紫荆金融
ZI JING

ZIJING INTERNATIONAL FINANCIAL HOLDINGS LIMITED
紫 荊 國 際 金 融 控 股 有 限 公 司

(Incorporated in the Cayman Islands with limited liability)

Stock Code : 8340

2024 ANNUAL REPORT

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

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

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

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This report, for which the directors of Zijing International Financial Holdings Limited (the "Company", together with its subsidiaries, the "Group") 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 ("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.

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Corporate Information

DIRECTORS

Executive Directors

Mr. Lee Chun Wai (Chairman)
Ms. Ji Yi

Independent non-executive Directors

Ms. Lau Mei Suet
Mr. Choi Tak Fai
Mr. Chen Yilun

COMPANY SECRETARY

Mr. Lee Chan Wah

AUTHORISED REPRESENTATIVES

Mr. Lee Chun Wai
Mr. Lee Chan Wah

AUDIT COMMITTEE

Ms. Lau Mei Suet (Chairlady)
Mr. Choi Tak Fai
Mr. Chen Yilun

NOMINATION COMMITTEE

Mr. Lee Chun Wai (Chairman)
Mr. Chen Yilun
Ms. Lau Mei Suet

REMUNERATION COMMITTEE

Ms. Lau Mei Suet (Chairlady)
Mr. Lee Chun Wai
Mr. Chen Yilun

REGISTERED OFFICE

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Cayman Islands

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS

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Wan Chai
Hong Kong

PRINCIPAL BANKER

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Bank of China (Hong Kong) Limited

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

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HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Investor Services Limited
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16 Harcourt Road
Hong Kong

WEBSITE

http://www.hklistco.com/8340

STOCK CODE

8340

Chairman's Statement

BUSINESS REVIEW

During the year, the Group continued to focus on its principal business in relation to (i) the provision of corporate finance related services, including but not limited to general corporate finance advisory, placing and underwriting as well as initial public offerings related projects; (ii) advising on securities and asset management services; (iii) car rental business; and (iv) online games business.

Corporate finance advisory business

The Hong Kong IPO applicants remained cautious in the first half of 2024 due to high interest rates and slowing global economic growth and started to pick up in September 2024 with a number of sizeable listings and upon the US Fed cut its interest rate for the first time in four years and China introduced economic stimuli. Hong Kong ranked fourth globally in terms of IPO funds raised in 2024 and reclaimed its position among top five global IPO markets. According to the HKEX Market Statistic 2024, the number of new listed companies (i) in main board of the Stock Exchange (excluding the number of transfer of listing from GEM to main board) were 71 in 2024 as compared to that of 70 in 2023, representing a slight increase of approximately 1.4%; (ii) in GEM was 0 both in 2024 and 2023; and (iii) transferred from GEM to main board were 0 in 2024 as compared to that of 3 in 2023, which demonstrated a slight decrease of the total number of newly listed companies of 71 in 2024 as compared to 74 in 2023.

In light of the above, the performance of this segment in the first half of 2024 had been affected in certain degree as a result of sluggish market sentiment and keen competition in pricing for corporate finance advisory services deals, while the improvement in the market sentiment in the second half of 2024 provided positive momentum to the operational performance of this segment. The revenue generated from this segment was increased as compared with that of last year. Despite the unstable market situations, we have completed over 23 projects as of 31 December 2024.

Advising on securities and Asset management business

The Group has been granted with the licenses to carry out type 4 (advising on securities) and type 9 (asset management) regulated activities under the Securities and Futures Ordinance ("SFO") in March 2022. During the year under review, revenue was generated from the operations in advising on securities by the provision of security research reports. Furthermore, the Group had set up two open-ended fund companies (the "OFC") under the SFO. The Group established the first OFC (the "First OFC") and the second OFC with the Securities Futures Commission in May 2022 and August 2023 respectively. Two sub-funds had been established under the First OFC. As at 31 December 2024, four investors had each subscribed for one fund unit at the price of HK$5,000,000, with assets under management of a sub-fund amounted to HK$20,000,000 under the First OFC. Revenue was generated by receiving management fee charged under the sub-fund.

Car Rental Business

The Group expanded its principal business by developing car rental business in the Guangdong-Hong Kong-Macao Greater Bay Area (the "GBA") (the "Car Rental Business") at the end of 2023. As at 31 December 2024, the Group had a fleet of eight motor vehicles, comprising luxury and up-scale cars under renowned brands such as Bentley and Rolls Royce with a focus on high-end market. All the motor vehicles have been successfully rented out. The Group's car rental business primarily focuses on offering car rentals catering to the needs and preferences of different customers. The Group offers car rental on a daily, weekly or monthly basis up to a maximum period of six months.

Chairman's Statement

Online Game Business

The Group expanded its principal business by engaging in online game business in overseas markets through licensing collaboration with game developers. Leveraging its distribution network relationships and game marketing and promotional capabilities, the Group entered into licensing agreements with licensors, pursuant to which the licensors granted the Group the exclusive, transferrable and sub-licensable rights to promote, operate, publish, reproduce and distribute the licensed games and the products and services related thereto within the authorized territories for certain period of time. As at 31 December 2024, the Group had been granted the sub-licensable rights of six online games of which 5 games were released during 2024. The details of these online games are as follows:

《錦繡江湖》was released on the platform for the regions of the Hong Kong, the Macau Special Administrative Region and Taiwan in the first quarter of 2024. It is a unique fusion of idle card gameplay and traditional Chinese martial arts culture.

《Beyond Warrior》《武林閒俠》was released on the platform for the regions on Europe and North America in the first quarter of 2024. It is an idle and oriental-style roleplaying game with martial arts features.

《少女A計劃》was released on the platform for the regions on Europe, North America and Southeast Asia in the first quarter of 2024. It is a captivating anime-style idle card game that incorporates character development elements.

《Girls Evo》was released on the platform for the regions on Europe, North America and South America in 2023 and the Group was granted the sub-licensable rights in the second quarter of 2024. It is an idle fantasy adventure roleplaying game which features a storyline campaign mode, as well as several other PVE and PVP battle modes.

《Ultimate Myth: Rebirth》《神仙道3》was released on the platform for the regions worldwide in exclusion of the PRC, Hong Kong, the Macau Special Administrative Region, Taiwan, Japan, Vietnam and the Republic of Korea in the fourth quarter of 2024. It is an idle card game built upon the decade-long legacy of《神仙道》, continuing its theme of Chinese mythological legends. The game features a rich cast of characters drawn from classic Chinese literary works.

《虛無之印》will be released on the platform for the regions worldwide in exclusion of the PRC, Hong Kong, the Macau Special Administrative Region, Taiwan and the Republic of Korea. It is an action-packed roguelike adventure roleplaying game that deeply integrates combat skills and strategic thinking. No revenue was generated from this online game during the year under review. It is expected to be released on the platform in the third quarter of 2025.

APPRECIATION

I would like to express my deepest gratitude to my fellow board members and colleagues for their dedication and contribution in the past year.

Lee Chun Wai
Chairman

Hong Kong, 31 March 2025

Management Discussion And Analysis

FINANCIAL REVIEW

Market Review

The Group will continue to provide financial related services in Hong Kong as well as seek for business opportunities from other countries in Asia such as mainland China. It has been the Group's strategies to strengthen its core business by way of (i) enhancing the quality of our services; (ii) expanding our business coverage; (iii) maintain and strengthen the Group's market position in Hong Kong by focusing on quality customers; and (iv) increase the Group's capacity to capture more business opportunities. In addition, the Group had expanded its businesses into car rental by establishing a fleet of luxury and high-end motor vehicle and online games by entering licensing agreements with licensor for exclusive rights of online games within the authorized territories for certain period of time so as to diversify its income streams and achieve sustainable growth in the long run.

Results of the Group

For the year ended 31 December 2024, the consolidated revenue of the Group amounted to approximately HK$40.84 million (2023: approximately HK$16.73 million). Out of the consolidated revenue of HK$40.84 million, HK$40.78 million (2023: approximately HK$16.73 million), HK$65,000 (2023: nil) and nil (2023: HK$1.47 million) was generated from the market in Hong Kong, the PRC and Singapore respectively. During the year under review, the consolidated revenue was comprised of: (i) income from corporate finance advisory business of HK$15.26 million; (ii) income from advising on securities and asset management business of HK$0.49 million; (iii) income from car rental business of HK$4.42 million; and (iv) income from online game business of HK$20.67 million. The increase in revenue was mainly contributed by the segment of online game business.

Corporate finance advisory business

During the year 2024, all the revenue of HK$15.26 million (2023: HK$14.78 million) from this segment was generated from the market in Hong Kong and related to the provision of corporate finance related services, including but not limited to general corporate finance advisory, placing and underwriting as well as initial public offerings related projects.

Advising on securities and Asset management business

During the year 2024, HK$0.41 million (2023: HK$0.48 million) and HK$80,000 (2023: nil) was generated from the provision of advising on securities services and asset management services.

Car rental business

The Group established a motor vehicle fleet to operate car rental business in the GBA. The motor vehicle fleet mainly comprised luxury and up-scale motor vehicle with a focus on high-end market. The Group put up its own motor vehicles for rental without offering or providing any services in relation to hired driving or carriage of passengers. During the year 2024, HK$4.42 million (2023: HK$53,000) was generated from this segment.

Management Discussion And Analysis

Online game business

The online game business commenced to contribute revenue to the Group in 2024. A total of HK$20.67 million (2023: nil) was generated by five online games for the year ended 31 December 2024, comprised as follows:

	HK$'000
《錦繡江湖》	14,529
《Beyond Warrior》《武林閒俠》	2,955
《少女A計劃》	257
《Girls Evo》	2,740
《Ultimate Myth: Rebirth》《神仙道3》	125
Other	64
	20,670

The loss attributable to owners of the Company for the year ended 31 December 2024 was approximately HK$2.48 million (2023: loss attributable to owners of the Company of approximately HK$3.93 million), represented a decrease of approximately 36.9% as compared with that of previous year. The decrease in loss incurred in the current year was mainly contributed by the increase in revenue from the new business during the year. The gain of disposal of items of property, plant and equipment represented the gain of disposal of motor vehicles during the year. The increase in other operating expenses was mainly due to the marketing and promotion expenses incurred for the online game business during the year.

At the end of the reporting year, the directors performed an impairment assessment on the expected credit losses ("ECL") for trade receivables arising from corporate finance advisory services; advising on securities and asset management services, car rental business and online game business with reference to a valuation prepared by an independent professional valuer. Having performed the impairment assessment, the directors concluded that an allowance for ECL for trade receivables of approximately HK$6.51 million (2023: HK$1.55 million) was required for the year ended 31 December 2024. As such, an additional allowance for ECL for trade receivables amounted to HK$4.96 million was recognised for the year ended 31 December 2024. The allowance for ECL for trade receivables were assessed on both individual and collective basis. The increase in allowance for ECL for trade receivables in the current year reflected the increase in credit risks since initial recognition. The directors of the Company strive to adhere to the credit policy of the Group and vigorously pursued effective recovery strategies of the Group's accounts receivable.

As at 31 December 2024, the Group had total assets of approximately HK$92.70 million (2023: approximately HK$42.76 million). The increase in total assets was mainly contributed by the acquisition of motor vehicles and the acquisition of intangible assets and prepayment for exclusive operational licence of online games, which was mainly financed by the proceeds from rights issue completed during the year. The net assets value of the Group was approximately HK$74.75 million as at 31 December 2024 (2023: approximately HK$24.58 million).

Management Discussion And Analysis

The cash and cash equivalents of the Group amounted to approximately HK$13.23 million as at 31 December 2024. The Group's net current assets and current ratio were approximately HK$26.70 million (31 December 2023: approximately HK$10.91 million) and 2.6 times (31 December 2023: 1.6 times) respectively. The Group's gearing ratio, defined as the Group's total borrowings divided by total equity, was 15.3% (2023: 65.1%). The Board will continue to follow a prudent treasury policy in managing its bank balances and cash and maintain a strong and healthy liquidity position to ensure that the Group is well positioned to achieve its business objectives and strategies.

Capital structure

The capital of the Group comprises only ordinary shares. As at 31 December 2024, the Company has 537,600,000 shares of HK$0.1 each in issue.

(a) On 25 March 2024, the Company proposed to raise gross proceeds of up to approximately HK$53.8 million by issuing up to 448,000,000 rights shares by way of rights issue at the subscription price of HK$0.120 per rights share on the basis of five rights shares for every one existing share held by the qualifying shareholders at the close of business on the record date (the "Rights Issue"). The maximum net proceeds from the Rights Issue was expected to be approximately HK$52.8 million. The net price per rights share after deducting the relating expenses of the Rights Issue was approximately HK$0.118. The Company intended to apply the net proceeds from the Rights Issue as to (i) approximately HK$30.0 million for repayment of borrowings of the Group; (ii) approximately HK$13.0 million for strengthening the motor vehicles fleet; (iii) approximately HK$7.0 million for expansion of online-game business; and (iv) approximately HK$2.8 million for enhancing the general working of the Group. Details of the Rights Issue were set out in the Company's announcement dated 25 March 2024, the Company's circular dated 27 May 2024 and the Company's prospectus dated 28 June 2024. The Rights Issue was completed on 8 August 2024.

(b) As at 31 December 2024, the total borrowings of the Group amounted to HK$11,472,000 (31 December 2023: HK$16,000,000), representing short term unsecured borrowings, which are repayable within one year.

Save as disclosed above, there was no change in the Company's capital structure during the year ended 31 December 2024.

Use of Proceeds from Fund Raising Activities

As at 31 December 2024, all the net proceeds from the Rights Issue had been utilized as intended.

Charge on Group's assets

As at 31 December 2024, the Group did not have any charge on its assets (2023: nil).

Management Discussion And Analysis

Exchange Rate Risk

The Group does not have a foreign currency hedging policy but foreign currency transactions have been translated into the functional currencies using the exchange rates prevailing at the dates of the transaction. Foreign exchange gains or losses resulting from the settlement of such transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies were recognised in profit or loss. In the event of fluctuating foreign exchange rates, there is a risk exposure to that settlement of payment for customers and suppliers may not be reconciled. The exposed amount of foreign currencies would be monitored regularly, forward contracts would be entered for hedging the risks if considered necessary.

Information on employment

As at 31 December 2024, the Group had a workforce of 18 staffs (2023: 19). The total staff costs, including the directors' emoluments, amounted to HK$9.74 million for the year under review (2023: approximately HK$10.24 million).

The Group's remuneration policies were determined by reference to market terms as well as the performance, qualification and experience of each individual staff.

Contingent liabilities

As at 31 December 2024, the Group did not have any significant contingent liabilities (2023: nil).

Significant investment

The Group did not hold any significant investment for the year ended 31 December 2024 (2023: nil).

Material acquisitions and disposals of subsidiaries and affiliated companies

During the year ended 31 December 2024, the Group did not have any material acquisitions and disposals of subsidiaries and affiliated companies.

Management Discussion And Analysis

Event after reporting period

On 15 November 2024, the Company proposed capital reorganization which involved: (i) every ten issued and unissued existing shares of par value of HK$0.10 each in the share capital of the Company be consolidated into one consolidated share (the "Consolidated Share(s)") of par value of HK$1.00 each in the share capital of the Company (the "Share Consolidation"); (ii) immediately upon the Share Consolidation becoming effective, the capital reduction (the "Capital Reduction") be implemented, pursuant to which, (a) any fractional Consolidated Shares in the issued share capital of the Company arising from the Share Consolidation shall be cancelled; and (b) the issued share capital of the Company will be reduced by cancelling the paid-up capital to the extent of HK$0.99 on each of the then issued Consolidated Shares such that the par value of each issued Consolidated Share will be reduced from HK$1.00 to HK$0.01; and (iii) immediately following the Capital Reduction becoming effective, each of the authorized but unissued Consolidated Shares of par value of HK$1.00 each will be sub-divided into 100 new shares of the Company of par value of HK$0.01 each (the "Share Sub-division").The new shares of the Company will rank pari passu in all respects with each other in accordance with the memorandum and the articles of association of the Company. Details of the capital reorganization were set out in the Company's announcements dated 15 November 2024 and 28 March 2025. The Share Consolidation was effective on 17 January 2025. Up to the date of this report, the Capital Reduction and Share Sub-division has not yet been completed.

Saving as disclosed above, there was no significant event after the year ended 31 December 2024 and up to the date of this report.

Outlook

Looking ahead, uncertainty around trade policies and geopolitics, particularly due to the new US administration and China economic performance are key factors that will affect market liquidity and investment and listing sentiment. Despite the macroeconomic and geopolitical uncertainties, the management remains cautiously optimistic about a positive outlook for 2025. Since the beginning of 2025, the daily average turnover of Hong Kong stock market has surpassed 200 billion Hong Kong dollars. The Hang Seng Index climbed above 24,500 for the first time since February 2022 and has risen by more than 30% since mid-January 2025. The Group has actively maintained frequent communication and meetings with existing customers and potential new customers in relation to potential corporate finance related opportunities. With the Group's health pipeline of deals, good and well-established connection in the industry as well as the new listing regime for specialist technology companies, which came into effect on 31 March 2023, and the GEM listing reform, which came into effect on 1 January 2024 will generate more business opportunities, and abundant room to develop the Group's core business. Although the business operations of the Group continued to experience severe competitions from competitors, the Group would continue to use its best endeavor to improve the efficiency and effectiveness of the operation.

Management Discussion And Analysis

In light of the GBA development plan of the PRC government, especially the launch of the “Northbound Travel for Macau Vehicles” policy (澳車北上) and the “Northbound Travel for Hong Kong Vehicles” policy (港車北上), it is expected that there will be an increase in demand for cross-border transportation and car rental services in the GBA. In order to seize more business opportunities and expand its market share in the car rental industry, the Group will focus on enhancing its existing fleet of motor vehicles by actively searching for and acquiring suitable motor vehicles. The Group aims to strengthen its competitiveness and attract a wider customer base by offering a diverse range of motor vehicles which cater to different customers' requirements and preferences in the GBA.

Additionally, the Group will continuously monitor market trends and customer feedback to identify emerging demands and adapt its offerings accordingly. By staying attuned to evolving customer preferences, the Group will be able to proactively adjust its car rental services, ensuring they remain competitive and in line with the expectations of customers in the GBA. Through these strategic initiatives, the Group aims to solidify its presence in the car rental market of the GBA, capitalising on the favourable conditions provided by the PRC government's development plan.

For the online game business, the Group plans to further expand its online-game business by (i) securing additional online-game licenses; (ii) building an in-house team specialised in the operation of the licensed games by recruiting personnel with the relevant skills, knowledge and experience in the relevant industry; and (iii) strengthening the promotion and marketing activities in respect of the licensed online games. The Board considers that the Group will be able to capture the potential growth in the global mobile online game industry and diversify its existing business portfolio and broaden its source of income.

Biographical Details Of Directors

EXECUTIVE DIRECTORS

Mr. Lee Chun Wai, aged 40, joined the Group in May 2021 and is an executive director and chairman of the Group. He is responsible for formulating corporate strategy, business development as well as overseeing the operations of the Group. Mr. Lee holds a bachelor's degree of Accounting and Finance. Mr. Lee has over 16 years of experience in securities trading, marketing, asset management, finance and project investment.

Ms. Ji Yi, aged 45, joined the Group in July 2023. She has years of experience in the field of technology and business administration in the PRC. Ms. Ji graduated from Donghua University with a master's degree in Business Administration. Prior to her joining the Company, Ms. Ji worked in Shenzhen Weiyuansheng Technology Service Co., Ltd.* (深圳偉源盛科技服務有限公司) and Shikun Technology (Shanghai) Co., Ltd.* (世坤科技(上海)有限公司) as top management with years of professional experiences.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Ms. Lau Mei Suet, aged 38, has over 14 years of experience and extensive knowledge in the fields of auditing, accounting and taxation. Ms. Lau has obtained a bachelor's degree of business administration with a major in accountancy and a minor in financial services from The Hong Kong Polytechnic University in October 2009. She started to be a member of the Hong Kong Institute of Certified Public Accountants in 2014 and is currently registered as a authorized member. She has been in charge of different account and audit engagements in Hong Kong. Ms. Lau joined the Group in January 2022.

