquidity risk (Continued)

The analysis is based on the financial liabilities' contractual undiscounted cash flows (including interest payments calculated using contractual rates or, if floating, based on rates current at the end of the reporting period) and the earliest date the Group can be required to pay.

At 31 March 2025	Weighted average effective interest rate %	On demand HK$'000	Within one year HK$'000	More than one year but within five years HK$'000	Total contractual undiscounted cash flows HK$'000	Carrying amount HK$'000
Non-derivative financial instruments						
Trade and other payables	–	–	1,231	–	1,231	1,231
Lease liabilities	4.4	–	2,530	1,943	4,473	4,272
Total		–	3,761	1,943	5,704	5,503

At 31 March 2024	Weighted average effective interest rate %	On demand HK$'000	Within one year HK$'000	More than one year but within five years HK$'000	Total contractual undiscounted cash flows HK$'000	Carrying amount HK$'000
Non-derivative financial instruments						
Trade and other payables	–	2,980	2,072	–	5,052	5,052
Borrowing	24	–	1,224	–	1,224	1,200
Lease liabilities	4.4	–	1,402	396	1,798	1,749
Total		2,980	4,698	396	8,074	8,001

(c) Capital risk management

The Group's capital management objectives are to ensure the Group's ability to continue as a going concern and to provide an adequate return to shareholders by pricing goods and services commensurately with the level of risk.

The capital structure of the Group consists of borrowings and equity attributable to owners of the Company (comprising issued share capital, reserves and accumulated losses).

The directors of the Company review the capital structure regularly. As part of this review, the directors consider the cost of capital and the risks associated with each class of capital. Based on recommendations of the directors, the Group will balance its overall capital structure through the payment of dividends, new share issues as well as the issue of new debts or the redemption of existing debts.

(d) Fair value measurement

(i) Financial assets and liabilities measured at fair value

Fair value hierarchy

For assets and liabilities that are recognised in the consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

34. FINANCIAL RISK MANAGEMENT AND FAIR VALUE OF FINANCIAL INSTRUMENTS *(Continued)*

(d) Fair value measurement *(Continued)*

(i) Financial assets and liabilities measured at fair value *(Continued)*

Fair value hierarchy (Continued)

The following table presents the carrying value of the Group's financial instruments measured at fair value at the end of the reporting period on a recurring basis.

	Fair value	Level 1	Level 2	Level 3
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
As at 31 March 2025				
Financial assets at FVTPL				
– Film rights investment	150	–	150	–
As at 31 March 2024				
Financial assets at FVTPL				
– Listed equity securities	1,470	1,470	–	–
– Film rights investment	3,600	–	–	3,600

The Group's policy is to recognise transfers into and transfer out of Level 3 as of the date of the event or change in circumstances that caused the transfer.

	Fair value		Valuation technique and key input	Significant unobservable input
	2025	2024		
	HK$'000	*HK$'000*		
Financial assets at FVTPL (listed equity securities)	**–**	1,470	Quoted bid prices in an active market	N/A
Financial assets at FVTPL (film rights interest)	**150**	3,600	Valuation as at 31 March 2025 is determined with reference to quoted bid prices from an independent third party and adjusted for discount for lack of marketability (2024: Expected future cash flows are discounted at rates that reflect the weighted average cost of capital and addition intangible asset premium of the underlying investments.)	N/A

34. FINANCIAL RISK MANAGEMENT AND FAIR VALUE OF FINANCIAL INSTRUMENTS *(Continued)*

(d) Fair value measurement *(Continued)*

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

Reconciliation of Level 3 fair value measurement of financial assets

	Film rights investment
	HK$'000
As at 1 April 2023, 31 March 2024 and 1 April 2024	3,600
Fair value change recognised in profit or loss	(3,450)
Transfers out of Level 3	(150)
As at 31 March 2025	–

(ii) Fair value of financial assets and liabilities carried at other than fair value

The carrying amounts of the Group's financial instruments carried at amortised cost are not materially different from their fair values as at 31 March 2025 and 2024.

35. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

Statement of financial position of the Company at the end of the reporting period is as follows:

	2025	2024
	HK$'000	*HK$'000*
ASSETS		
Non-current assets		
Property, plant and equipment	–	–
Investments in subsidiaries *(note (i))*	**2,000**	2,000
Amounts due from subsidiaries	**46,409**	87,628
	48,409	89,628
Current assets		
Prepayments, deposits and other receivables	**57**	41
Financial assets at FVTPL	–	1,470
Cash and cash equivalents	**19**	91
	76	1,602
LIABILITIES		
Current liabilities		
Other payables	**4,209**	3,809
Amounts due to subsidiaries	**17,652**	15,071
	21,861	18,880
Net current liabilities	**(21,785)**	(17,278)
Net assets	**26,624**	72,350
EQUITY		
Equity attributable to owners of the Company		
Share capital	**311**	5,186
Reserves	**26,313**	67,164
Total equity	**26,624**	72,350

35. STATEMENT OF FINANCIAL POSITION OF THE COMPANY *(Continued)*

Notes:

(i) Investments in subsidiaries

	2025	2024
	HK$'000	*HK$'000*
Investments in subsidiaries	**3,097**	3,097
Less: impairment	**(1,097)**	(1,097)
	2,000	2,000

The directors of the Company are of opinion that none of the Group's subsidiaries that have non-controlling interests are material to the consolidated financial statements as a whole.