Mr. Choi Tak Fai, aged 35, has obtained a bachelor of science degree in mathematics from the Chinese University of Hong Kong in July 2011. Mr. Choi has over 10 years of experience in the securities brokerage and finance industry. He is an associate sales director and a licensed representative of a securities firm in Hong Kong to carry out type 1 (dealing in securities), type 2 (dealing in futures contracts) and type 4 (advising on securities) regulated activities under the SFO. Mr. Choi joined the Group in May 2021.

Mr. Chen Yilun, aged 30, graduated from Bond University in Australia with a master's degree in business data analysis in 2022 and a bachelor's degree in construction cost engineering and engineering management in 2020. He has diverse experience in finance and engineering management upon his graduation. After graduation, he worked as a BIM (Building Information Modeling) engineer at Shenzhen Tianjian First Construction Engineering Co., Ltd.* (深圳天健第一建設工程有限公司) from September 2022 to May 2024. From May 2024 to October 2024, he worked as a financial investment advisor at Futu Network Technology (Shenzhen) Co., Ltd.* (富途網絡科技(深圳)有限公司), where he obtained the authorized industry qualifications for working in the Hong Kong securities investment market. Mr. Chen joined the Group in January 2025.

* for identification purposes only

Directors' Report

The directors have pleasure in submitting their report together with the audited financial statements of Zijing International Financial Holdings Limited (hereinafter referred to as the "Company") and its subsidiaries (hereinafter collectively referred to as the "Group") for the year ended 31 December 2024.

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. The activities of its principal subsidiaries are set out in note 15 to the consolidated financial statements.

BUSINESS REVIEW

Business review of the Group for the year ended 31 December 2024 as required by Schedule 5 to the Hong Kong Companies Ordinance, can be found in the Chairman's Statement and the Management Discussion and Analysis set out in this annual report which forms part of this directors' report.

The principal risks and uncertainties facing the Group including (i) reliance on key authorized persons and possible suspension of the business of the Group in case the responsible officers left the Group; (ii) local and international economic and socio-political environments may cause volatility of the Hong Kong securities market; car rental and online game market; (iii) keen competition from different consulting and professional firms who providing similar corporate finance advisory services; and from established players and emerging startups in the car rental business; and other participants in the highly competitive and ever-changing online game markets; (iv) exchange risk that will affect the Group's income and value of its holdings of assets; and (v) businesses operated by the Group are regulated by legislation and various regulatory authorities. In the event, when there is any change of the relevant laws, rules and regulations, it may adversely affect the Group's operations and business.

An analysis of the Group's performance for the year is set out in note 5 to the financial statements.

RESULTS AND DIVIDENDS

The results of the Group for the year ended 31 December 2024 and the state of affairs of the Group and the Company at that date are set out in the financial statements on pages 61 to 121.

Directors' Report

DIVIDEND POLICY

The Company has adopted a dividend policy ("Dividend Policy"), pursuant to which the Company may distribute dividends to the shareholders of the Company by way of cash or shares. The dividend payout ratio shall be determined or recommended, as appropriate, by the Board at its absolute discretion after taking into account the Company's financial results, future prospects and other factors, and subject to:

- the Articles of Association of the Company;
- financial results;
- cash flow situation;
- business conditions and strategies;
- future operations and earnings;
- capital requirements and expenditure plans;
- interests of shareholders;
- any restrictions on payment of dividends; and
- any other factors that the Board may consider relevant.

The Dividend Policy will be reviewed from time to time and there is no assurance that a dividend will be proposed or declared in any specific periods.

The directors do not recommend the payment of any dividend for the year ended 31 December 2024 (2023: nil).

LIQUIDITY AND FINANCIAL RESOURCES

As at 31 December 2024, the Group had total assets of approximately HK$92.70 million (2023: approximately HK$42.76 million). The net assets value of the Group was approximately HK$74.75 million as at 31 December 2024 (2023: approximately HK$24.58 million). The cash and cash equivalents of the Group amounted to approximately HK$13.23 million as at 31 December 2024. The gearing ratio, defined as the Group's total borrowings divided by total equity, was 15.3% (2023: 65.1%). The Group's net current assets and current ratio were approximately HK$26.70 million (31 December 2023: approximately HK$10.91 million) and 2.6 times (31 December 2023: 2.7 times) respectively.

DIRECTORS' REPORT

SUBSIDIARIES

Particulars of the Company's subsidiaries are set out in note 15 to the financial statements.

PROPERTY, PLANT AND EQUIPMENT

Movements in the property, plant and equipment of the Group during the year are set out in note 14 to the financial statements.

SHARE CAPITAL

Details of changes in the Company's share capital during the year is set out in note 21 to the financial statements. The Group has no outstanding share options issued as at 31December 2024.

PUBLIC FLOAT

Based on the information publicly available to the Company and within the knowledge of the directors of the Company, as at the latest practicable date prior to the issue of this report, there is sufficient public float in the issued share capital of the Company pursuant to the GEM Listing Rules.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company's articles of association or the laws of Cayman Islands which would oblige the Company to offer new shares on a pro rata basis to existing shareholders.

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

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

Directors' Report

GROUP FINANCIAL SUMMARY

A summary of the results of the Group for the past five years ended 31 December 2024 is set out on page 122 of the annual report.

SHARE OPTION SCHEME

In order to attract and retain the eligible persons, to provide additional incentive to them and to promote the success of the business of the Group, the Company has adopted a share option scheme on 30 May 2023 (the "Share Option Scheme") whereby the Board are authorized, at their absolute discretion and subject to the terms of the Share Option Scheme, to grant options to subscribe the shares of the Company (the "Shares").

Under the Share Option Scheme, the option period during which an option may be exercised shall be determined and notified by the directors of the Company to the grantee and in any event shall not exceed ten years from the date of grant. The maximum number of shares which may be issued upon exercise of all options may be granted at any time under the Share Option Scheme together with options which may be granted under any other share option schemes for the time being of the Company shall not exceed such number of shares as equals 10% of the issued share capital of the Company as at the date of the approval of the Share Option Scheme (the "Scheme Mandate Limit"), without prior approval from the Company's shareholders. The Company may seek approval by the shareholders of the Company in general meeting to refresh the Scheme Mandate Limit under the Share Option Scheme.

The exercise price is determined by the directors of the Company, and is not less than the highest of (i) the closing price of the Company's shares on the date of grant; (ii) the average closing price of the Company's shares for the five trading days immediately preceding the date of grant; and (iii) the nominal value of the Company's share on the date of grant.

No share options were granted, exercised or cancelled by the Company under the Share Option Scheme during the year ended 31 December 2024 and there are no outstanding share options under the Share Option Scheme as at 31 December 2024. The total number of Shares available for issue under the Share Option Scheme as at the date of this report was 640,000 Shares. Which represented 10% of the total number of the issued Shares at the date on which the Share Option Scheme adopted by an ordinary resolution of the shareholders of the Company on 30 May 2023 and adjusted for share consolidation of ten existing shares be consolidated into one consolidated share effective on 17 January 2025.

Directors' Report

DISTRIBUTABLE RESERVES OF THE COMPANY

The Company's reserves available for distribution to the shareholders of the Company as at 31 December 2024 were as follows:

	31 December	
	2024	2023
	HK$'000	HK$'000
Share premium	**21,803**	13,713
Capital reserve	**9,904**	10,151
Accumulated losses	**(10,722)**	(8,245)
	20,985	15,619

Under the Companies Law (2013 Revision) of the Cayman Islands, the share premium of the Company is available for paying distributions or dividends to shareholders subject to the provisions of its memorandum and the articles of association and provided that immediately following the payment of distributions or dividends, the Company is able to pay its debts as they fall due in the ordinary course of business. In accordance with the articles of association of the Company, dividends shall be payable out of the profits or other reserves, including the share premium account, of the Company.

RELATIONSHIP WITH EMPLOYEES, CUSTOMERS AND SUPPLIERS

Employees

We maintained a good working relationship with our employees and we did not experience any labour disputes for our operations during the year ended 31 December 2024. For training and development, our employees in Hong Kong are briefed with the relevant workplace safety rules. We also train all our employees with basic office protocol.

We have a close working relationship with our customers throughout the years. We have also established a long-term relationship with our key customers by providing on-going advisory services to them.

Directors' Report

CUSTOMERS AND SUPPLIERS

Major Suppliers

Due to the nature of our principal business activities, the Group had no major suppliers during the year ended 31 December 2024.

Major Customers

In the year under review, the Group's five largest customers accounted for approximately 61.6% of the Group's turnover and the largest customer included therein accounted for approximately 35.6% of the Group's turnover.

DIRECTORS

The directors of the Company during the year and up to the date of this report were:

Executive directors:

Mr. Lee Chun Wai (Chairman)
Ms. Ji Yi

Independent non-executive directors:

Ms. Lau Mei Suet
Mr. Choi Tak Fai
Mr. Tsang Ho Yin (resigned on 1 November 2024)
Mr. Chen Yilun (appointed on 27 January 2025)

The terms of office of each director are subject to retirement by rotation in accordance with the Company's Articles of Association.

DIRECTORS' BIOGRAPHIES

Biographical details of the directors of the Group are set out on page 12 of the annual report.

Directors' Report

DIRECTORS' SERVICE CONTRACTS

No director proposed for re-election at the forthcoming annual general meeting has a service contract with the Company which is not determinable by the Company within one year without payment of compensation, other than statutory compensation.

INTERESTS IN SIGNIFICANT TRANSACTIONS, ARRANGEMENTS OR CONTRACTS AND SERVICE CONTRACTS OF DIRECTORS AND SUPERVISORS

None of the Directors and the Supervisors or their associated entities had any beneficial interests, directly or indirectly, in any transactions, arrangements or contracts of significance (except service contracts) concerning the business of the Group entered into with the Company or any of its controlling companies or subsidiaries during the reporting period.

DIRECTORS' AND CHIEF EXECUTIVES' INTEREST AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY

At 31 December 2024, the interests or short positions of the Directors and the chief executives of the Company in the shares ("Shares"), underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")) which were 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 have 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, to be notified to the Company and the Stock Exchange, were as follows:

Interest in the Company:

Name of director	Nature of interest	Number of shares directly and beneficially held	Approximately percentage of shareholdings
Mr. Lee Chun Wai	Beneficial owner	83,274,000	15.49%

During the year ended 31 December 2024, there were no debt securities issued by the Group at any time.

Directors' Report

Save as disclosed herein, as at 31 December 2024, none of the Directors or chief executive of the Company or their associates had any interests and short positions in any shares, underlying shares or debentures of the Company or any 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 each of them has taken or deemed to have taken under the provisions of the SFO); or which were required, pursuant to section 352 of the SFO, to be entered into the register referred to therein; or which were required, pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules, to be notified to the Company and the Stock Exchange.

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

For the year ended 31 December 2024, so far as is known to the Directors, the following persons, not being Directors or chief executive of the Company had, or were deemed to have, interests or short position in the Shares or underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO; or who is directly or indirectly, to be interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any member of the Group:

Interest in the Company

Name	Nature of interest	Number of ordinary Shares beneficially held	Approximately percentage of shareholdings
Mr. Lee Chun Wai	Beneficial owner	83,274,000	15.49%

During the year ended 31 December 2024, there were no debt securities issued by the Group at any time.

Save as disclosed above, as at 31 December 2024, the Directors are not aware of any other person, other than the Directors and the chief executive of the Company who had, or was deemed to have, interest or short position in the Shares or underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO; or who is directly or indirectly, to be interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group or options in respect of such share capital.

Directors' Report

COMPLIANCE WITH RELEVANT LAWS AND REGULATIONS

The Group recognises the importance of compliance with regulatory requirements and the risk of non-compliance with relevant requirements could lead to adverse impact on business operation and financial position of the Group. During the year, as far as the Company is aware, there was no material breach of or non-compliance with applicable laws and regulations by the Group that has a significant impact on the business and operations of the Group.

GROUP'S EMOLUMENT POLICY

The emolument policy of the employees of the Group is set up by the board of directors on the basis of their merit, qualifications and competence.

The emoluments of the directors of the Company are mainly based on the individual performance, the Company's operating results and comparable market statistics.

The Company has adopted a share option scheme (the "Scheme") as an incentive to directors and eligible employees, details of the scheme are set out as below:

The Company operates the Scheme for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. Eligible participants of the Scheme include the Company's employee, adviser, consultant, service provider, agent, customer, partner or joint-venture partner of the Company or any subsidiary (including any director of the Company or any subsidiary) who is in fulltime or part-time employment with or otherwise engaged by the Company or any subsidiary at the time when an option is granted.

The maximum number of unexercised share options currently permitted to be granted under the Scheme is an amount equivalent, upon their exercise, to 10% of the shares of the Company in issue as at the date of approval of the Scheme. The maximum number of shares issuable under share options to each eligible participant in the Scheme within any 12-month period, is limited to 1% of the shares of the Company in issue at any time. Any further grant of share options in excess of this limit is subject to shareholders' approval in a general meeting.

No share option was granted, exercised, expired or lapsed under scheme under the year.

RELATED PARTY TRANSACTIONS

Details of the discloseable connected transactions of the Group are set out in note 26 to the financial statements.

Directors' Report

CORPORATE GOVERNANCE

A report on the principal corporate governance practice adopted by the Company is set out in pages 44 to 55 of the annual report.

DIRECTORS' INTERESTS IN A COMPETING BUSINESS

For the year ended 31 December 2024, the directors are not aware of any business or interest of the directors, the management shareholders and their respective associates (as defined under the GEM Listing Rules) that compete or may compete with the business of the Group and any other conflict of interest which any such person has or may have with the Group.

MANAGEMENT CONTRACTS

No contract, other than employment contracts, concerning the management and administration of the whole or any substantial part of the business of the Group was entered into or existed during the year.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Except for the Share Option Scheme, neither the Company nor any of its subsidiary undertakings was a party to any arrangements to enable Directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate at any time during the year.

PERMITTED INDEMNITY PROVISIONS

Pursuant to the Company's Articles of Association, every Director is entitled to be indemnified out of the assets of the Company against all losses or liabilities which he/she may sustain or incur in or about execution of duties of his/her office or otherwise in relation thereto provided that such indemnity shall not extend to any matter in respect of fraud or dishonesty committed by the Director.

The Company has maintained appropriate directors' liability insurance and such permitted indemnity provision for the benefit of the Directors is currently in force.

EQUITY-LINKED AGREEMENT

Save for the Share Option Scheme of the Company, there was no equity-linked agreement being entered into or remained subsisting during the year or as of the end of the year.

Directors' Report

AUDITOR

A resolution for the re-appointment of McMillan Woods (Hong Kong) CPA Limited as auditors of the Company is to be proposed at the forthcoming annual general meeting.

By Order of the Board

Lee Chun Wai
Chairman

Environmental, Social And Governance Report

ABOUT THE REPORT

The Board is delighted to present the Group's Environmental, Social, and Governance ("ESG") Report, prepared in alignment with the Appendix C2 of the ESG Reporting Guide under the GEM Listing Rules. This report underscores the Group's dedication to sustainability and its ongoing efforts to contribute to the sustainable development of both its business and the broader community. It outlines the Group's policies, practices, and performance in addressing ESG matters, while also serving as a vital platform for engaging with stakeholders and responding to their expectations.

The Group operates across three key business areas, including (i) Provision of financial Services in Hong Kong and Singapore; (ii) Provision of car rental business; and (iii) online game business which has been launched during the reporting year.

The ESG Report focuses on the environmental and social performance of these business segments for the year ending 31 December 2024. For a comprehensive understanding, this report should be read alongside the Group's Annual Report 2024, particularly the Corporate Governance Report section within this Annual Report.

Scope of the Report

The ESG Report outlines the Group's ESG performance for the year ended 2024, covering the period from 1 January 2024 to 31 December 2024 ("Reporting Period"). The report encompasses all of the Group's business segments, including its financial services operations in Hong Kong and Singapore, the car rental business, and the newly launched online game business.

The reporting boundary for this year's ESG Report has been expanded as compared to the previous year ESG report to reflect the changes in operational developments. Specifically, the car rental business was fully operational throughout the entire year. Additionally, the online game business, which commenced operations during the year, is included in this report for the first time. These updates ensure that the report provides a complete and accurate representation of the Group's ESG performance across all active business segments during 2024.

Reporting Principles

This Report has been prepared in accordance with the "Mandatory Disclosure Requirements" and the "Comply or Explain" provisions of the Environmental, Social and Governance Reporting Guide ("ESG Reporting Guide") as set out in Appendix C2 under GEM Listing Rules:

1. Materiality: ESG issues that become sufficiently important to investors and other stakeholders should be reported.

2. Quantitative: KPIs, if any, need to be measurable and should be accompanied by a narrative, explaining their purposes, impacts, and giving comparative data where appropriate.

Environmental, Social And Governance Report

3. Balance: The ESG report should provide an unbiased picture of the issuer's ESG performance and avoid selections, omissions, or presentation formats that may inappropriately influence readers' decisions and judgments.

4. Consistency: The issuer should use consistent methodologies to allow for meaningful comparisons of ESG data over time. The issuer should disclose in the ESG report any changes to such methodologies.

Confirmation and approval

The Board of the Group has overall responsibility for implementing, reviewing and monitoring the Company's environmental and social strategies and reporting, and has reviewed and approved the ESG Report in March 2025. As employees are the Group's most valuable assets, the management regularly reviews the Group's remuneration and benefits policies in reference to the market standards. The Group has been reviewing its related policies from time to time to ensure the Group complies with the latest statutory requirements.

Feedback Channels

We highly recognise your valuable opinions on this report. Your feedback helps us achieve our vision for a sustainable future. We invite you to share your comments using any of the following means:

Email: cs@zijingfin.com
Tel: (852) 2151 5399
Fax: (852) 3795 2636

EGS GOVERNANCE

Sustainability as a Core Value

The Group firmly believes in the importance of sustainability and has made it a central pillar of its operations. Over the past year, we have taken meaningful steps to address ESG challenges and fulfill our social responsibilities. Key initiatives have been implemented in areas such as:

Employment and Labor Practices: Ensuring fair and inclusive working conditions.

Operational Management: Enhancing efficiency and sustainability in business processes.

Environmental Protection: Minimizing our environmental footprint and promoting resource conservation.

By integrating ESG considerations into our daily operations, we aim to create long-term value for our stakeholders while positively impacting the environment and society.

Environmental, Social And Governance Report

Creating Value Through ESG Integration

The Group is committed to being a force for good, both within its industry and in the wider community. We strive to (i) minimize environmental impact through responsible resource management and sustainable practices; (ii) support employee well-being by fostering a safe, inclusive, and supportive workplace, and (iii) contribute to the community through initiatives that address societal needs and promote development.

Our goal is to ensure that our business not only thrives economically but also contributes to a sustainable future for all.

Board Leadership and ESG Oversight

The Board of Directors plays a pivotal role in guiding the Group's ESG strategies. Through regular internal discussions, the Board identifies and prioritizes material ESG issues, ensuring that appropriate measures are in place to address them. These measures are continuously monitored and reviewed to ensure their effectiveness, with access to relevant data and insights to support decision-making.

STAKEHOLDER ENGAGEMENT

Stakeholder engagement is a critical process that enables the Group to gain insights into the perspectives and concerns of stakeholders regarding its business operations, particularly in relation to Environmental, Social, and Governance (ESG) issues. By actively engaging with stakeholders, the Group can more effectively identify and assess ESG-related risks, drive continuous improvement, and align its practices with stakeholder expectations, ultimately contributing to financial excellence. To achieve this, the Group maintains open and ongoing communication with both internal and external stakeholders to understand their ESG-related expectations. This ongoing communication helps the Group integrate sustainable strategies into its long-term business practices, ensuring alignment with broader sustainability goals and stakeholder needs.

The following table sets out our key stakeholders and the corresponding response and communication channels.

Stakeholder	Expectations	Engagement Channels
Government authorities and regulators	— Compliance with laws and Regulations	— Statutory filings and notifications — Written or electronic correspondences

Environmental, Social And Governance Report

Stakeholder	Expectations	Engagement Channels
Customers	— Services with quality — Customer information Security	— Face-to-face communications — Business meetings — Mail, email, facsimile and telephone communication — "Know-your-client" procedures and client profile review
Employees	— Career development platform — Salary and benefits — Safe working environment	— Training and seminars — Performance appraisals — Daily communication — Employee activities
Investors and shareholders	— Financial results — Corporate transparency — Risk control	— General meeting — Financial reports — Announcements and circulars — Company website — Mail, email, facsimile and telephone communications
Service providers	— Integrity cooperation — Business ethics and credibility	— Face-to-face communications — Business meetings — Mail, email, facsimile and telephone communication
Community	— Environmental protection — Employment opportunities	— Community services — Mail, email, facsimile and telephone communications

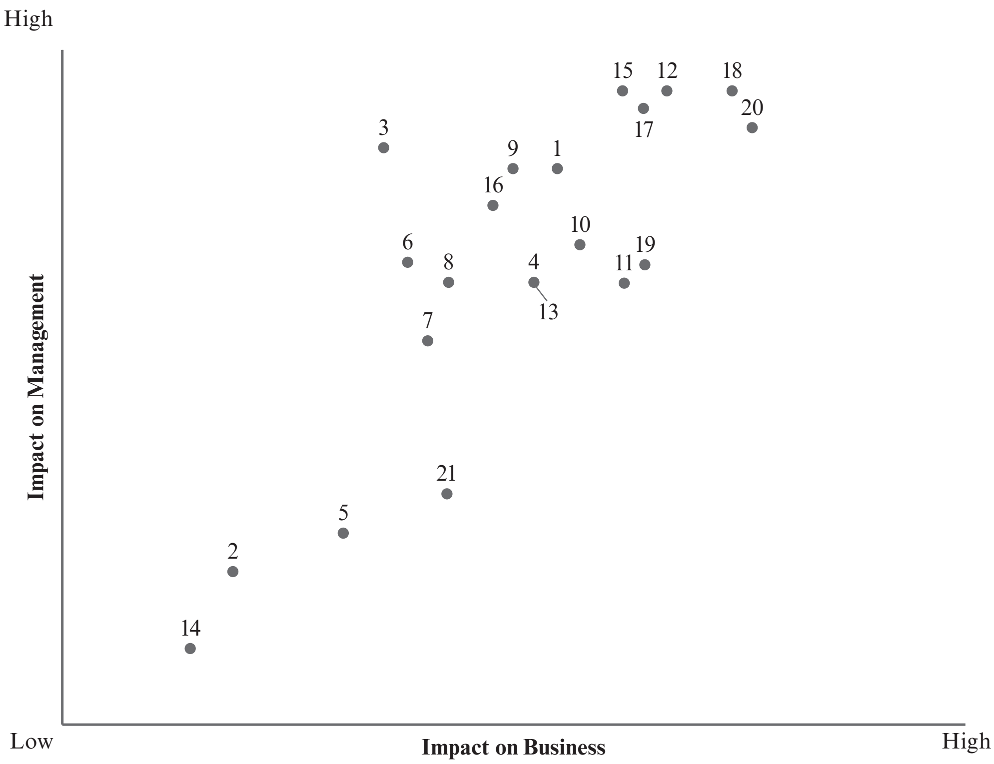
Environmental, Social And Governance Report

MATERIALITY ASSESSMENT

Materiality assessment has been conducted during the Reporting Period to identify and address key issues that may pose significant environmental and social impacts to the Group's business operations or stakeholders' interest, such assessment consists of three stages:

Identification:	Key ESG issues relevant to the Group are identified through conducting surveys with relevant stakeholders and the Group's management, as well as benchmarking against industry peers.
Engagement:	Feedback and results obtained from different communication channels are consolidated. Key ESG issues are subsequently ranked with respect to its materiality to the Group and different stakeholders.
Analysis & Evaluation:	Results from the materiality assessment were reviewed and confirmed by the Board and management in response to the concerns of various stakeholders. The information gathered helped the Group identify and prioritise ESG issues which are concerned by stakeholders and are highly related to the Group's business.

Materiality matrix



Environmental, Social And Governance Report

Environment:
1. Management of air pollutants and greenhouse gas emission
2. Wastewater management
3. Waste management
4. Energy conservation
5. Water conservation
6. Efficiency in the use of other resources
7. Impact of management operation on the environment and natural resources
8. Climate change

Employment:

9. Employee relations & labour rights
10. Anti — discrimination, equal and diversified employment environment
11. Occupational safety and health
12. Employee development and training
13. Child and forced labour prevention

Operation:

14. Environmental and social risks of the supply chain
15. Quality of service
16. Customers' health and safety
17. Customer complaint handling mechanism
18. Customer privacy and data protection
19. Intellectual property rights
20. Prevention of bribery, extortion, fraud and money laundering

Community:

21. Community engagement

According to the result of the materiality matrix, operational and social issues were identified as more significant to the Group development, where emphasis shall be placed on our service quality, business integrity and the interest of employee. Below are the four major concerns to our stakeholders.

a. Customer privacy and data protection

b. Prevention of bribery, extortion, fraud and money laundering

c. Employee development and training

The Group committed to incorporate a sustainable development into our business and regards building a good and sustainable corporate culture as our mission. We uphold integrity, responsible business conduct and environmentally friendly as our core values and strive to strengthen our management of long-term ESG risks and opportunities.

Environmental, Social And Governance Report

OPERATION MANAGEMENT

The Group is committed to delivering high-quality services to its clients and customers at all times. We believe that market reputation and client confidence are critical to our success. To this end, the Group continuously strives to enhance its operational management across all aspects of its business, aiming to create greater value for both clients, customers and shareholders.

Service Quality

The Group's corporate finance and asset management businesses are regulated by the Securities and Futures Commission (SFC). These services are conducted through Zijing Capital Limited and Zijing Asset Management Limited, both of which are licensed corporations under the Securities and Futures Ordinance (SFO).

As of 31 December 2024, all professional employees within the Group's experienced team were properly licensed and registered with the SFC. Most of our Responsible Officers possess over 10 years of relevant industry experience. The Group is dedicated to protecting the privacy and confidentiality of personal data belonging to our business partners and other identifiable individuals. Employees are trained to handle confidential information with care and to collect and use data responsibly and non-discriminatorily. The use of such information is strictly limited to purposes consistent with those outlined in the contracts.

The Group primarily acquires new business through referrals from existing clients, professional firms, and the personal networks of its directors and employees. We place a strong emphasis on maintaining client loyalty by providing prompt, competent, and unbiased professional services. In 2024, the Group received no service-related complaints, reflecting our commitment to excellence.

For car rental business, we strive to provide quality services in response to changes in customer needs and the business environment.

During Reporting Period, we expanded our business to online games. We strive to create value for our customers by delivering high-quality products and superior services. When a game is released to the platform, we conduct regular system updates and repairs to ensure the stability and reliability of the platform. We are committed to maintaining strong relationships with our players by fostering a highly interactive and information-driven online gaming community. Additionally, we collect player feedback through various channels, such as questionnaires, forums, emails and customer service interactions, to continuously improve our games and enhance the player experience.

The Group strictly adheres to all relevant national laws and regulations governing our business operations. This includes compliance with regulations related to product development, service provision, health and safety, advertising, labeling, privacy, and remedies. Key regulations we follow include, but are not limited to, the Regulations on Internet Publishing, the Measures on Internet Information Services, and the Measures for the Administration of Online Games. The Group is dedicated to providing high-quality products and services and places great value on customer feedback. We require our staff to document and address player complaints, analyze the root causes, and implement corresponding improvements to our online games.

Environmental, Social And Governance Report

During the Reporting Period, the Group was not aware of any violations of laws or regulations related to the provision or use of our products and services. This includes matters concerning health and safety, information and labeling, marketing communications (including advertisements and promotional materials), property rights (including intellectual property rights), and privacy issues that could significantly impact the Group.

Protection of Intellectual Property

The Group places great importance on the protection of intellectual property rights. We strictly comply with all relevant laws and regulations governing intellectual property, including but not limited to the Copyright Ordinance in Hong Kong and the Copyright Act in Singapore, and the Patent Law of the PRC. All software used by the Group is covered by periodic contracts, which are renewed regularly. Employees are prohibited from using any software, information, or data that has not been approved by the Group or that has been illegally downloaded from the internet. The content of our business material and online game have been reviewed to ensure no infringement of any intellectual property rights.

Protection of Data

The Group prioritizes the protection of the privacy of its customers, business partners, and employees in the collection, processing, and use of their personal data. We adhere to all applicable data protection regulations and implement appropriate technical measures to safeguard personal data against unauthorized access or misuse.

To ensure the security of personal data, the Group employs robust storage solutions to prevent loss, unauthorized access, use, modification, or disclosure. Personal data is processed only for the specific purposes for which it was collected.

In line with internal guidelines, only employees in key positions are authorized to handle confidential information, including technology-related data and customer information. All employees are strictly prohibited from disclosing or leaking confidential or restricted information to third parties. Additionally, the Group ensures that antivirus software is consistently updated to prevent data breaches. We conduct regular analysis of relevant laws and regulations to ensure ongoing compliance and the continued protection of intellectual property rights, copyrights, and personal data.

Anti-Corruption

The Group strictly adheres to the Prevention of Bribery Ordinance, the Anti-Money Laundering and Counter-Terrorist Financing (Financial Institutions) Ordinance, the Securities and Futures Commission Guideline on Anti-Money Laundering and Counter-Terrorist Financing in Hong Kong, the Prevention of Corruption Act in Singapore, and other relevant laws and regulations pertaining to anti-corruption, bribery, extortion, fraudulent behavior, and money laundering.

Environmental, Social And Governance Report

The Group has implemented a robust anti-money laundering policy to detect and prevent money laundering and terrorist financing activities. Employees are required to thoroughly understand the background of potential clients through documentation and communication, in accordance with internal guidelines, before engaging with them. To mitigate the risk of unintentional money laundering, cash transactions with clients are strictly prohibited. All client payments must be made via bank transfer, cheque, or direct cash deposit into a bank account. Additionally, employees are prohibited from accepting anything of significant value from any parties related to the Group.

The Group is committed to maintaining the highest standards of openness, probity, and accountability. To reinforce this commitment, we have established a whistle-blowing policy. Employees, clients, customers, suppliers, and other stakeholders are encouraged to report any suspected misconduct or malpractice. The Group will investigate all reported incidents and take appropriate remedial action against any irregularities. Whistleblowers are assured protection against unfair dismissal, victimization, or unwarranted disciplinary action. Employees who breach the anti-corruption policy will face disciplinary action, which may include dismissal for gross misconduct.

In addition to the whistle-blowing policy, the Group conducts regular internal training sessions to ensure employees understand the anti-corruption laws and regulations relevant to our business operations. During the Report Period, no legal cases regarding corrupt practices were brought against the Group or its employees. Furthermore, no whistleblowing reports concerning criminal offenses or misconduct were filed.

Supply Chain Management

Due to the nature of the Group's business activities, including financial services, car rental business and online game business, the Group had no major suppliers during the Report Period. However, service providers are engaged in our business operations to provide clients with outstanding services, including but not limited to compliance advisors, legal counsels, car maintenance service providers, game developers and technicians etc. Service providers were assessed and selected based on their quality, price, as well as their impact on the environment. The Group regularly evaluated both potential and current service provider's' performance in accordance with the environmental and product quality criteria, including the overall capabilities, quality assurance, compliance with laws and regulations, and environmental responsibility.

We also integrate environmental vision into the procurement of office supplies, priority is given to environmentally friendly products, such as refillable ballpoint pens and mechanical pencils. During the procurement process, the Group evaluates and assesses the suppliers' quality of services and products, their experience and track record, and review from public domain as to any reporting violation to ESG rules and regulations.

Environmental, Social And Governance Report

ENVIRONMENTAL PROTECTION

The Group is committed to implementing policies and practices that promote resource conservation, improve energy efficiency, and raise environmental awareness among our employees. We strive to build an environmentally responsible organization that prioritizes the conservation of the Earth's natural resources. We strive to minimize the environmental impact of our operations while maintaining high standards of service quality.

Use of resources

Given the nature of our business and operations of our financial services and online game business segments, which do not involve manufacturing or production processes, the primary resources consumed by the Group are electricity and paper. We focus on reducing paper and toner usage in our daily operations and are dedicated to minimizing energy consumption by closely monitoring usage in our offices.

While our car rental business does not directly consume resources, as the vehicles are leased to third parties who are responsible for fuel usage during the rental period. Due to a growing of orientation of decarbonisation, the management considers to replace fleets by next generation vehicles in the future to contribute to long term CO_2 emissions reduction.

Energy conservation

As an environmentally conscious organization, we encourage employees to switch off lights and electronic equipment when not in use and to maximize the use of natural lighting to reduce energy consumption. Our offices are divided into different lighting zones with independent switches, and we have adopted energy-efficient lighting systems and computer equipment virtualization.

The Group's greenhouse gas (GHG) emissions are primarily indirect emissions (Scope 2), resulting from electricity consumption for our operations.

During the Reporting Period, the Group maintained one office in Hong Kong with an area of approximately 256 square meters, and one office in China, with an area of approximately 10 square meters

Water usage payments are included in the management fees paid to landlords both in Hong Kong China, and as such, specific consumption data is unavailable. However, the Group did not experience any issues related to water supply shortages.

The total electricity consumption for the year was approximately 7,659 kWh in Hong Kong and 418 kWh in China. Based on office area, the energy consumption intensity was approximately 32 kWh/m^2 in Hong Kong and 42 kWh/m^2 in China.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

During the Reporting Period, the Group's consumption of electricity was:

Electricity	Hong Kong	China	**2024 Total**	2023 Total
Consumption (Kwh)	7,659	418	**8,077**	7,159
Intensity (per sq. m)	32	42	**32.6**	17.7

Waste Management

As the Group's business does not involve manufacturing or production activities, solid waste is primarily generated from daily office operations. We have adopted the "reduce, reuse, and recycle" principle as the foundation of our waste management strategy.

To promote recycling, we have placed recycling boxes in our offices to collect used paper products, such as wastepaper, letters, and envelopes. Additionally, we collaborate with recycling companies to collect and recycle toner cartridges. To minimize paper consumption, we have implemented a double-sided printing and copying policy and prioritize electronic communication whenever possible. Employees are encouraged to use reusable products, such as refillable stationery and office supplies, instead of disposable alternatives. In addition to non-hazardous waste, our primary hazardous waste, toner cartridges, is also collected for recycling. In 2024, approximately 7 toner cartridges were used (2023: approximately 5 toners). The increase of tonner consumption is mainly due to the Group's expansion to online game business.

In 2024, the Group purchased approximately 85 reams of A4-sized 80 gsm photocopying paper (2023: approximately 75 reams). The increase of paper consumption is mainly due to the Group's expansion to online game business.

During the Reporting Period, the Group's paper usage was:

Paper	**2024**	2023
Consumption (ream — A4 sized 80 gsm photocopying paper)	**85**	75
Intensity (per employee)	**5**	4

Environmental, Social And Governance Report

Green Operations

The Group is committed to minimizing the environmental impact of our operations by adopting sustainable practices and promoting eco-friendly initiatives. Below are the key measures we have implemented to achieve this goal:

— Employees are encouraged to use public transportation or carpool to reduce carbon emissions associated with daily commuting.

— Telephone and video conferences are prioritized to minimize unnecessary overseas business travel, thereby reducing our carbon footprint.

— For unavoidable business travel, direct flights are chosen to lower carbon emissions compared to flights with multiple stops.

— Employees are encouraged to use reusable products, such as refillable stationery and office supplies, to reduce waste generated from disposable alternatives.

— Employees are advised to switch off lights and electronic equipment when not in use and to maximize natural lighting to reduce energy consumption.

— Vehicles are required to have both the air conditioning and engine turned off while stationary to minimize fuel consumption and emissions.

The Group will continue to implement and enhance these Green Operation measures, with a focus on reducing energy consumption and further minimizing the environmental impact of our operations. We are dedicated to fostering a culture of sustainability and environmental responsibility across all levels of the organization.

Climate Change

In recent years, climate change has emerged as a critical issue across various sectors, posing significant risks to corporate operations and development. In response to growing community concerns, the Group has identified potential risks and impacts on its business, including:

— The Group recognizes the risks from climate change, particularly the increasing frequency of extreme weather events like typhoons. These risks can lead to higher repair costs, asset damage, and threats to employee safety. To address this, we have implemented comprehensive work arrangements for typhoon and rainstorm warnings, including a staggered release schedule for employees in remote areas. Our goal is to ensure smooth operations during these conditions.

— The Group has identified sustained high temperatures as a chronic risk, which may increase the likelihood of heat-related illnesses among employees if air conditioning is inadequate. This heightened demand for cooling could raise power consumption and operating costs. We have implemented processes to minimize the negative effects of extreme weather and adopted the best practices for energy efficiency.

Environmental, Social And Governance Report

— International climate policies and regulation, and the Hong Kong Government's carbon reduction initiatives present potential risks. Recent Stock Exchange requirements for enhanced climate-related disclosures may increase compliance costs. Non-compliance could lead to litigation and reputational damage. We will monitor climate-related trends and regulations to mitigate these risks.

Market trends show a growing demand for ESG-friendly products, driven by policies on carbon neutrality and green finance. Failure to manage climate risks could result in capital withdrawal by investors, impacting our market share. The Group aims to maintain transparency in ESG risk management to foster investor trust and explore growth opportunities in green financial services, potentially enhancing our market valuation.

EMPLOYMENT AND LABOUR PRACTICES

Employees are the core forces to maintain the long-term growth and sustainability of the Group. The Group values the interests and rights of all the employees and attaches importance to creating a comfortable and motivating working environment for employees.

Employment

The Group values its employees as they are the key to its success. The Group committed to provide a secure, healthy, equitable, discrimination-free and harmonious workplace for employees. The Group strictly prohibits any form of discrimination based on gender, age, race, family status, religious belief, or disability. During the Reporting Period, the Group has complied with all relevant employment and labour laws and regulations in all of our places of operation.

The Group's employment contract has specified the terms including compensation and dismissal, working hours, rest periods and other benefits and welfare for the Group's staff. By offering competitive remuneration packages and comprehensive fringe benefits to our employees, our staff turnover rate remains stable, while job performance and productivity are maintained at satisfactory levels.

Employee Remuneration and Benefits

The management regularly reviews the Group's remuneration and benefits policies in reference to the market standards and is committed to safeguarding the rights and interests of the employee. Remuneration and benefits have been adjusted in accordance with the employees' individual performance, contribution and market conditions. Remuneration packages include holidays, annual leave, medical scheme, group insurance, mandatory provident fund, central provident fund and discretionary bonus.

As at 31 December 2024, the Group had 17 and 1 full-time employees in Hong Kong and Singapore respectively. The employee turnover rate of the Group was 21.7% (2023: 13.6%) during the Report Period. The Group was not aware of any material non-compliance with any laws and regulations relating to employment and labour practices that had a significant impact on the Group relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare during the Reporting Period.

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Workforce Overview

Total number of employees	2024	2023
By Gender		
— Male	**15**	16
— Female	**3**	3
By Age Group		
— Under 31	**1**	2
— 31 to 40	**6**	6
— 41 to 50	**6**	5
— Above 51	**5**	6
By Geographical Region		
— Hong Kong	**17**	18
— Singapore	**1**	1
— China	**—**	—
By Employment Category		
— Senior Management	**4**	4
— Middle Management	**7**	8
— General Staff	**7**	5
Turnover Rate by Gender		
— Male	**4**	2
— Female	**1**	1
Turnover Rate by Age Group		
— Under 31	**—**	—
— 31 to 40	**1**	—
— 41 to 50	**3**	2
— Above 51	**1**	1

Development and Training

To ensure our employees, particularly those involved in regulated financial services activities, are equipped with the necessary skills and knowledge to meet future challenges and professional requirements, the Group emphasizes continuous professional development. This includes on-the-job training provided by the operation team during the management and supervision of tasks, regular in-house meetings to keep employees updated on the latest market practices and job-related developments, and off-the-job training opportunities such as seminars and workshops organized by professional bodies. These initiatives collectively foster a culture of learning and ensure employees remain competent and informed in their roles.