(ii) Particulars of the principal subsidiaries of the Company at 31 March 2025 and 2024 are set out in note 37.

(iii) Details of the changes in the Company's individual components of equity between the beginning and the end of the year are set out below:

	Share capital	**Share premium**	**Contributed surplus**	**Accumulated losses**	**Total**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
	(note 31(b))	*(note 31(c)(i))*	*(note 31(c)(iii))*		
Balance at 1 April 2023	4,326	380,527	145,926	(321,531)	209,248
Loss and total comprehensive expense for the year	–	–	–	(152,398)	(152,398)
Issue of shares *(note 31(b))*	860	16,340	–	–	17,200
Share issuance expenses	–	(1,700)	–	–	(1,700)
Balance at 31 March 2024	5,186	395,167	145,926	(473,929)	72,350
Loss and total comprehensive expense for the year	**–**	**–**	**–**	**(47,874)**	**(47,874)**
Issue of shares *(note 31(b))*	**1,037**	**1,141**	**–**	**–**	**2,178**
Shares issuance expense	**–**	**(30)**	**–**	**–**	**(30)**
Capital reduction *(note 31(b))*	**(5,912)**	**(396,278)**	**402,190**	**–**	**–**
Balance at 31 March 2025	**311**	**–**	**548,116**	**(521,803)**	**26,624**

36. NON-CONTROLLING INTERESTS

The following summarises the financial information the Group's subsidiaries with material non-controlling interests ("NCI"), based on the subsidiaries' financial statements prepared in accordance with HKFRS Accounting Standards.

	Union Raise	
	2025	2024
	HK$'000	*HK$'000*
For the year ended 31 March		
Revenue	**77**	–
Expenses	**(2,845)**	1,247
Loss for the year	**(2,768)**	(1,247)
Total comprehensive expenses	**(2,768)**	(1,247)
Loss allocated to NCI	**(274)**	(123)
Dividends paid to NCI	**–**	–
As at 31 March		
Current assets	**3,213**	5,357
Non-current assets	**–**	–
Current liabilities	**(7,223)**	(6,613)
Non-current liabilities	**–**	–
Net liabilities	**(4,010)**	(1,256)
Accumulated NCI	**(397)**	(123)

36. NON-CONTROLLING INTERESTS *(Continued)*

	Pets Supermarket	
	2025	2024
	HK$'000	*HK$'000*
For the year ended 31 March		
Revenue	**19**	–
Expenses	**(2,807)**	1,247
Loss for the year	**(2,788)**	(1,247)
Total comprehensive expenses	**(2,788)**	(1,247)
Loss allocated to NCI	**(276)**	(122)
Dividends paid to NCI	**–**	–
As at 31 March		
Current assets	**3,225**	5,357
Non-current assets	**–**	–
Current liabilities	**(7,245)**	(6,613)
Non-current liabilities	**–**	–
Net liabilities	**(4,020)**	(1,256)
Accumulated NCI	**(398)**	(122)

37. GENERAL INFORMATION OF SUBSIDIARIES

Details of the principal subsidiaries held by the Company directly and indirectly as at 31 March 2025 and 2024 are as follows:

Name of subsidiaries	Paid up issued/ Registered capital		Group's effective interest		Held by the Company		Principal activities and place of operations/ incorporations
	2025 *HK$*	2024 *HK$*	**2025**	2024	**2025**	2024	
Bright Zone Corporation Limited	**1,350,000**	1,350,000	**100%**	100%	**100%**	100%	Sales of grocery products, Hong Kong
Local Food Production Limited	**100**	100	**100%**	100%	**100%**	100%	Sales of grocery products, Hong Kong
Yvonne Credit Service Co., Limited	**388,583,043**	388,583,043	**100%**	100%	**100%**	100%	Provision of money lending business, Hong Kong
Rainbow Cosmetic (BVI) Limited	**US$50,000**	US$50,000	**100%**	100%	**100%**	100%	Investment holding, British Virgin Islands
Harvest Perfect Limited	**US$1**	US$1	**100%**	100%	**100%**	100%	Investment holding, British Virgin Islands
EC Star Finance Limited	**3,000,000**	3,000,000	**100%**	100%	**100%**	100%	Provision of money lending business, Hong Kong
Pets Supermarket Limited	**1,000**	1,000	**90.1%**	90.1%	**90.1%**	90.1%	Retail and trading of pets products and healthcare products, Hong Kong
Union Raise Limited	**1,000**	1,000	**90.1%**	90.1%	**90.1%**	90.1%	Retail and trading of pets products and healthcare products, Hong Kong

Note:

The above table lists the subsidiaries of the Group which, in the opinion of the directors of the Company, principally affected the results for the period or formed a substantial portion of the net assets of the Group. To give details of other subsidiaries would, in the opinion of the directors of the Company, result in particulars of excessive length.

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