Environmental, Social And Governance Report

For example, the Group supports its professional employees to attend seminars and training sessions organized by professional bodies, particularly those relevant to their licensed regulated activities. Employees are required to participate in these seminars and training programs to ensure compliance with regulatory standards and to enhance their expertise. Additionally, employees are encouraged to attend industry seminars and read prescribed periodicals to stay informed about the latest industry trends and regulatory developments, thereby maintaining their professional competence. Our professional employees must also fulfill continuous professional training and examination requirements as mandated by relevant regulations. This commitment to ongoing development ensures that our team remains knowledgeable, skilled, and compliant in their respective roles.

During the Report Period, the detailed breakdown of the percentage of professional employees trained and average training hours completed per professional employee by gender and employment category is as follows:

	2024		2023	
Training	**Average training hours (hours/employee)**	**Percentage of employee trained (%)**	Average training hours (hours/employee)	Percentage of employee trained (%)
By gender				
— Male	**12 hours**	**100%**	12 hours	100%
— Female	**12 hours**	**100%**	12 hours	100%
By employment category				
— Senior management	**12 hours**	**100%**	12 hours	100%
— Middle management	**12 hours**	**100%**	12 hours	100%
— General staff	**10 hours**	**100%**	10 hours	100%

The Group also encourages the general staff to initiate training or development activities, including attending conferences and external training programmes that focus on the topics relevant to their positions to equip with necessary skills and knowledge required in our business operation.

Occupational Health and Safety

The business operation of the Group does not involve high-risk activities. The Group attaches great importance to occupational safety, hygiene and health of our employees and makes all efforts to build a safe and comfortable working environment for employees. We strictly abide by the laws and regulations. We seek to create a pleasant and comfortable workplace for our employees by carrying out various measures, including provision of adjustable working chairs and seats, provision of sufficient storage space for a more spacious desk area, regular maintenance or replacement of office equipment, and keeping objects and tools easily reachable and conveniently located. Those measures are regularly monitored.

Environmental, Social And Governance Report

During the two years ended 31 December 2023 and 2024, the Group did not record any work-related injury or fatality of employees, nor any lost days due to work injury. We are not aware of any material non-compliance with relevant employment and labour laws and regulation in any of our places of operation.

Labour Standards

The Group strictly complied with all applicable laws and regulations in all the places where it operates. The Group has developed precautious and systematic measures for recruitment and selection, to prevent from hiring child labour and ensured employees complied to relevant laws and regulations.

According to our well-established recruitment policies, any individual under the legal working age and individuals without any proper identification documents are disqualified from employment. For the year ended 31 December 2024, the Group is not aware of any material non-compliance with the any other applicable laws and regulations in any of our places of operation for hiring child and forced labor.

COMMUNITY

Community Engagement

The Group recognizes the vital importance of contributing to communities as a core aspect of our social responsibilities. We believe in the interconnected relationship between businesses and communities, understanding that enterprise development thrives on community support. The Company encourages employees to assist those in need through donations and volunteer activities, actively engaging in charitable initiatives and providing social services. This commitment reflects our dedication to being a responsible corporate citizen and contributing to the improvement of the communities in which we operate.

Subject areas, aspects, general disclosures and Key Performance		**Section**	**Page**
A. Environment			
A1. Emissions			
General disclosure		Environmental protection	33
KPI A1.1	The types of emissions and respective emissions data.	Environmental protection — energy conservation	33

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Subject areas, aspects, general disclosures and Key Performance		**Section**	**Page**
KPI A1.2	Repealed		
KPI A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Environmental protection — energy conservation	34
KPI A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Environmental protection — energy conservation	34
KPI A1.5	Description of emission target(s) set and steps taken to achieve them.	Environmental protection	35
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.	Environmental protection	34
A2. Use of Resources			
General disclosure		Environmental protection — Use of Resources	33
KPI A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in ’000s) and intensity (e.g. per unit of production volume, per facility).	Environmental protection — energy conservation	34
KPI A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	Environmental protection — energy conservation	33
KPI A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	Environmental protection — Green Operation	35
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.	Environmental protection — energy conservation	33
KPI A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	Not applicable	N/A

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Subject areas, aspects, general disclosures and Key Performance		Section	Page
A3. The Environment and Natural Resources			
General Disclosure		Environmental protection — Green Operation	35
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Environmental protection — Green Operation	35
A4. Climate Change			
General disclosure		Environmental protection — Climate Change	35
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.	Environmental protection — Climate Change	35
B. Social, Employment and Labour Practices			
B1. Employment			
General Disclosure		Employment and Labour Practice	36
KPI B1.1	Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region.	Employment and Labour Practice- Workforce overview	37
KPI B1.2	Employee turnover rate by gender, age group and geographical region.	Employment and Labour Practice- Workforce overview	37
B2. Health and Safety			
General Disclosure		Employment and Labour Practice — Occupational Health and Safety	38
KPI B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	Employment and Labour Practice — Occupational Health and Safety	38
KPI B2.2	Lost days due to work injury.	Employment and Labour Practice — Occupational Health and Safety	39
KPI B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	Employment and Labour Practice — Occupational Health and Safety	38

Environmental, Social And Governance Report

Subject areas, aspects, general disclosures and Key Performance		Section	Page
B3. Development and Training			
General Disclosure		Employment and Labour Practice — Development and Training	37
KPI B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Employment and Labour Practice — Development and Training	37
KPI B3.2	The average training hours completed per employee by gender and employee category.	Employment and Labour Practice — Development and Training	38
B4. Labour Standards			
General Disclosure		Employment and Labour Practice — Labour Standards	39
KPI B4.1	Description of measures to review employment practices to avoid child and forced labour.	Employment and Labour Practice — Labour Standards	39
KPI B4.2	Description of steps taken to eliminate such practices when discovered.	Employment and Labour Practice — Labour Standards	39
Operating Practices			
B5. Supply Chain Management			
General Disclosure		Operation Management — Supply Chain Management	32
KPI B5.1	Number of suppliers by geographical region.	Operation Management — Supply Chain Management	32
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.	Operation Management — Supply Chain Management	32
KPI B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Operation Management — Supply Chain Management	32
KPI B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Operation Management — Supply Chain Management	32

Environmental, Social And Governance Report

Subject areas, aspects, general disclosures and Key Performance		Section	Page
B6. Product Responsibility			
General Disclosure		Operation Management — Service Quality	30
KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Not applicable	N/A
KPI B6.2	Number of products and service related complaints received and how they are dealt with.	Operation Management — Service Quality	30
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	Operation Management — Protection of Intellectual Property	31
KPI B6.4	Description of quality assurance process and recall procedures.	Operation Management — Service Quality	30
KPI B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	Operation Management — Protection of Data	31
B7. Anti-corruption			
General Disclosure		Operation Management — Anti-corruption	31
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.	Operation Management — Anti-corruption	31
KPI B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	Operation Management — Anti-corruption	32
KPI B7.3	Description of anti-corruption training provided to directors and staff.	Operation Management — Anti-corruption	32
B8. Community Investment			
General Disclosure		Community	39
KPI B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	Community — Community Engagement	39
KPI B8.2	Resources contributed (e.g. money or time) to the focus area.	Community — Community Engagement	39

Corporate Governance Report

CORPORATE GOVERNANCE PRACTICES

The Company is committed to ensure a high standard of corporate governance in the interests of the shareholders and devotes considerable effort to maintain high level of business ethics and corporate governance practices.

Throughout the financial year ended 31 December 2024, the Group had complied with the code provisions in the Code on Corporate Governance Practices as set out in Appendix 15 of the GEM Listing Rules (the "CG Code and Report"), except for the deviations to Code Provisions A.2.1 as explained in this report.

The board of Directors (the "Board") has continued to monitor and review the Group's progress in respect of corporate governance practices to ensure compliance.

CHAIRMAN AND CHIEF EXECUTIVE OFFICER:

The code provision A.2.1 of the CG Code and Report states that the roles of Chairman and Chief Executive Officer should be separate and should not be performed by the same individual.

Mr. Lee Chun Wai is the Chairman and the Chief Executive Officer of the Company. As the Company's size is not relatively large and thus is not justified in separating the role of chairman and chief executive officer of the Company. The Group has in place internal control system to perform the check and balance function.

The responsibilities of Mr. Lee Chun Wai is to decide the agenda of each Board meeting, taking into account, where appropriate, matters proposed by other directors for inclusion in the agenda and to ensure the Board works effectively and performs its responsibilities, and all key and appropriate issues are discussed by the Board. Mr. Lee Chun Wai is responsible for providing leadership, vision and direction in the development of the business as well as the day-to-day management of the business of the Group.

Corporate Governance Report

BOARD OF DIRECTORS

The Company is governed by the Board, which has assumed the responsibility for the Group's leadership and control. The Directors are collectively responsible for promoting the Group's success by directing and supervising the Group's affairs. The Board set strategies and directions for the Group's affairs and activities with a view to develop its business and to enhance shareholders value.

The Board currently comprises two executive Directors and three independent non-executive Directors. The composition of the Board and biographies of the Directors are set out on page 12 of this report. The list of Directors (by category) is also disclosed in all corporate communications issued by the Company pursuant to the GEM Listing Rules.

The Board met 16 times during the year ended 31 December 2024. Its composition and the attendance of individual directors at these board meetings were as follows:

Name	**Numbers of attendance**
Executive Directors	
Mr. Lee Chun Wai	16/16
Ms. Ji Yi	16/16
Independent Non-executive Directors	
Ms. Lau Mei Suet	16/16
Mr. Choi Tak Fai	16/16
Mr. Chen Yilun (appointed on 27 January 2025)	N/A
Mr. Tsang Ho Yin (resigned on 1 November 2024)	13/13

There is no relationship (including financial, business, family or other material relationship) among members of the Board.

In compliance with Rule 5.02D of the GEM Listing Rules which took effect on 31 December 2023, Mr. Chen Yilun ("Mr. Chen"), who was appointed as a Director on 27 January 2025, obtained the legal advice referred to in Rule 5.02D on 24 January 2025, and Mr. Chen confirmed that he understood his obligations as a Director.

In compliance with Rules 5.01 and 5.02 of the GEM Listing Rules, the Company has three independent non-executive Directors (the"INED(s)") who, together with the executive Directors, are responsible for formulating the Group's development strategies. They ensure that the Board prepares its financial and other mandatory reports in strict compliance with required standards, and ensure that the Company maintains appropriate system to protect the interests of the Company and its, shareholders. The Board has received an annual confirmation of independence from each of the INEDs. The Group considered the INEDs to be independent in accordance with each and every guideline set out in Rule 5.09 of the GEM Listing Rules as at the date of this report.

Corporate Governance Report

The Board has established three committees: Nomination Committee, Remuneration Committee and Audit Committee. All of the committees have terms of reference which accord with the principles set out in the CG Code and Report. More details of these committees are set out in separate sections in this report.

All Directors, including independent non-executive Directors, have brought a wide spectrum of valuable business experience, knowledge and professionalism to the Board for its efficient and effective delivery of the Board functions. Independent non-executive Directors are invited to serve on the Audit Committee, the Remuneration Committee and the Nomination Committee.

APPOINTMENTS, RE-ELECTION AND REMOVAL

Code provision A.4.3 of the CG Code, became effective on 1 April 2012, an independent non-executive director serves more than nine (9) years, his further appointment should be subject to a separate resolution to be approved by shareholders.

In accordance with the Articles of Association of the Company, (i) all Directors will be subject to retirement by rotation on every three years and the new Directors appointed by the Board to fill a causal vacancy during the year shall be subject to re-election by the shareholders of the Company at the next following general meeting after appointment; and (ii) one-third of the Directors for the time being (or, if their number is not three or a multiple of three, then the number nearest to one-third but not less than one-third), shall retire from office by rotation and being eligible offer themselves for re-election at each annual general meeting.

The Board recommended the re-appointment of the retiring Directors standing for re-election at the forthcoming annual general meeting of the Company. Details of the information of the retiring Directors standing for re-election are set out in the circular accompany the notice of the annual general meeting.

BOARD DIVERSITY

Pursuant to the code provision A.5.6 became effective on 1 September 2013, the nomination committee (or the Board) should have a policy concerning diversity of board members, and should disclose the policy or a summary of the policy in the corporate governance report.

The Company is dedicated to having a diverse Board which can enable corporate issues be considered from different perspectives and appropriate level of examination and evaluation be conducted. The Company aims to achieve diversity of its board members through consideration of a number of factors, including but not limited to skills, regional and educational background and professional and industry experience.

The Company recognized and embraced the benefits of having a diverse board to the quality of its performance. The Board Diversity Policy aimed to set out the approach to achieve diversity on the board. In designing the board's composition, board diversity has been considered from a number of measurable aspects including gender, age, ethnicity, knowledge and length of services. All board appointments will be based on meritocracy, and candidates will be considered against objective criteria, having due regards for the benefits of diversity on the board.

Corporate Governance Report

The Company aims to maintain an appropriate balance of diversity perspectives of the Board that are relevant to the Company's business growth. The Board may adopt and/or amend from time to time such diversity perspectives and/or measurable objectives that are appropriate to the Company's business and Board succession planning.

TRAINING AND SUPPORT OF DIRECTORS

All Directors have been given relevant guideline materials regarding the duties and responsibilities of being a Director, the relevant laws and regulations applicable to the Directors, duty of disclosure of interest and business of the Group and such induction materials will also be provided to newly appointed Directors shortly upon their appointment as Directors. All Directors have been updated on the latest developments regarding the GEM Listing Rules and other applicable regulatory requirement to ensure compliance and enhance their awareness of good corporate governance practices. There is a procedure agreed by the Board to ensure Directors, upon reasonable request, to seek independent professional advice in appropriate circumstances, at the Company's expenses.

The Directors confirmed that they have complied with the Code Provision A.6.5 of the CG Code and Report effective on 1 April 2012 on Directors' training. All Directors have participated in continuous professional development by the following means to develop and refresh their knowledge.

Name of Directors	Training received	
Lee Chun Wai	—	Reading materials/in house briefing on regulatory and corporate governance matters
Ji Yi	—	Reading materials/in house briefing on regulatory and corporate governance matters
Lau Mei Suet	—	Reading materials/in house briefing on regulatory and corporate governance matters
Choi Tak Fai	—	Reading materials/in house briefing on regulatory and corporate governance matters
Chen Yilun	—	Reading materials/in house briefing on regulatory and corporate governance matters

BOARD PROCESS

Proposed regular board meeting dates are informed to each Director in advance. Formal notice of at least 7 clear business days will be given in respect of a regular meeting. For special board meeting, reasonable notice will be given. Directors participated, either in person or through other electronic means of communication in the Board meetings.

The Board of directors meets regularly at least 2 times a year. The Directors participated in person or through other means of communication. All notices of board meetings were given to all Directors, who were given an opportunity to include matters in the agenda for discussion.

Corporate Governance Report

All Directors are kept informed on a timely basis of major changes that may affect the Group's businesses, including relevant rules and regulations. Directors can also seek independent professional advice in performing their duties at the Company's expense, if necessary. Minutes of each board meeting will be kept and are open for inspection at any reasonable time on request by any Director.

DIRECTORS' INSURANCE

The Company has arranged appropriate insurance cover in respect of the legal action against the Directors.

SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the rules set out in Rules 5.48 to 5.67 (where applicable) of the GEM Listing Rules as the code for dealing in securities of the Company by the Directors (the "Code").

The Company has made specific enquiry of all Directors of the Company, and the Directors have confirmed compliance with the Code during the year ended 31 December 2024.

Specific employees who are likely to be in possession of unpublished price-sensitive information of the Group are also subject to compliance with the same Code. No incident of non-compliance was noted by the Company for the year ended 31 December 2024.

BOARD COMMITTEES & CORPORATE GOVERNANCE FUNCTIONS

The board has established three board committees, namely, the remuneration committee, the nomination committee and the audit committee, for overseeing particular aspects of the Company's affairs. All board committees have been established with defined written terms of reference, which are posted on the website of the Stock Exchange https://www.hkexnews.hk and the Company's website at http://www.hklistco.com/8340. All the board committees should report to the board on their decisions or recommendations made.

The practices, procedures and arrangements in conducting meetings of board committees follow in line with, so far as practicable, those of the board meetings set out in above.

NOMINATION COMMITTEE

The Company established a Nomination Committee on 22 April 2008 with written terms of reference. The Nomination Committee has 3 members, comprising Mr. Lee Chun Wai (Executive Director), Mr. Chen Yilun (Independent Non-executive Director) and Ms. Lau Mei Suet (Independent Non-executive Director). The Committee is chaired by Mr. Lee Chun Wai.

The terms of reference of the Nomination Committee have been determined with reference to the CG Code and Report.

Corporate Governance Report

The Nomination Committee is responsible for identifying potential new directors and recommends to the Board for decision. A director appointed by the Board is subject to election by shareholders at the first annual general meeting after his appointment. Under the Articles of Association of the Company, all directors are subject to retirement by rotation and re-election by shareholders every 3 years.

Potential new directors are selected on the basis of their qualifications, skill and experience which the Nomination Committee considers will make a positive contribution to the performance of the Board.

BOARD NOMINATION POLICY

The Company adopted a nomination policy in compliance with the CG Code with effect from 1 January 2020, which establishes written guidelines to nomination committee to identify individuals suitably qualified to become Board members and make recommendations to the Board on the selection of individuals nominated for directorships with reference to the formulated criteria. The Board is ultimately responsible for selection and appointment of new Directors.

The Board, through the delegation of its authority to the nomination committee, has used its best efforts to ensure that Directors appointed to the Board possess a balance of skills, experience and diversity of perspectives appropriate to the Group's business to enable the Board to make sound and well considered decisions.

NOMINATION PROCESS

The nomination committee shall assess whether any vacancy on the Board has been created or is expected as required. The nomination committee utilizes various methods for identifying director candidates, including but not limited to internal promotion, re-designation, referral by other member of the management and external recruitment agents. All director candidates, are evaluated by the nomination committee based upon the director qualifications. If one or more desirable candidates has been identified, the nomination committee should rank them by order of preference based on the needs of the Company and reference check of each candidate. The nomination committee should then recommend to the Board to appoint the appropriate candidate for directorship. For any person that is nominated by a shareholder for election as a director at the general meeting of the Company, the nomination committee and/or the Board should evaluate such candidate based on the criteria as set out above to determine whether such candidate is qualified for directorship. For re-election of director, the nomination committee and the Board should review the overall contribution and service to the Company of the retiring director and the level of participation and performance on the Board to determine whether the retiring director continues to meet the criteria as set out above.

Corporate Governance Report

SELECTION CRITERIA

The nomination committee will take into account whether a candidate has (i) professional ethics and integrity of the director candidates; (ii) the qualifications, skills, knowledge and experience and diversity aspects under the Board Diversity Policy that are relevant to the Company's business and corporate strategy; (iii) potential contributions the candidate can bring to the Board in terms of qualifications, skills, experience, independence and gender diversity; (iv) willingness and ability to devote adequate time to discharge duties as a member of the Board; and (v) independence and the ability to assist and support management and make significant contributions to the Company's success and such other factors as it may deem are in the best interests of the Company and its Shareholders.

The Company shall review and reassess the nomination policy and its effectiveness on a regular basis or as required.

Potential new directors are selected on the basis of their qualifications, skill and experience which the Nomination Committee considers will make a positive contribution to the performance of the Board.

During the year ended 31 December 2024, the Nomination Committee held one meeting mainly reviewing the size, structure and composition as well as the diversity of the Board, assessing the independence of the independent non-executive Directors, the Directors to be re-elected at the 2024 AGM before putting forth for discussion and approval by the Board. The attendance is as follows:

Name of member	Numbers of attendance
Mr. Lee Chun Wai (Committee Chairman)	1/1
Ms. Lau Mei Suet	1/1
Mr. Chen Yilun (appointed on 27 January 2025)	N/A
Mr. Tsang Ho Yin (resigned on 1 November 2024)	0/1

REMUNERATION COMMITTEE

The Company established a Remuneration Committee on 22 April 2008 with written terms of reference. The Remuneration Committee has 3 members, comprising Ms. Lau Mei Suet (Independent Non-executive Director and chairlady of the Remuneration Committee), Mr. Lee Chun Wai (Executive Director) and Mr. Chen Yilun (Independent Non-executive Director). The remuneration committee is responsible for formulating and making recommendations to the Board in relation to the remunerations policy.

Corporate Governance Report

During the year ended 31 December 2024, the Remuneration Committee held one meeting for reviewing the remuneration packages of the Directors and senior management and making their recommendations to the Board on the remuneration packages of the Directors. The attendance is as follows:

Name of member	Numbers of attendance
Ms. Lau Mei Suet (Committee Chairlady)	1/1
Mr. Lee Chun Wai	1/1
Mr. Chen Yilun (appointed on 27 January 2025)	N/A
Mr. Tsang Ho Yin (resigned on 1 November 2024)	0/1

AUDIT COMMITTEE

The Company's Audit Committee was formed on 22 April 2008 with written terms of reference in compliance with Rules 5.28 to 5.29 of the GEM Listing Rules. The primary duties of the Audit Committee are to review the Company's internal control procedures and annual report, financial statements, half-year reports and quarterly reports and to provide advice and comments thereon to the board of Directors. The Audit Committee currently comprises three Independent Non-executive Directors, Ms. Lau Mei Suet, Mr. Choi Tak Fai and Mr. Chen Yilun. The Audit Committee members have reviewed this Annual Report and have provided advice and comments thereon.

During the financial year ended 31 December 2024, the Audit Committee held two meetings for reviewing the interim and annual results of the Group. The Audit Committee was in the opinion that the preparation of the interim and annual results is in compliance with the applicable accounting standards, the GEM Listing Rules and any other applicable laws and has been adequately disclosed. The Audit Committee is also supposed to review the risk management and internal control systems of the Group from time to time. The attendance is as follows:

Name of member	Numbers of attendance
Ms. Lau Mei Suet (Committee Chairlady)	2/2
Mr. Choi Tak Fai	2/2
Mr. Chen Yilun (appointed on 27 January 2025)	N/A
Mr. Tsang Ho Yin (resigned on 1 November 2024)	2/2

Corporate Governance Report

ACCOUNTABILITY AND AUDIT

The Directors acknowledge their responsibility for preparing the accounts of the Company. The Directors have prepared the financial statements on the assumption that the Group will continue as a going concern by taking into consideration that the holding company has agreed to provide adequate financial support to the Group to enable it to meet all its financial obligations as they fall due. The Directors are not aware of any other material uncertainties relating to events or conditions which may cast significant doubt upon the Company's ability to continue as a going concern.

The responsibilities of the external auditor about their financial reporting are set out in the Independent Auditor's Report on pages 56 to 60 of this report.

AUDITOR'S REMUNERATION

During the year, the fees in respect of the audit and non-audit services provided to the Group by the Company's auditor, McMillan Woods (Hong Kong) CPA Limited, are set out below:

Service rendered	**Fee paid/ payable** HK$'000
Audit services	450
Non-audit services	92

RISK MANAGEMENT AND INTERNAL CONTROL

The Company does not have an internal audit department and is currently of the view that there is no immediate need to set up an internal audit department within the Group in light of the size, nature and complexity of the Group's business. The Company adopts the most cost-effective method by engagement of independent professionals to conduct a review of the effectiveness of the Group's risk management and internal control systems at least once a year.

Corporate Governance Report

The Board has overall and ongoing responsibility for the internal control system and risk management procedures of the Company. The Board puts particular emphasis on determining the risk-tolerance levels in achieving the Group's strategic objectives. It has developed a sound and effective internal control system underpinning the risk management framework 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 internal control and risk management system of the Group is designed for the achievement of business objectives, safeguard assets against unauthorised use or disposition, ensure maintenance of proper books and records for the provision of reliable financial information for internal use or publication, and to ensure compliance with relevant legislations and regulations. In addition to internal controls through the Group's internal staff, the audit committee will review annually to ensure the effective and adequate internal controls system. The Group is committed to the identification, monitoring and management of risks associated with its business activities.

The Board reviews the effectiveness of the Group's material internal controls and considers the Group's internal control system is designed to manage reasonable assurance against material misstatement or loss and to manage and eliminate risks of failure in operational systems and fulfillment of business objective. The system includes a defined management structure with segregation of duties. The Board is of the opinion that the resources for and qualifications of staff of the Company's accounting and financial reporting function are adequate and sufficient. Based on information furnished to it and on its own observations, the Board is satisfied with present internal controls of the Group.

During the year, the independent professionals have conducted reviews of the adequacy and effectiveness of the Company's risk management and internal control systems including an assessment of the prevailing internal control and risk management practices of the Group and covering various aspects like operational control, compliance control and risk management function of the Group.

No material issues on the Group's risks management and internal control systems were identified and reported to the Audit Committee by the outsourced independent professionals and the Company's external auditors during the year which required significant rectification measures. The Board considered that the Group's risk management and internal control systems are effective and adequate in safeguarding the assets of the Group and protecting the interests of the shareholders of the Company, customers suppliers and employees of the Group.

The Company maintains a framework for the handling and dissemination of inside information and the disclosure policy of the framework sets out the procedures and internal controls to ensure inside information remains confidential until such information is appropriately disclosed and the announcement of such information is made in a timely manner in compliance with the SFO and the GEM Listing Rules.

Corporate Governance Report

SHAREHOLDERS RELATIONS

The Group is committed to maintaining a high level of transparency and employs a policy of open and timely disclosure of relevant information to its shareholders.

The Board strives to encourage and maintain constant dialogue with its shareholders through various means. The Directors host the annual general meeting each year to meet the shareholders and answer their enquiries. The Company also updates its shareholders on its latest business developments and financial performance through its annual, interim and quarterly reports. The corporate website of the Company has provided an effective communication platform to the public and the shareholders.

INVESTOR RELATIONS

The Company has disclosed all necessary information to the shareholders and established a range of communication channels between itself, its shareholders and investors which in compliance with GEM Listing Rules. During the year under review, there is no change in the Company's constitutional documents.

DIRECTORS' RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Directors are responsible for the preparation and the true and fair presentation of these financial statements in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants and the disclosure requirements of the Hong Kong Companies Ordinance. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and the true and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

PROCEDURES FOR SHAREHOLDERS TO CONVENE AN EXTRAORDINARY GENERAL MEETING

There are no provisions allowing shareholders to propose new resolutions at the general meetings under the Cayman Islands Companies Law (2012 Revision). However, shareholders are requested to follow article 64 of the Articles of Association of the Company, general meetings shall be convened on the written requisition of any one or more members holding at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company carrying the right of voting at general meetings of the Company shall at all times have the right, by written requisition to the Board or the secretary of the Company, to require an extraordinary general meeting to be called by the Board for the transaction of any business specified in such requisition; and such meeting shall be held within two (2) months after the deposit of such requisition. If within twenty-one (21) days of such deposit the Board fails to proceed to convene such meeting the requisitionist(s) himself (themselves) may do so in the same manner, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to the requisitionist(s) by the Company.

Corporate Governance Report

PROCEDURES FOR SHAREHOLDERS TO PROPOSE A PERSON FOR ELECTION AS A DIRECTOR

The provisions for a shareholder to propose a person for election as a director of the Company are laid down in article 113 of the Company's Articles of Association. No person other than a Director retiring at the meeting shall, unless recommended by the Board for election, be eligible for election to the office of Director at any general meeting unless a notice in writing of the intention to propose such person for election as a Director, signed by a shareholder (other than the person to be proposed for election as a Director) duly qualified to attend and vote at the meeting for which such notice is given, and a notice in writing signed by such person of his willingness to be elected shall have been lodged at the head office or at the Registration Office. The minimum length of the period during which such notices are given shall be at least seven (7) days and the period for lodgment of such notices shall commence no earlier than the day after the despatch of the notice of the general meeting appointed for such election and end no later than seven (7) days prior to the date of such general meeting.

PROCEDURES FOR SENDING ENQUIRIES TO THE BOARD

Shareholders may send written enquiries to the Company, for the attention of company secretary, by fax: (852) 3795 2636 or mail to Suite 2112, 21/F, Shui On Centre, 6–8 Harbour Road, Wanchai, Hong Kong.

INFORMATION DISCLOSURE

The Company discloses information in compliance with the GEM Listing Rules, and publishes periodic reports and announcements to the public in accordance with the relevant laws and regulations. The primary focus of the Company is to ensure information disclosure is timely, fair, accurate, truthful and complete, thereby enabling shareholders as well as the public to make rational and informed decisions.

Independent Auditor's Report

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF
ZIJING INTERNATIONAL FINANCIAL HOLDINGS LIMITED
(Incorporated in Cayman Islands with limited liability)

Opinion

We have audited the consolidated financial statements of Zijing International Financial Holdings Limited ("the Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 61 to 121, which comprise the consolidated statement of financial position as at 31 December 2024, 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 a summary of material accounting policy information.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2024, 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 judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. The key audit matter we identified is impairment assessment of trade receivables.

Independent Auditor's Report

Impairment of trade receivables

Refer to notes 4(ii), 16 and 24(b)(i) to the consolidated financial statements and the accounting policy note 2(i)(i).

The Key Audit Matter	How the matter was addressed in our audit
The Group has significant trade receivables balance as at year end. Given the size of the balances and the risk that some of the trade receivables may not be recoverable, judgement is required to evaluate whether any allowance should be made to reflect the risk. Loss allowance for trade receivables is based on management's estimate of the lifetime expected credit losses to be incurred, which is estimated by taking into account the credit loss experience, ageing of overdue trade receivables, customers' repayment history and customers' financial position and an assessment of both the current and forecast general economic conditions, all of which involve a significant degree of management judgement. We identified the impairment of trade receivables as a key audit matter because the assessment of the impairment of trade receivables and recognition of loss allowance under expected credit loss model are inherently subjective and requires significant management judgement, which increases the risk of error or potential management bias.	Our audit procedures in relation to management's assessment on impairment of trade receivables included: • Understood and validated the credit control procedures performed by management, including its procedures on periodic review on aged receivables and assessment on impairment of these receivables; • Tested on the accuracy of ageing profile on trade receivables by checking to the underlying sales contracts and invoices; • Assessed the reasonableness of management's loss allowance estimates by examining the information used by management to form such judgements, including testing the accuracy of the historical default data, evaluating whether the historical loss rates are appropriately adjusted based on current economic conditions and forward-looking information and examining the actual losses recorded during the current financial year and assessing whether there was an indication of management bias when recognising loss allowances; • Tested subsequent settlement of trade receivables balances on a sample basis; and • Assessed the appropriateness disclosure made in the consolidated financial statements.

Independent Auditor's Report

Other information

The directors are responsible for the other information. The other information comprises all the information included in the annual report, other than 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 audit committee 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 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.

The directors are assisted by the Audit Committee in discharging their responsibilities 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. This report is made solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

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

Independent Auditor's Report

As part of an audit in accordance with HKSAs, we exercise professional judgement and maintain professional scepticism 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.

- 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 units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

INDEPENDENT AUDITOR'S REPORT

We communicate with the Audit Committee 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 the Audit Committee 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 the Audit Committee, 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.

McMillan Woods (Hong Kong) CPA Limited
Certified Public Accountants

Wong Ka Bo, Jimmy
Audit Engagement Director
Practising Certificate Number P07560

24/F., Siu On Centre, 188 Lockhart Road,
Wanchai, Hong Kong

31 March 2025

Consolidated Statement Of Profit Or Loss And Other Comprehensive Income

For the year ended 31 December 2024

	Notes	2024 HK$'000	2023 HK$'000
Revenue	5(a)	**40,840**	16,733
Other income	5(a)	**12**	16
Depreciation	7(b)	**(8,244)**	(2,990)
Staff costs	7(a)	**(9,735)**	(10,236)
Impairment losses on trade receivables	24(b)	**(4,961)**	(910)
Gain on disposal of items of property, plant and equipment		**1,188**	—
Other operating expenses		**(20,086)**	(6,139)
Loss from operations		**(986)**	(3,526)
Finance costs	6	**(1,491)**	(402)
Loss before taxation	7	**(2,477)**	(3,928)
Income tax expense	8(a)	**—**	—
Loss for the year attributable to owners of the Company		**(2,477)**	(3,928)
Other comprehensive (loss) income			
Other comprehensive income that may be reclassified to profit or loss in subsequent periods (net of tax):			
Exchange differences on translation of foreign operations		**(247)**	66
Other comprehensive income for the year, net of tax		**(247)**	66
Total comprehensive loss for the year attributable to owners of the Company		**(2,724)**	(3,862)
Loss per share (expressed in HK cents per share)	13		
— Basic and diluted		**(8.7)**	(42.2)

The notes on pages 65 to 121 form part of these financial statements.

Consolidated Statement Of Financial Position

As at 31 December 2024

	Notes	**2024 HK$'000**	2023 HK$'000
Non-current assets			
Property, plant and equipment	*14(a)*	**27,014**	8,841
Right-of-use assets	*14(b)*	**1,598**	981
Intangible assets	*14(c)*	**1,632**	—
Prepayment for exclusive operational licence	*16*	**18,990**	3,850
		49,234	13,672
Current assets			
Trade and other receivables	*16*	**30,240**	17,629
Cash and cash equivalents	*17(a)*	**13,227**	11,460
		43,467	29,089
Current liabilities			
Accrued expenses and other payables		**4,857**	1,159
Lease liabilities	*19*	**433**	1,023
Tax payable		**1**	—
Note payables	*18*	**11,472**	16,000
		16,763	18,182
Net current assets		**26,704**	10,907
Total assets less current liabilities		**75,938**	24,579
Non-current liabilities			
Lease liabilities	*19*	**1,193**	—
NET ASSETS		**74,745**	24,579
Capital and reserves			
Share capital	*21*	**53,760**	8,960
Reserves	*22*	**20,985**	15,619
TOTAL EQUITY		**74,745**	24,579

Approved and authorised for issue by the board of directors on 31 March 2025 and signed on its behalf by:

Mr. Lee Chun Wai
Director

Mr. Choi Tak Fai
Director

The notes on pages 65 to 121 form part of these financial statements.

Consolidated Statement Of Changes In Equity

For the year ended 31 December 2024

	Attributable to the owners of the Company						
		Reserves					
	Share capital HK$'000	**Share premium** HK$'000	**Merger reserve** HK$'000	**Exchange reserve** HK$'000	**Accumulated losses** HK$'000	**Subtotal** HK$'000	**Total equity** HK$'000
Balance at 1 January 2023	6,400	11,887	9,900	185	(4,317)	17,655	24,055
Changes in equity for 2023:							
Loss for the year	—	—	—	—	(3,928)	(3,928)	(3,928)
Other comprehensive income	—	—	—	66	—	66	66
Total comprehensive loss for the year	—	—	—	66	(3,928)	(3,862)	(3,862)
Issue of shares	2,560	1,875	—	—	—	1,875	4,435
Share issue expenses	—	(49)	—	—	—	(49)	(49)
Balance at 31 December 2023 and 1 January 2024	8,960	13,713	9,900	251	(8,245)	15,619	24,579
Changes in equity for 2024:							
Loss for the year	—	—	—	—	(2,477)	(2,477)	(2,477)
Other comprehensive loss	—	—	—	(247)	—	(247)	(247)
Total comprehensive loss for the year	—	—	—	(247)	(2,477)	(2,724)	(2,724)
Issue of shares under rights issue	44,800	8,871	—	—	—	8,871	53,671
Share issue expenses	—	(781)	—	—	—	(781)	(781)
Balance at 31 December 2024	53,760	21,803	9,900	4	(10,722)	(20,985)	74,745

The notes on pages 65 to 121 form part of these financial statements.

Consolidated Statement Of Cash Flows

For the year ended 31 December 2024

	Notes	2024 HK$'000	2023 HK$'000
Operating activities			
Loss before taxation		**(2,477)**	(3,928)
Adjustment for:			
Depreciation of property, plant and equipment	*14(a)*	**7,239**	587
Depreciation of right-of-use assets	*14(b)*	**1,005**	2,403
Amortisation		**781**	—
Finance costs		**1,491**	402
Net loss on early termination of lease		**—**	566
Impairment losses on trade receivables		**4,961**	910
Provision for reinstatement costs		**—**	449
Gain on disposal of items of property, plant and equipment		**(1,188)**	—
Bank interest income		**(12)**	(16)
Changes in working capital:			
Increase in trade and other receivables		**(17,731)**	(7,869)
Increase in accrued expenses and other payables		**3,682**	(157)
Cash used in operating activities		**(2,249)**	(6,653)
Tax refunded (paid)		**1**	(58)
Net cash used in operating activities		**(2,248)**	(6,711)
Investing activities			
Payment for acquisition of property, plant and equipment		**(30,968)**	(8,988)
Payment for prepayment for exclusive operational licence		**(15,140)**	(3,795)
Payment for intangible assets		**(2,413)**	—
Payment for restoration costs	*20*	**—**	(589)
Net cash from disposals of items of property, plant and equipment		**6,744**	—
Bank interest received		**12**	16
Net cash used in investing activities		**(41,765)**	(13,356)
Financing activities			
Issue of shares		**53,671**	4,435
Share issue expenses		**(781)**	(49)
Proceeds from issue of note payables		**11,000**	16,000
Payment for notes payables		**(16,999)**	—
Capital element of lease rental paid	*17(b)*	**(1,019)**	(2,066)
Interest element of lease rental paid	*17(b)*	**(20)**	(303)
Net cash from financing activities		**45,852**	18,017
Net increase/(decrease) in cash and cash equivalents		**1,839**	(2,050)
Effect of foreign exchange rate changes		**(72)**	2
Cash and cash equivalents at 1 January	*17(a)*	**11,460**	13,508
Cash and cash equivalents at 31 December	*17(a)*	**13,227**	11,460

The notes on pages 65 to 121 form part of these financial statements.

Notes To The Financial Statements

1. GENERAL INFORMATION

Zijing International Financial Holdings Limited, (the "Company") was incorporated and registered as an exempted company with limited liability under the Companies Law of the Cayman Islands and acts as an investment holding company. Its shares are listed on GEM of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") on 20 May 2008. The addresses of the registered office and principal place of business of the Company are Windward 3, Regatta Office Park, P.O. Box 1350, Grand Cayman KY1-1108, Cayman Islands and Suite 2112, 21/F, Shui On Centre, 6–8 Harbour Road, Wanchai, Hong Kong respectively. The principal activity of the Company is investment holding and those of its subsidiaries are engaged in the provision of financial services and car rental business in Hong Kong and Singapore and online game business in overseas markets, of which car rental business and online game business are commenced and scaled up during the year ended 31 December 2024.

2. MATERIAL ACCOUNTING POLICY INFORMATION

a) *Statement of compliance*

These financial statements have been prepared in accordance with all applicable HKFRS Accounting Standards, which collective term includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs") and Interpretations issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"), accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. These financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on the GEM of The Stock Exchange of Hong Kong Limited. Significant accounting policies adopted by the Group is disclosed below.

The HKICPA has issued certain amendments to HKFRS Accounting Standards that are first effective or available for early adoption for the current accounting period of the Group. Note 3 provides information on any changes in accounting policies resulting from initial application of these developments to the extent that they are relevant to the Group for the current accounting period reflected in these financial statements.

b) *Basis of preparation of the financial statements*

The consolidated financial statements for the year ended 31 December 2024 comprise the Company and its subsidiaries (together referred to as "the Group").

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

Notes To The Financial Statements

2. MATERIAL ACCOUNTING POLICY INFORMATION *(CONTINUED)*

b) Basis of preparation of the financial statements (Continued)

The preparation of the financial statements in conformity with HKFRS Accounting Standards requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making 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.

Judgements made by management in the application of HKFRS Accounting Standards that have significant effect on the financial statements and major sources of estimation uncertainty are discussed in Note 4.

c) Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. When assessing whether the Group has power, only substantive rights (held by the Group and other parties) are considered.

Investments in subsidiaries are consolidated into the consolidated financial statements from the date that control commences until the date that control ceases. Intra-group balances, transactions and cash flows and any unrealised profits arising from intra-group transactions are eliminated in full in preparing the consolidated financial statements. Unrealised losses resulting from intra-group transactions are eliminated in the same way as unrealised gains but only to the extent that there is no evidence of impairment.

Changes in the Group's interests in a subsidiary that do not result in a loss of control are accounted for as equity transactions, whereby adjustments are made to the amounts of controlling and non-controlling interests within consolidated equity to reflect the change in relative interests, but no adjustments are made to goodwill and no gain or loss is recognised.

When the Group loses control of a subsidiary, it is accounted for as a disposal of the entire interest in that subsidiary, with a resulting gain or loss being recognised in profit or loss. Any interest retained in that former subsidiary at the date when control is lost is recognised at fair value and this amount is regarded as the fair value on initial recognition of a financial asset or, when appropriate, the cost on initial recognition of an investment in an associate or joint venture.

NOTES TO THE FINANCIAL STATEMENTS

2. MATERIAL ACCOUNTING POLICY INFORMATION *(CONTINUED)*

c) *Subsidiaries* *(Continued)*

In the Company's statement of financial position, investments in subsidiaries are stated at cost less impairment losses (see Note 2(i)(ii)), unless the investments are classified as held for sale (or included in a disposal group that is classified as held for sale).

d) *Foreign currency translation*

i) *Functional and presentation currency*

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

ii) *Transactions and balances in each entity's financial statements*

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

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

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

iii) *Translation on consolidation*

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

(i) Assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;

NOTES TO THE FINANCIAL STATEMENTS

2. MATERIAL ACCOUNTING POLICY INFORMATION *(CONTINUED)*

d) *Foreign currency translation* *(Continued)*

iii) Translation on consolidation *(Continued)*

(ii) Income and expenses are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the exchange rates on the transaction dates); and

(iii) All resulting exchange differences are recognised in the foreign currency translation reserve.

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

e) *Property, plant and equipment*

The following items of property, plant and equipment are stated at cost less accumulated depreciation and impairment losses (see Note 2(i)(ii)):

— right-of-use assets arising from leases over leasehold properties where the Group is not the registered owner of the property interest (see Note 2(f)); and

— items of plant and equipment, including right-of-use assets arising from leases of underlying plant and equipment (see Note 2(f)).

Depreciation is calculated to write off the cost of items of property, plant and equipment, less their estimated residual value, if any, using the straight line method over their estimated useful lives as follows:

Furniture and fixtures	5–10 years
Office equipment	5 years
Motor vehicle	3 years
Leasehold improvements	Over the lease term
Properties leased for own use	Over the lease term

Where parts of an item of property, plant and equipment have different useful lives, the cost of the item is allocated on a reasonable basis between the parts and each part is depreciated separately. Both the useful life of an asset and its residual value, if any, are reviewed annually.

Notes To The Financial Statements

2. MATERIAL ACCOUNTING POLICY INFORMATION *(CONTINUED)*

e) *Property, plant and equipment* *(Continued)*

Historical cost includes expenditure that is directly attributable to the acquisition of the items.

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

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.

Gains or losses arising from the retirement or disposal of items of property, plant and equipment are determined as the difference between the net disposal proceeds and the carrying amount of the item and are recognised in profit or loss on the date of retirement or disposal.

f) *Leased assets*

At inception of a contract, the Group assesses whether the contract is, or contains, 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. Control is conveyed where the customer has both the right to direct the use of the identified asset and to obtain substantially all of the economic benefits from that use.

(i) As a lessee

Where the contract contains lease component(s) and non-lease component(s), the Group has elected not to separate non-lease components and accounts for each lease component and any associated non-lease components as a single lease component for all leases.

At the lease commencement date, the Group recognises a right-of-use asset and a lease liability, except for short-term leases that have a lease term of 12 months or less and leases of low-value assets. When the Group enters into a lease in respect of a low-value asset, the Group decides whether to capitalise the lease on a lease-by-lease basis. The lease payments associated with those leases which are not capitalised are recognised as an expense on a systematic basis over the lease term.

Notes To The Financial Statements

2. MATERIAL ACCOUNTING POLICY INFORMATION *(CONTINUED)*

f) *Leased assets* *(Continued)*

(i) As a lessee (Continued)

Where the lease is capitalised, the lease liability is initially recognised at the present value of the lease payments payable over the lease term, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, using a relevant incremental borrowing rate. After initial recognition, the lease liability is measured at amortised cost and interest expense is calculated using the effective interest method. Variable lease payments that do not depend on an index or rate are not included in the measurement of the lease liability and hence are charged to profit or loss in the accounting period in which they are incurred.

The right-of-use asset recognised when a lease is capitalised is initially measured at cost, which comprises the initial amount of the lease liability plus any lease payments made at or before the commencement date, and any initial direct costs incurred. Where applicable, the cost of the right-of-use assets also includes an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, discounted to their present value, less any lease incentives received. The right-of-use asset is subsequently stated at cost less accumulated depreciation and impairment losses (see Notes 2(e) and 2(i)(ii)).

The initial fair value of refundable rental deposits is accounted for separately from the right-of-use assets in accordance with the accounting policy applicable to receivables carried at amortised cost (see Notes 2(o)(ii) and 2(i)(ii)). Any difference between the initial fair value and the nominal value of the deposits is accounted for as additional lease payments made and is included in the cost of right-of-use assets.

The lease liability is remeasured when there is a change in future lease payments arising from a change in an index or rate, or there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or there is a change arising from the reassessment of whether the Group will be reasonably certain to exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Notes To The Financial Statements

2. MATERIAL ACCOUNTING POLICY INFORMATION *(CONTINUED)*

f) Leased assets *(Continued)*

(i) As a lessee (Continued)

The lease liability is also remeasured when there is a change in the scope of a lease or the consideration for a lease that is not originally provided for in the lease contract ("lease modification") that is not accounted for as separate lease. In this case the lease liability is remeasured based on the revised lease payments and lease term using a revised discount rate at the effective date of the modification. The only exceptions are rent concessions that occurred as a direct consequence of the COVID-19 pandemic and met the conditions set out in paragraph 46B of HKFRS 16 *Leases*. In such cases, the Group has taken advantage of the practical expedient not to assess whether the rent concessions are lease modifications, and recognised the change in consideration as negative variable lease payments in profit or loss in the period in which the event or condition that triggers the rent concessions occurred.

In the consolidated statement of financial position, the current portion of long-term lease liabilities is determined as the present value of contractual payments that are due to be settled within twelve months after the reporting period.

(ii) As a lessor

When the Group acts as a lessor, it classifies at lease inception (or when there is a lease modification) each of its leases as either an operating lease or a finance lease.

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. When a contract contains lease and non-lease components, the Group allocates the consideration in the contract to each component on a relative stand-alone selling price basis. Rental income is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Leases that transfer substantially all the risks and rewards incidental to ownership of an underlying asset to the lessee are accounted for as finance leases.

NOTES TO THE FINANCIAL STATEMENTS

2. MATERIAL ACCOUNTING POLICY INFORMATION *(CONTINUED)*

g) *Trade and other receivables*

A receivable is recognised when the Group has an unconditional right to receive consideration. A right to receive consideration is unconditional if only the passage of time is required before payment of that consideration is due. If revenue has been recognised before the Group has an unconditional right to receive consideration, the amount is presented as a contract asset (see Note 2(h)).

Trade receivables that do not contain a significant financing component are initially measured at their transaction price. Trade receivables that contain a significant financing component and other receivables are initially measured at fair value plus transaction costs. All receivables are subsequently stated at amortised cost, using the effective interest method and including an allowance for credit losses (see note 2(i)(i)).

h) *Contract assets and contract liabilities*

A contract asset is recognised when the Group recognises revenue (see note 2(o)) before being unconditionally entitled to the consideration under the payment terms set out in the contract. Contract assets are assessed for expected credit losses ("ECL") in accordance with the policy set out in Note 2(i)(i) and are reclassified to receivables when the right to the consideration has become unconditional (see Note 2(g)).

A contract liability is recognised when the customer pays non-refundable consideration before the Group recognises the related revenue (see note 2(o)). A contract liability would also be recognised if the Group has an unconditional right to receive non-refundable consideration before the Group recognises the related revenue. In such cases, a corresponding receivable would also be recognised (see Note 2(g)).

For a single contract with the customer, either a net contract asset or a net contract liability is presented. For multiple contracts, contract assets and contract liabilities of unrelated contracts are not presented on a net basis.

When the contract includes a significant financing component, the contract balance includes interest accrued under the effective interest method (see note 2(o)(ii)).

Notes To The Financial Statements

2. MATERIAL ACCOUNTING POLICY INFORMATION *(CONTINUED)*

i) Credit losses and impairment of assets

i) Credit losses from financial instruments and contract assets

The Group recognises a loss allowance for expected credit losses (ECLs) on the following items:

— financial assets measured at amortised cost (including cash and cash equivalents, trade and other receivables and rental and other deposits paid); and

— contract assets as defined in HKFRS 15 (see Note 2(h)).

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all expected cash shortfalls (i.e. the difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive).

The expected cash shortfalls are discounted using the following discount rates where the effect of discounting is material:

— fixed-rate financial assets, trade and other receivables and contract assets: effective interest rate determined at initial recognition or an approximation thereof; and

— variable-rate financial assets: current effective interest rate.

Notes To The Financial Statements

2. MATERIAL ACCOUNTING POLICY INFORMATION *(CONTINUED)*

i) *Credit losses and impairment of assets* *(Continued)*

i) *Credit losses from financial instruments and contract assets* *(Continued)*

Measurement of ECLs *(Continued)*

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

In measuring ECLs, the Group takes into account reasonable and supportable information that is available without undue cost or effort. This includes information about past events, current conditions and forecasts of future economic conditions.

ECLs are measured on either of the following bases:

— 12-month ECLs: these are losses that are expected to result from possible default events within the 12 months after the reporting date; and

— lifetime ECLs: these are losses that are expected to result from all possible default events over the expected lives of the items to which the ECL model applies.

Loss allowances for trade receivables and contract assets are always measured at an amount equal to lifetime ECLs. ECLs on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors and an assessment of both the current and forecast general economic conditions at the reporting date.

For all other financial instruments, the Group recognises a loss allowance equal to 12-month ECLs unless there has been a significant increase in credit risk of the financial instrument since initial recognition, in which case the loss allowance is measured at an amount equal to lifetime ECLs.

Significant increases in credit risk

In assessing whether the credit risk of a financial instrument has increased significantly since initial recognition, the Group compares the risk of default occurring on the financial instrument assessed at the reporting date with that assessed at the date of initial recognition. In making this reassessment, the Group considers that a default event occurs when (i) 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 (ii) the financial asset is 90 days past due. The Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

Notes To The Financial Statements

2. MATERIAL ACCOUNTING POLICY INFORMATION *(CONTINUED)*

i) Credit losses and impairment of assets (Continued)

i) Credit losses from financial instruments and contract assets (Continued)

Significant increases in credit risk *(Continued)*

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

— failure to make payments of principal or interest on their contractually due dates;

— an actual or expected significant deterioration in a financial instrument's external or internal credit rating (if available);

— an actual or expected significant deterioration in the operating results of the debtor; and

— existing or forecast changes in the technological, market, economic or legal environment that have a significant adverse effect on the debtor's ability to meet its obligation to the Group.

A significant increase in credit risk is presumed if a debtor is more than 30 days past due in making a contractual payment.

Depending on the nature of the financial instruments, the assessment of a significant increase in credit risk is performed on either an individual basis or a collective basis. When the assessment is performed on a collective basis, the financial instruments are grouped based on shared credit risk characteristics, such as past due status and credit risk ratings.

ECLs are remeasured at each reporting date to reflect changes in the financial instrument's credit risk since initial recognition. Any change in the ECL amount is recognised as an impairment gain or loss in profit or loss. The Group recognises an impairment gain or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

Basis of calculation of interest income

Interest income recognised in accordance with note 2(o)(ii) 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 the amortised cost (i.e. the gross carrying amount less loss allowance) of the financial asset.

At each reporting date, the Group assesses whether a financial asset is credit-impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

NOTES TO THE FINANCIAL STATEMENTS

2. MATERIAL ACCOUNTING POLICY INFORMATION *(CONTINUED)*

i) Credit losses and impairment of assets *(Continued)*

i) Credit losses from financial instruments and contract assets *(Continued)*

Basis of calculation of interest income *(Continued)*

Evidence that a financial asset is credit-impaired includes the following observable events:

— significant financial difficulties of the debtor;

— a breach of contract, such as a default or past due event;

— it becoming probable that the borrower will enter into bankruptcy or other financial reorganisation;

— significant changes in the technological, market, economic or legal environment that have an adverse effect on the debtor; or

— the disappearance of an active market for a security because of financial difficulties of the issuer.

Write-off policy

The gross carrying amount of a financial asset or contract asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the asset becomes 360 days past due or when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off.

Subsequent recoveries of an asset that was previously written off are recognised as a reversal of impairment in profit or loss in the period in which the recovery occurs.

ii) Impairment of non-financial assets

Internal and external sources of information are reviewed at the end of each reporting period to identify indications that the following assets may be impaired or an impairment loss previously recognised no longer exists or may have decreased:

— property, plant and equipment, including right-of-use assets;

— prepayments; and

— investments in subsidiaries in the Company's statement of financial position.

NOTES TO THE FINANCIAL STATEMENTS

2. MATERIAL ACCOUNTING POLICY INFORMATION *(CONTINUED)*

i) *Credit losses and impairment of assets* *(Continued)*

ii) *Impairment of non-financial assets* *(Continued)*

If any such indication exists, the asset's recoverable amount is estimated.

— Calculation of recoverable amount

The recoverable amount of an asset is the greater of its fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of time value of money and the risks specific to the asset. Where an asset does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the smallest group of assets that generates cash inflows independently (i.e. a cash-generating unit). A portion of the carrying amount of a corporate asset is allocated to an individual cash-generating unit if the allocation can be done on a reasonable and consistent basis, or to the smallest group of cash-generating units if otherwise.

— Recognition of impairment losses

An impairment loss is recognised in profit or loss whenever the carrying amount of an asset, or the cash-generating unit to which it belongs, exceeds its recoverable amount. Impairment losses recognised in respect of cash-generating units are allocated to reduce the carrying amount of the assets in the unit (or group of units) on a pro rata basis, except that the carrying value of an asset will not be reduced below its individual fair value less costs of disposal (if measurable) or value in use (if determinable).

— Reversals of impairment losses

An impairment loss is reversed if there has been a favourable change in the estimates used to determine the recoverable amount.

A reversal of an impairment loss is limited to the asset's carrying amount that would have been determined had no impairment loss been recognised in prior years. Reversals of impairment losses are credited to profit or loss in the year in which the reversals are recognised.

Notes To The Financial Statements

2. MATERIAL ACCOUNTING POLICY INFORMATION *(CONTINUED)*

j) Payables and accruals

Payables and accruals are initially recognised at fair value and are subsequently stated at amortised cost unless the effect of discounting would be immaterial, in which case they are stated at invoice amounts.

k) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition. Cash and cash equivalents are assessed for ECLs in accordance with the policy set out in Note 2(i)(i).

l) Employee benefits

Salaries, annual bonuses, paid annual leave, contributions to defined contribution retirement plans and the cost of non-monetary benefits are accrued in the year in which the associated services are rendered by employees. Where payment or settlement is deferred and the effect would be material, these amounts are stated at their present values.

m) Income tax

Income tax for the year comprises current tax and movements in deferred tax assets and liabilities. Current tax and movements in deferred tax assets and liabilities are recognised in profit or loss except to the extent that they relate to items recognised in other comprehensive income or directly in equity, in which case the relevant amounts of tax are recognised in other comprehensive income or directly in equity, respectively.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the end of the reporting period, and any adjustment to tax payable in respect of previous years.

Deferred tax assets and liabilities arise from deductible and taxable temporary differences respectively, being the differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax bases. Deferred tax assets also arise from unused tax losses and unused tax credits.

Notes To The Financial Statements

2. MATERIAL ACCOUNTING POLICY INFORMATION *(CONTINUED)*

m) Income tax *(Continued)*

Apart from certain limited exceptions, all deferred tax liabilities, and all deferred tax assets to the extent that it is probable that future taxable profits will be available against which the asset can be utilised, are recognised. Future taxable profits that may support the recognition of deferred tax assets arising from deductible temporary differences include those that will arise from the reversal of existing taxable temporary differences, provided those differences relate to the same taxation authority and the same taxable entity, and are expected to reverse either in the same period as the expected reversal of the deductible temporary difference or in periods into which a tax loss arising from the deferred tax asset can be carried back or forward. The same criteria are adopted when determining whether existing taxable temporary differences support the recognition of deferred tax assets arising from unused tax losses and credits, that is, those differences are taken into account if they relate to the same taxation authority and the same taxable entity, and are expected to reverse in a period, or periods, in which the tax loss or credit can be utilised.

The limited exceptions to recognition of deferred tax assets and liabilities are those temporary differences arising from the initial recognition of assets or liabilities that affect neither accounting nor taxable profit (provided they are not part of a business combination), and temporary differences relating to investments in subsidiaries to the extent that, in the case of taxable differences, the Group controls the timing of the reversal and it is probable that the differences will not reverse in the foreseeable future, or in the case of deductible differences, unless it is probable that they will reverse in the future.

The amount of deferred tax recognised is measured based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, using tax rates enacted or substantively enacted at the end of the reporting period. Deferred tax assets and liabilities are not discounted.

The carrying amount of a deferred tax asset is reviewed at the end of each reporting period and is reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow the related tax benefit to be utilised. Any such reduction is reversed to the extent that it becomes probable that sufficient taxable profits will be available.

Notes To The Financial Statements

2. MATERIAL ACCOUNTING POLICY INFORMATION *(CONTINUED)*

m) *Income tax* *(Continued)*

Current tax balances and deferred tax balances, and movements therein, are presented separately from each other and are not offset. Current tax assets are offset against current tax liabilities, and deferred tax assets against deferred tax liabilities, if the Company or the Group has the legally enforceable right to set off current tax assets against current tax liabilities and the following additional conditions are met:

— in the case of current tax assets and liabilities, the Company or the Group intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously; or

— in the case of deferred tax assets and liabilities, if they relate to income taxes levied by the same taxation authority on either:

  — the same taxable entity; or

  — different taxable entities, which, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered, intend to realise the current tax assets and settle the current tax liabilities on a net basis or realise and settle simultaneously.

n) *Provisions, contingent liabilities and onerous contracts*

(i) *Provisions and contingent liabilities*

Provisions are recognised when the Group has a legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Where the time value of money is material, provisions are stated at the present value of the expenditure expected to settle the obligation.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, a separate asset is recognised for any expected reimbursement that would be virtually certain. The amount recognised for the reimbursement is limited to the carrying amount of the provision.

Notes To The Financial Statements

2. MATERIAL ACCOUNTING POLICY INFORMATION *(CONTINUED)*

n) *Provisions, contingent liabilities and onerous contracts* (Continued)

(ii) *Onerous contracts*

An onerous contract exists when the Group has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract. Provisions for onerous contracts are measured at the present value of the lower of the expected cost of terminating the contract and the net cost of continuing with the contract.

o) *Revenue and other income*

Income is classified by the Group as revenue when it arises from the provision of services in the ordinary course of the Group's business.

Revenue is recognised when control over a service is transferred to the customer at the amount of promised consideration to which the Group is expected to be entitled, excluding those amounts collected on behalf of third parties. Revenue excludes value added tax or other sales taxes and is after deduction of any trade discounts.

Further details of the Group's revenue and other income recognition policies are as follows:

(i) *Income from provision of corporate financial advisory services*

Income from provision of corporate financial advisory services is recognised over time based on contractual terms specified in the underlying agreements as the customers simultaneously receives and consumes the benefits providing by the entity's performance and the revenue can be measured reliably.

The Group also provides sponsoring services to clients for their fund raising activities. The Group considers that all the services promised in a particular contract of being a sponsor are interdependent and interrelated and should be therefore accounted for as a single performance obligation. As there is enforceable right to payment for the Group for the performance of services completed up to date based on the contracts with customers regarding sponsor, the revenue is recognised over time based on the stage of completion of the contract, the services transferred to customers up to date.

Notes To The Financial Statements

2. MATERIAL ACCOUNTING POLICY INFORMATION *(CONTINUED)*

o) *Revenue and other income* *(Continued)*

(ii) Interest income

Interest income is recognised as it accrues under the effective interest method using the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of the financial asset. For financial assets measured at amortised cost that are not credit-impaired, the effective interest rate is applied to the gross carrying amount of the asset. For credit-impaired financial assets, the effective interest rate is applied to the amortised cost (i.e. gross carrying amount net of loss allowance) of the asset (see note 2(i)(i)).

(iii) Government grants

Government grants are recognised in the statement of financial position initially when there is reasonable assurance that they will be received and the Group will comply with the condition attaching to them. Grants that compensate the Group for expenses incurred are recognised as income in profit or loss on a systematic basis in the same periods in which the expenses are incurred.

(iv) Rental income from operating leases

Rental income receivable under operating leases is recognised in profit or loss in equal instalments over the periods covered by the lease term, except where an alternative basis is more representative of the pattern of benefits to be derived from the use of the leased asset. Lease incentive granted are recognised in profit or loss as an integral part of the aggregate net lease payments receivable. Contingent rentals are recognised as income in the accounting period in which they are earned.

p) *Borrowing costs*

Borrowing costs that are directly attributable to the acquisition, construction or production of an asset which necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of that asset. Other borrowing costs are expensed in the period in which they are incurred.

Notes To The Financial Statements

2. MATERIAL ACCOUNTING POLICY INFORMATION *(CONTINUED)*

q) 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 Group'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 joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).

iii) Both entities are joint ventures of the same third party.

iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.

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

vi) The entity is controlled or jointly controlled by a person identified in (a).

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

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

r) Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at costs less accumulated amortisation and any accumulated impairment losses, being their fair value at the date of the revaluation less subsequent accumulated amortisation and any accumulated impairment losses.

Notes To The Financial Statements

2. MATERIAL ACCOUNTING POLICY INFORMATION *(CONTINUED)*

r) *Intangible assets acquired separately* *(Continued)*

Amortisation for intangible assets with finite useful lives is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less any subsequent accumulated impairment losses (see the accounting policy in respect of impairment losses on tangible and intangible assets below).

Impairment on tangible and intangible assets other than goodwill

At the end of the reporting period, the Group reviews the carrying amounts of its tangible and intangible 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 asset is estimated in order to determine the extent of the impairment loss, if any. 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. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual CGU, or otherwise they are allocated to the smallest group of CGUs for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that they may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset 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 CGU) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or 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 CGU) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

Notes To The Financial Statements

2. MATERIAL ACCOUNTING POLICY INFORMATION *(CONTINUED)*

s) *Segment reporting*

Operating segments, and the amounts of each segment item reported in the financial statements, are identified from the financial information provided regularly to the executive directors of the Company, being the chief operating decision maker, for the purposes of allocating resources to, and assessing the performance of, the Group's various lines of business and geographical locations.

Individually material operating segments are not aggregated for financial reporting purposes unless the segments have similar economic characteristics and are similar in respect of the nature of products and services, the nature of production processes, the type or class of customers, the methods used to distribute the products or provide the services, and the nature of the regulatory environment. Operating segments which are not individually material may be aggregated if they share a majority of these criteria.

t) *Financial liabilities and equity instruments*

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

Financial liabilities at amortised cost

Financial liabilities including note payables, other payables, accruals and promissory notes are subsequently measured at amortised cost, using the effective interest method.

Notes To The Financial Statements

3. APPLICATION OF AMENDMENTS TO HKFRS ACCOUNTING STANDARDS

The Group has applied the following amendments to HKFRS Accounting Standards issued by the HKICPA for the first time, which are mandatorily effective for the annual period beginning on or after 1 January 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 Noncurrent 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 new and 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.

4. ACCOUNTING JUDGEMENTS AND ESTIMATES

The key sources of estimation uncertainty are as follows:

i) Impairment of property, plant and equipment and right-of-use assets

If circumstances indicate that the carrying amount of property, plant and equipment and right-of-use assets may not be recoverable, the assets may be considered "impaired" and an impairment loss may be recognised in accordance with HKAS 36 "*Impairment of assets*". The carrying amounts of property, plant and equipment and right-of-use assets are reviewed periodically in order to assess whether the recoverable amounts have declined below the carrying amounts. These assets are tested for impairment whenever events or changes in circumstances indicate that their recorded carrying amounts may not be recoverable. When such a decline has occurred, the carrying amount is reduced to the recoverable amount. The recoverable amount is the higher of the fair value less costs of disposal and the value in use. It is difficult to precisely estimate fair values because quoted market prices for the Group's assets are not readily available. In determining the value in use, expected cash flows generated by the asset are discounted to their present value, which requires significant judgement relating to level of revenue and the amount of operating costs. Management uses all readily available information in determining an amount that is a reasonable approximation of recoverable amount, including estimates based on reasonable and supportable assumptions and projections of revenue and the amount of operating costs. Changes in these estimates and assumptions could have a significant impact on the carrying amounts of the assets and could result in impairment charge in the future periods.

Notes To The Financial Statements

4. ACCOUNTING JUDGEMENTS AND ESTIMATES *(CONTINUED)*

The key sources of estimation uncertainty are as follows: *(Continued)*

i) *Impairment of property, plant and equipment and right-of-use assets* (Continued)

The key assumptions used to determine the recoverable amount are disclosed and further explained in Note 14(d).

The carrying amount of property, plant and equipment and right-of-use assets as at 31 December 2024 was approximately HK$27,014,000 and HK$1,598,000 (2023: approximately HK$8,841,000 and HK$981,000), respectively.

ii) *Impairment of trade receivables*

The Group recognised ECL on trade receivables on individual basis. The estimation on ECL is required in assessing probability-weighted estimate of the credit loss within the relevant time band which is based on Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as forecast direction of condition at the end of each reporting period. If there is a significant increase in credit risk on the customers or debtors of the Group since initial recognition, additional ECL may be required.

The measurement of the expected loss allowance for trade and other receivables is an area that requires the use of complex models and significant assumptions about future economic conditions and credit behavior (the likelihood of customers defaulting and the resulting losses). Further details are set out in note 24(b)(i).

The carrying amount of trade receivables as at 31 December 2024 was approximately HK$29,390,000 (2023: HK$16,684,000).

iii) *Provision for income tax and deferred tax*

Determining income tax provisions involves judgement on the future tax treatment of certain transactions. The management evaluates tax implications of transactions and tax provisions are set up accordingly. The tax treatment of such transactions is reconsidered periodically to take into account all changes in tax legislation. Deferred tax assets are recognised for tax losses not yet used and deductible temporary differences. As those deferred tax assets can only be recognised to the extent that it is probable that future taxable profit will be available against which the unused tax losses and/or unused tax credits can be utilised, management's judgement is required to assess the probability of future taxable profits. Management's assessment is constantly reviewed and additional deferred tax assets are recognised if it becomes probable that future taxable profits will allow the deferred tax asset to be recovered.

There were no deferred tax assets/liabilities as at 31 December 2024 and 2023.

Notes To The Financial Statements

4. ACCOUNTING JUDGEMENTS AND ESTIMATES *(CONTINUED)*

The key sources of estimation uncertainty are as follows: *(Continued)*

iv) Revenue recognition

The revenue from the provision of corporate financial services in Hong Kong and Singapore is recognised over time. The Group uses the output method in accounting for its financial services contracts to deliver financial services. Use of the output method requires the Group to estimate the value of the services transferred to the customers by reference to the performance completed to date and the milestones reached. If there is a change in the estimates on the value of the transferred services, the amount of revenue recognised in the year would be higher or lower.

At contract inception, the Group estimates variable considerations to be included in the transaction price for the provision of corporate financial services with performance bonuses using the most likely amount approach. This approach is applied consistently and in making this assessment, the Group considers all the information that is reasonably available and identifies a reasonable number of possible consideration amounts. This information used is typically similar to the information that the Group's management uses during the bid-and-proposal process and in establishing prices for promised services. The Group also assesses whether the variable consideration is constrained. In making this assessment, the Group considers both the likelihood and magnitude of revenue reversal, including factors such as whether the amount of consideration is highly susceptible to factors outside the Group's influence and the timing required to resolve the uncertainty about the amount of consideration. At the end of each reporting period, the Group updates their estimate of the transaction price to reflect any changes in circumstances. Changes in the total transaction price are allocated to the performance obligations on the same basis as the initial allocation and reflected in the period that the transaction price changes.

During the years ended 31 December 2024 and 2023, there were no changes in circumstances which required the Group to change their estimated transaction price.

Notes To The Financial Statements

5. REVENUE, OTHER INCOME AND SEGMENT REPORTING

a) *Revenue and other income*

Disaggregation of revenue is as follows:

	2024 HK$'000	2023 HK$'000
Revenue from contracts with customers within the scope of HKFRS 15:		
Income from provision of corporate financial advisory service and advising on securities and asset management service recognised over time	**15,749**	16,679
Income from online game business recognised over time	**20,670**	—
	36,419	16,679
Revenue from sources other than HKFRs 15:		
Rental income from leasing of motor vehicles	**4,421**	54
	40,840	16,733
Other income:		
Interest income on financial assets measured at amortised cost	**12**	16
	40,852	16,749

Revenue expected to be recognised in the future arising from contracts with customers in existence at the reporting date

The Group has applied the practical expedient in paragraph 121 of HKFRS 15 to its services contracts such that the above information does not include information about revenue that the Group will be entitled to when it satisfies the remaining performance obligations under the contracts for provision of financial advisory service that had an original expected duration of one year or less.

Notes To The Financial Statements

5. REVENUE, OTHER INCOME AND SEGMENT REPORTING *(CONTINUED)*

b) *Segment reporting*

The following is an analysis of the Group's revenue and results by operating segment, based on information provided to the chief operating decision maker ("CODM") representing the board of directors of the Company, for the purpose of allocating resources to segments and assessing their performance, this is also the basis upon which the Group is arranged and organised.

The CODM makes decisions according to the operating results of each segment. No analysis of segment asset and segment liability is presented as the CODM does not regularly review such information for the purposes of resources allocation and performance assessment. Therefore, only segment revenue and segment results are presented.

During the year ended 31 December 2024, the Group commenced to develop a car rental business in Mainland China and provision of online game business in several countries. This resulted in a new operating segment in 2024. The comparative figures have been restated to conform with current year's presentation.

The Group's operations are currently organised into four (2023: three) reporting and operating segments under HKFRS 8, namely corporate financial advisory services and asset management services, however, no revenue has yet been generated from provision of online game business for the year ended 31 December 2023.

Segment revenue and results

	Segment revenue Year ended 31 December		**Segment profit (losses) Year ended 31 December**	
	2024 HK$'000	2023 HK$'000	**2024 HK$'000**	2023 HK$'000
Corporate financial advisory services	**15,259**	16,200	**10,171**	6,867
Advising on securities and asset management services	**490**	480	**(284)**	(695)
Online game business	**20,670**	—	**1,524**	—
Car rental business	**4,421**	53	**(559)**	(202)
Total	**40,840**	16,733	**10,852**	5,970
Unallocated expenses			**(13,329)**	(9,898)
Loss before taxation			**(2,477)**	(3,928)

NOTES TO THE FINANCIAL STATEMENTS

5. REVENUE, OTHER INCOME AND SEGMENT REPORTING *(CONTINUED)*

b) *Segment reporting* *(Continued)*

Other segment information

Other segment information included in the consolidated statement of profit or loss are as follows:

Amounts included in the measure of segment profit or loss:

For the year ended 31 December 2024

	Corporate financial advisory services HK$'000	Advising on securities and asset management services HK$'000	Car rental business HK$'000	Online game business HK$'000	Unallocated HK$'000	Total HK$'000
Interest income (included in other income)	4	1	—	—	7	12
Depreciation of property, plant and equipment	—	—	(7,187)	—	(52)	(7,239)
Depreciation of right-of-use assets	—	—	—	—	(1,005)	(1,005)
Amortisation of intangible assets	—	—	—	(781)	—	(781)
Staff costs	(1,038)	(690)	—	(1,554)	(6,453)	(9,735)
Finance costs	—	—	—	—	(1,491)	(1,491)
Impairment losses on trade receivables	(2,226)	(32)	(555)	(2,148)	—	(4,961)

NOTES TO THE FINANCIAL STATEMENTS

5. REVENUE, OTHER INCOME AND SEGMENT REPORTING *(CONTINUED)*

b) *Segment reporting* *(Continued)*

Other segment information *(Continued)*

For the year ended 31 December 2023

	Corporate financial advisory services HK$'000	Advising on securities and asset management services HK$'000	Car rental business HK$'000	Unallocated HK$'000	Total HK$'000
Interest income (included in other income)	13	1	—	2	16
Depreciation of property, plant and equipment	(279)	—	(256)	(52)	(587)
Depreciation of right-of-use assets	(1,422)	—	—	(981)	(2,403)
Staff costs	(2,296)	(745)	—	(7,195)	(10,236)
Finance costs	(257)	—	—	(145)	(402)
Impairment losses on trade receivables	(896)	(14)	—	—	(910)

NOTES TO THE FINANCIAL STATEMENTS

5. REVENUE, OTHER INCOME AND SEGMENT REPORTING *(CONTINUED)*

b) ***Segment reporting*** *(Continued)*

Geographical information

The Group operates in three principal geographical areas as shown in the following table.

Revenue from major customers

The Group's revenue from external customers by location of operations for years ended 31 December 2024 and 2023 are detailed below:

	Revenue from external customers Year ended 31 December	
	2024	2023
	HK$'000	HK$'000
Hong Kong	**40,775**	15,208
Mainland	**65**	53
Singapore	—	1,472
Total	**40,840**	16,733

Revenue from customers contributing 10% or more of the total revenue of the Group are as follows:

	2024	2023
	HK$'000	HK$'000
Customer A	—	1,760

* The corresponding revenue did not contribute 10% or more of the Group's revenue for the year.

NOTES TO THE FINANCIAL STATEMENTS

6. FINANCE COSTS

	2024	2023
	HK$'000	HK$'000
Interest on lease liabilities (Note 17(b))	**20**	303
Interest on note payables (Note 17(b))	**1,471**	99
	1,491	402

7. LOSS BEFORE TAXATION

Loss before taxation is arrived at after charging:

	2024	2023
	HK$'000	HK$'000
a) Staff costs (including directors' remuneration):		
Contributions to defined contribution retirement plan (Note 11)	**167**	248
Salaries and other benefits	**9,568**	9,988
	9,735	10,236

	2024	2023
	HK$'000	HK$'000
b) Other items:		
Auditor's remuneration		
— audit services	**450**	320
— non-audit service	**92**	—
	450	320
Depreciation of owned plant and equipment	**7,239**	587
Depreciation of right-of-use assets	**1,005**	2,403
Net loss on early termination of lease arrangement	**—**	566
Impairment losses of trade receivables	**4,961**	910
Amortisation of intangible assets	**781**	—

NOTES TO THE FINANCIAL STATEMENTS

8. INCOME TAX

a) *Taxation in the consolidated statement of profit or loss and other comprehensive income*

The provision for Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profits for the year ended 31 December 2024, except for one subsidiary of the Group which is a qualifying corporation under the two-tiered Profits Tax rate regime. For this subsidiary, the first HK$2,000,000 of assessable profits are taxed at 8.25% and the remaining assessable profits are taxed at 16.5%. The Singapore Corporate Income Tax is determined by applying the Singapore tax rate of 17%.

No provision for Hong Kong Profits tax have been provided for in the financial statements as the Group had utilized its available tax losses to offset the assessable profit the year ended 31 December 2024. No provision for Singapore Corporate Income Tax have been provided for in the financial statements as the Group had no estimated assessable profit for the year ended 31 December 2024.

Pursuant to the rules and regulations of the Cayman Islands and the British Virgin Islands, the Group is not subject to income tax in these jurisdictions.

b) *Reconciliation between tax expense and accounting loss at applicable tax rate:*

	2024 **HK$'000**	2023 HK$'000
Loss before taxation	**(2,477)**	(3,928)
Notional tax on loss before taxation, calculated at applicable tax rate	**(409)**	(526)
Tax effect of non-taxable income	**(198)**	(3)
Tax effect of non-deductible expenses	**819**	169
Utilisation of tax losses previously not recognised	**(212)**	—
Tax effect of unused tax losses not recognised	—	786
Others	—	(426)
Income tax expense	—	—

c) *Deferred tax assets and liabilities not recognised*

At 31 December 2024, the Group has not recognised deferred tax assets in respect of cumulative tax losses of approximately HK$20,934,000 (2023: HK$22,219,000) as it is not probable that future taxable profits against which the tax losses can be utilised will be available in the relevant tax jurisdiction and entity. The tax losses do not expire under current tax legislation.

Apart from tax losses, the Group has not recognised deferred tax assets in respect of cumulative provision for expected credit loss on financial assets of approximately HK$6,516,000 (2023: HK$1,555,000) as at 31 December 2024.

Notes To The Financial Statements

9. DIRECTORS' EMOLUMENTS

Directors' emoluments disclosed pursuant to section 383(1) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation are as follows:

Year ended 31 December 2024

	Notes	Directors' fees HK$'000	Bonuses HK$'000	Salaries, allowances and benefits in kind HK$'000	Retirement scheme contributions HK$'000	Total HK$'000
Executive Directors						
Mr. Lee Chun Wai, Chief Executive Officer	*(i)*	1,440	500	—	—	1,940
Mr. Lee Chan Wah	*(ii)*	—	—	—	—	—
Ms. Ji Yi	*(vii)*	720	—	—	—	720
Non-executive Director						
Dr. Leung Kin Cheong Laurent	*(iii)*	—	—	—	—	—
Independent Non-executive Directors						
Mr. Choi Tak Fai	*(v)*	108	—	—	—	108
Ms. Lee Pui Ching	*(vi)*	—	—	—	—	—
Ms. Lau Mei Suet	*(iv)*	120	—	—	—	120
Mr. Tsang Ho Yin	*(viii)*	100	—	—	—	100
		2,488	500	—	—	2,988

Notes To The Financial Statements

9. DIRECTORS' EMOLUMENTS *(CONTINUED)*

Year ended 31 December 2023

	Notes	Directors' fees HK$'000	Bonuses HK$'000	Salaries, allowances and benefits in kind HK$'000	Retirement scheme contributions HK$'000	Total HK$'000
Executive Directors						
Mr. Lee Chun Wai, Chief Executive Officer	*(i)*	—	600	1,520	18	2,138
Mr. Lee Chan Wah	*(ii)*	63	80	560	11	714
Ms. Ji Yi	*(vii)*	—	—	343	6	349
Non-executive Director						
Dr. Leung Kin Cheong Laurent	*(iii)*	—	—	1,040	17	1,057
Independent Non-executive Directors						
Mr. Choi Tak Fai	*(v)*	108	—	—	—	108
Ms. Lee Pui Ching	*(vi)*	78	—	—	—	78
Ms. Lau Mei Suet	*(iv)*	120	—	—	—	120
Mr. Tsang Ho Yin	*(viii)*	42	—	—	—	42
		411	680	3,463	52	4,606

Notes:

(i) Appointed on 17 May 2021

(ii) Appointed on 14 February 2022 and resigned on 10 July 2023

(iii) Appointed on 14 December 2021, re-designated as non-executive director on 14 February 2022 and resigned on 24 November 2023

(iv) Appointed on 28 January 2022

(v) Appointed on 31 May 2021

(vi) Appointed on 14 December 2021 and resigned on 25 August 2023

(vii) Appointed on 10 July 2023

(viii) Appointed on 25 August 2023 and resigned on 1 November 2024

Notes To The Financial Statements

9. DIRECTORS' EMOLUMENTS *(CONTINUED)*

During the years ended 31 December 2024 and 2023, no emoluments were paid by the Group to any directors of the Company as an inducement to join or upon joining the Company or as compensation for loss of office. There was no arrangement under which a director waived or agreed to waive any emoluments during the years ended 31 December 2024 and 2023.

Save for disclosed above and in note 26 to the consolidated financial statement, no significant transactions, arrangements and contracts in relation to the Group's business to which the Company was a party and in which a director of the Company and the director's connected party had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

10. INDIVIDUALS WITH HIGHEST EMOLUMENTS

Of the five individuals with the highest emoluments, two (2023: three) are directors of the Company whose emoluments are disclosed in note 9 above. The aggregate of the emoluments in respect of other three (2023: two) individuals are as follows:

	2024 **HK$'000**	2023 HK$'000
Salaries and other emoluments	**2,720**	1,834
Contributions to retirement benefits scheme	**54**	60
	2,774	1,894

The emoluments of three (2023: two) individuals with the highest emoluments are within the following bands:

	2024 **Number of individuals**	2023 Number of individuals
HK$Nil–HK$1,500,000	**3**	2

There was no amount paid during the years ended 31 December 2024 and 2023 to the five highest paid employees as inducement to join on upon joining the Group or as compensation for loss of office.

NOTES TO THE FINANCIAL STATEMENTS

11. DEFINED CONTRIBUTION RETIREMENT PLAN

The Group operates a Mandatory Provident Fund Scheme (the "MPF Scheme") under the Hong Kong Mandatory Provident Fund Schemes Ordinance for employees employed under the jurisdiction of the Hong Kong Employment Ordinance. The MPF Scheme is a defined contribution retirement plan administered by independent trustees. Under the MPF Scheme, the employer and its employees are each required to make contributions to the plan at 5% of the employees' relevant income, subject to a cap of monthly relevant income of HK$30,000. Contributions to the plan vest immediately.

The Group's subsidiary operating in Singapore, in compliance with the applicable regulations of Singapore, participated in a defined contribution scheme operated by the local government. The subsidiary is required to contribute an amount based on the employees' salaries. The Group contributes up to 17% of the eligible employees' salaries to the defined contribution scheme, with each employee's qualifying salary capped at Singapore dollar 6,000 per month.

12. DIVIDENDS

The board did not recommend the payment of a final dividend for the years ended 31 December 2024 and 2023.

13. LOSS PER SHARE

a) *Basic loss per share*

The calculation of basic loss per share is based on the loss attributable to the owners of the Company of approximately HK$2,477,000 (2023: loss attributable to the owners of the Company of approximately HK$3,928,000 and the weighted average of 28,345,329 (2023 (restated): 9,318,169) ordinary shares in issue during the year.

b) *Diluted loss per share*

There were no dilutive potential ordinary shares in issue during the years ended 31 December 2024 and 2023, and diluted loss per share is the same as basic loss per share.

For the years ended 31 December 2023 and 2024, the weighted average number of ordinary shares used to calculate basic and diluted loss per share has been adjusted to reflect: (i) the issuance of new shares via a rights issue completed on 8 August 2024; and (ii) the consolidation of every ten (10) issued and unissued ordinary shares with a par value of HK$0.10 each into one (1) consolidated share with a par value of HK$1.00 each, which took place on 17 January 2025, prior to the date of authorisation of the consolidated financial statements.

NOTES TO THE FINANCIAL STATEMENTS

14. PROPERTY, PLANT AND EQUIPMENT

a) *Reconciliation of carrying amount*

	Furniture and fixtures HK$'000	Office equipment HK$'000	Leasehold improvements HK$'000	Motor Vehicles HK$'000	Total HK$'000
Cost					
At 1 January 2023	158	94	1,826	—	2,078
Additions	—	—	—	8,988	8,988
Disposal/write-off	(106)	(13)	(1,748)	—	(1,867)
Exchange realignment	—	—	(1)	—	(1)
At 31 December 2023	52	81	77	8,988	9,198
Additions	—	11	—	30,957	30,968
Disposal/write-off	(52)	(81)	(77)	(7,834)	(8,044)
Exchange realignment	—	—	—	—	—
At 31 December 2024	—	11	—	32,111	32,122
Accumulated depreciation					
At 1 January 2023	26	15	866	—	907
Charge for the year	30	19	282	256	587
Disposal/write-off	(35)	(4)	(1,098)	—	(1,137)
Exchange realignment	—	—	—	—	—
At 31 December 2023	21	30	50	256	357
Charge for the year	10	18	26	7,185	7,239
Disposal/write-off	(31)	(46)	(76)	(2,335)	(2,488)
Exchange realignment	—	—	—	—	—
At 31 December 2024	—	2	—	5,106	5,108
Carrying amount					
At 31 December 2024	—	9	—	27,005	27,014
At 31 December 2023	31	51	27	8,732	8,841

Notes To The Financial Statements

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

b) *Right-of-use assets*

The analysis of the net book value of right-of-use assets by class of underlying asset is as follow:

	2024 HK$'000	2023 HK$'000
Properties leased for own use	**1,598**	981

The analysis of expense items in relation to leases recognised in profit or loss is as follows:

	2024 HK$'000	2023 HK$'000
Depreciation charge of right-of-use assets by class of underlying asset:		
Properties leased for own use	**1,005**	2,403
Interest on lease liabilities (Note 6)	**20**	303

During the year, the additions to right-of-use assets related to the capitalised lease payments payable under new tenancy agreements was HK$1,622,000 (2023: Nil). The leases typically run for an initial period of 2-3 years.

Details of total cash outflow for leases and the maturity analysis of lease liabilities and the future cash outflows arising from leases that are not yet commenced are set out in Notes 17(c) and 19, respectively.

c) *Intangible assets*

	Intellectual property of online game HK$'000
Cost	
At 1 January 2023, 12 December 2023 and 1 January 2024	—
Additions	2,413
At 31 December 2024	2,413
Accumulated amortisation	
At 1 January 2023, 12 December 2023 and 1 January 2024	—
Amortisation provided for the year	781
At 31 December 2024	781
Carrying amount	
At 31 December 2024	1,632
At 31 December 2023	—

Notes To The Financial Statements

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

d) *Impairment assessment*

In accordance with the Group's accounting policies, the Group reviews the carrying amount of its property, plant and equipment to determine whether there is any indication of that these assets have suffered an impairment loss. Where an indicator of impairment exists, a formal estimate of the recoverable amount is made at the reporting period.

Property, plant and equipment

During the year ended 31 December 2024, although the Group recorded a loss before tax of approximately HK$2,477,000, the carrying value of the associated assets for the corresponding cash-generating unit ("CGU1") in provision of corporate financial advisory services has been almost fully depreciated. Thus, in the opinion of the directors, no impairment assessment of such recoverable amounts is conducted.

Apart from that, the Group has newly acquired several motor vehicles during the year and the carrying value of the associated assets for the corresponding cash-generating unit ("CGU2") of approximately HK$27,005,000, as detailed in the announcements dated 17 January 2024, 24 January 2024, 16 October 2024, 17 October 2024 and 28 October 2024, in relation to the new car rental business. Had considered the newly established business and the motor vehicles were acquired during the year, the purchase price can be used as the recoverable amount (Fair value less cost to sell), thus no impairment indicator was identified. Impairment assessment or review of such recoverable amounts would be conducted in next year.

Intangible assets

During the year, the Group recorded a segment profit of approximately HK$1,524,000 from the online game business, while the carrying value of the associated assets for the corresponding cash-generating unit ("CGU3") was approximately HK$1,632,000. Given that this segment is profit-making and no impairment indicators have been identified, the directors are of the opinion that an impairment assessment of the recoverable amounts is unnecessary.

Right-of-use assets

During the year, although the Group recorded a loss before tax of approximately HK$2,477,000, the corresponding cash-generating unit ("CGU1") engaged in the provision of corporate financial advisory services was profitable. Therefore, the directors are of the opinion that no impairment indicator has been identified, and an impairment assessment of the recoverable amounts is unnecessary.

Notes To The Financial Statements

15. SUBSIDIARIES

The following list contains the particulars of the subsidiaries at 31 December 2024.

Name of company	Place of incorporation and operation	Issued ordinary share capital	Proportion of ownership interest: Group's effective interest	Held by the Company	Held by a subsidiary	Principal activities
Zijing Capital Limited	Hong Kong	HK$13,000,000	100%	100%	—	Provision of financial services
Expert Idea Global Limited	British Virgin Islands ("BVI")	US$1	100%	100%	—	Investment holding
Zijing Asset Management Limited	Hong Kong	HK$1	100%	—	100%	Provision of asset management service
Zijing Advisory Limited	Hong Kong	HK$100	100%	—	100%	Provision of financial service and car rental business
Zijing International Pte. Limited	Singapore	SGD200,000	100%	—	100%	Provision of financial service
Zijing Management Limited	Hong Kong	HK$100	100%	—	100%	Investment holding
紫荊祥瑞(深圳)供應鏈有限公司	The PRC (under wholly foreign-owned enterprise)	RMB5,377,000	100%	—	100%	Provision of online game business
紫遊(廣州)科技有限公司	The PRC	RMB1,000,000	100%	—	100%	Provision of online game business

NOTES TO THE FINANCIAL STATEMENTS

16. TRADE AND OTHER RECEIVABLES

	2024 HK$'000	2023 HK$'000
Trade receivables	**35,906**	18,239
Less: allowance for doubtful debts	**(6,516)**	(1,555)
	29,390	16,684
Prepayments and deposits (note 1)	**19,840**	4,795
	49,230	21,479
Analysed as:		
Non-current	**18,990**	3,850
Current	**30,240**	17,629
	49,230	21,479

Note 1: As at 31 December 2024, included in prepayment approximately of HK$18,990,000 (2023: HK$3,850,000) is the non-refundable prepayment made for the exclusive operational licence in relation to online game business as detailed in the announcement dated 14 December 2023, 9 January and 8 February 2024.

Ageing analysis

As of the end of the reporting period, the ageing analysis of trade receivables (which are included in trade and other receivables), based on invoice dates, which approximate the revenue recognition dates, and net of allowance is as follows:

	2024 HK$'000	2023 HK$'000
Within 3 months	**11,448**	2,441
After 3 months	**17,942**	14,243
	29,390	16,684

Trade receivables are due within 90 days (2023: 90 days) from the date of billing. Further details on the Group's credit policy and credit risk arising from trade receivables are set out in Note 24(b)(i).

NOTES TO THE FINANCIAL STATEMENTS

17. CASH AND CASH EQUIVALENTS AND OTHER CASH FLOW INFORMATION

a) *Cash and cash equivalents comprise:*

	2024	2023
	HK$'000	HK$'000
Cash at bank	**13,227**	11,460

As at 31 December 2024, cash at bank carry interest at market rates which is 0.001% (2023: 0.001%) per annum.

At the end of the reporting period, the cash and bank balances of the Group denominated in Renminbi ("RMB") amounted to HK$2,133,000 (2023: HK$1,802,000). The RMB is not freely convertible into other currencies, however, under Chinese Mainland China's Foreign Exchange Control Regulations and Administration of Settlement, and Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

NOTES TO THE FINANCIAL STATEMENTS

17. CASH AND CASH EQUIVALENTS AND OTHER CASH FLOW INFORMATION *(CONTINUED)*

b) *Reconciliation of liabilities arising from financing activities*

The table below details changes in the Group's liabilities from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are liabilities for which cash flows were, or future cash flows will be, classified in the Group's consolidated statement of cash flows as cash flows from financing activities.

	Note payables HK$'000 (Note 18)	**Lease liabilities** HK$'000 (Note 19)
At 1 January 2024	16,000	1,023
Changes from financing cash flows:		
Proceeds from issuing note payables	11,000	—
Repayment for note payables	(16,999)	—
Capital element of lease rentals paid	—	(1,019)
Interest element of lease rentals paid	—	(20)
Total changes from financing cash flows	(5,999)	(1,039)
Other changes:		
Increase in lease liabilities due to new finance lease entered during the period	—	1,622
Interest expenses (Note 6)	1,471	20
Total other changes	1,471	1,642
At 31 December 2024	11,472	1,626
At 1 January 2023	—	6,687
Changes from financing cash flows:		
Proceeds from issuing note payables	16,000	—
Capital element of lease rentals paid	—	(2,066)
Interest element of lease rentals paid	—	(303)
Total changes from financing cash flows	16,000	(2,369)
Other changes:		
Decrease in lease liabilities due to early termination during the period	—	(3,520)
Interest expenses (Note 6)	—	303
Exchange realignment	—	(78)
Total other changes	—	(3,295)
At 31 December 2023	16,000	1,023

Notes To The Financial Statements

17. CASH AND CASH EQUIVALENTS AND OTHER CASH FLOW INFORMATION *(CONTINUED)*

c) *Total cash outflow for leases*

Amounts included in the consolidated statement of cash flows for leases comprise the following:

	2024	2023
	HK$'000	HK$'000
Within operating cash flows	**—**	—
Within financing cash flows	**1,039**	2,369
Amounts related to lease rentals paid	**1,039**	2,369

18. NOTE PAYABLES

As at 31 December 2023, the Company had two note payables of six months' duration outstanding to the same individual who is independent parties to the Group with an aggregated principal value of HK$16,000,000. These note payables bear interest at a rate of 5% per annum and are due for repayments ranging from 5th months to 6th months at the end of Reporting Period. During the year ended 31 December 2024, those two note payables were settled in full.

As at 31 December 2024, the Company had issued one new note payable of revised twelve months' duration outstanding to an individual who is independent parties to the Group with an aggregated principal value of HK$11,000,000. These note payable bear interest at a rate of 5% per annum and is due for repayments in February 2025. On initial recognition, the fair value of note payables issued by the Company were determined based on the present value of the contractual stream of future cash flows discounted at a rate of 5% per annum which is approximate the same as the coupon rate of the note payables.

NOTES TO THE FINANCIAL STATEMENTS

19. LEASE LIABILITIES

The following table shows the remaining contractual maturities of the Group's lease liabilities at the end of the current reporting period:

	2024		2023	
	Present value of the minimum lease payments HK$'000	**Total minimum lease payments HK$'000**	Present value of the minimum lease payments HK$'000	Total minimum lease payments HK$'000
Within 1 year	**433**	**526**	1,023	1,039
After 1 year but within 2 years	**574**	**636**	—	—
After 2 years but within 5 years	**619**	**642**	—	—
	1,193	**1,278**	—	—
	1,626	**1,804**	1,023	1,039
Less: total future interest expenses		**(178)**		(16)
Present value of lease liabilities		**1,626**		1,023

The weighted average incremental borrowings rates applied to lease liabilities was 6.7% (2023: 2.9%) per annum.

Notes To The Financial Statements

20. PROVISIONS

The movements in the provision for reinstatement costs are as follows:

	2024 **HK$'000**	2023 HK$'000
At the beginning of the year	—	140
Provision made during the year	—	449
Payments made during the year	—	(589)
At the end of year	—	—
Less: Non-current portion	—	—
Portion classified as current liabilities	—	—

Under the terms of the tenancy agreement signed with the landlord, the Group shall remove and re-instate the rental premise at the Group's cost upon expiry of the relevant tenancy agreements. Provision is therefore made for the best estimate of the expected reinstatement costs to be incurred.

21. SHARE CAPITAL

	2024		2023	
	Number of share	**HK$'000**	Number of share	HK$'000
Authorised:				
Ordinary shares of HK$0.1 each	**20,000,000,000**	**2,000,000**	20,000,000,000	2,000,000
Ordinary shares, issued and fully paid:				
Ordinary shares of HK$0.1 each	**537,600,000**	**53,760**	89,600,000	8,960

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

Notes To The Financial Statements

21. SHARE CAPITAL *(CONTINUED)*

The movements in authorised and issued share capital of the Company during the year were as follows:

	Authorised shares		Issued shares	
	No. of shares	Total	No. of shares	Total
		HK$'000		HK$'000
At 1 January 2023	20,000,000,000	2,000,000	64,000,000	6,400
Placing of new shares (Note 1)	—	—	25,600,000	2,560
At 31 December 2023 and 1 January 2024	20,000,000,000	2,000,000	89,600,000	8,960
Issue of shares under right issue (Note 2)	—	—	448,000,000	44,800
At 31 December 2024	20,000,000,000	2,000,000	537,600,000	53,760

Note 1:

On 8 June 2023 and 20 November 2023, placing of new shares of 12,800,000 and 12,800,000 (issued at HK$0.2 and HK$0.15 each) were completed, details of which are disclosed in the announcement of the Company dated 15 May 2023 and 27 October 2023, respectively. The net proceeds of the said placement approximately of HK$4,386,000, netting of related direct issue cost.

Note 2:

On 8 August 2024, the Company allotted and issued 448,000,000 new ordinary shares of HK$0.12 per share by way of rights issue to the qualifying shareholders of the Company on the basis of one right share for every five existing ordinary shares. The net proceeds from the rights issue of approximately HK$52,980,000 are intended to be used on (i) approximately HK$30.0 million for repayment of borrowings of the Group; (ii) approximately HK$13.0 million for strengthening the motor vehicles fleet; (iii) approximately HK$7.0 million for expansion of online-game business; and (iv) approximately HK$2.8 million for enhancing general working capital of the Group. For further details, please refer to the Rights Issue Prospectus of the Company dated 28 June 2024 and the allotment results announcement dated 7 August 2024.

NOTES TO THE FINANCIAL STATEMENTS

22. RESERVES

The amounts of the Group's reserves and the movements therein for the current and prior years are presented in the consolidated statement of changes in equity.

Nature and purpose of reserves

Share premium

The application of the share premium account is governed by the Companies Law of the Cayman Islands.

Merger reserve

The merger reserve of the Group represents the difference between the nominal value of shares of the subsidiaries acquired over the nominal value of the shares used by the Company in exchange thereafter.

Exchange reserve

The exchange reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations. The reserve is dealt with in accordance with the accounting policies set out in note 2 to the consolidated financial statements.

Notes To The Financial Statements

23. COMPANY LEVEL STATEMENT OF FINANCIAL POSITION

Information about the statement of financial position of the Company at the end of the reporting period is as follows:

	Note	2024 HK$'000	2023 HK$'000
Non-current asset			
Property, plant and equipment		—	108
Right-of-use assets		**1,598**	981
Investments in subsidiaries		**3,100**	3,100
		4,698	4,189
Current assets			
Other prepayments and deposits		**328**	314
Due from subsidiaries		**83,382**	31,995
Cash and cash equivalents		**1,456**	4,165
		85,166	36,474
Current liabilities			
Accrued expenses		**1,289**	952
Lease liabilities		**433**	1,023
Note payables		**11,472**	16,000
		13,194	17,975
Net current assets		**71,972**	18,499
Non-current liabilities			
Lease liabilities		**1,193**	—
NET ASSETS		**75,477**	22,688
Capital and reserves			
Share capital	*21*	**53,760**	8,960
Reserves		**21,717**	13,728
TOTAL EQUITY		**75,477**	22,688

Approved and authorised for issue by the board of directors on 31 March 2025 and signed on its behalf by:

Mr. Lee Chun Wai	**Mr. Choi Tak Fai**
Director	Director

NOTES TO THE FINANCIAL STATEMENTS

23. COMPANY LEVEL STATEMENT OF FINANCIAL POSITION *(CONTINUED)*

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

	Share capital HK$'000	Reserves: Share premium HK$'000	Reserves: Retained earnings/ (Accumulated losses) HK$'000	Reserves: Subtotal HK$'000	Total equity HK$'000
Balance at 1 January 2023	6,400	11,887	343	12,230	18,630
Changes in equity for 2023:					
Loss for the year	—	—	(328)	(328)	(328)
Other comprehensive income	—	—	—	—	—
Total comprehensive income for the year	—	—	(328)	(328)	(328)
Issue of shares	2,560	1,875	—	1,875	4,435
Share issue expenses	—	(49)	—	(49)	(49)
Balance at 31 December 2023 and 1 January 2024	8,960	13,713	15	13,728	22,688
Changes in equity for 2024:					
Loss for the year	—	—	(101)	(101)	(101)
Other comprehensive income	—	—	—	—	—
Total comprehensive income for the year	—	—	(101)	(101)	(101)
Issue of shares under right issue	44,800	8,871	—	8,871	53,671
Share issue expenses	—	(781)	—	(781)	(781)
Balance at 31 December 2024	53,760	21,803	(86)	21,717	75,477

NOTES TO THE FINANCIAL STATEMENTS

24. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS

a) *Financial Instruments by categories*

	2024 **HK$'000**	2023 HK$'000
Financial assets		
Trade receivables	**29,390**	16,684
Rental deposits paid	**305**	722
Cash and cash equivalents	**13,227**	11,460
Financial assets at amortised cost	**47,993**	28,866
Financial liabilities		
Accrued expenses	**1,142**	1,041
Other payable	**3,715**	118
Note payables	**11,472**	16,000
Financial liabilities at amortised cost	**16,329**	17,159

b) *Financial risk management objectives and policies*

The main risks arising from the Group's financial instruments are credit risk and liquidity risk. The Group's exposure to these risks and the financial risk management policies and practices used by the Group to manage these risk are described below.

i) *Credit risk*

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Group. The Group's credit risk is primarily attributable to trade receivables. The Group's exposure to credit risk arising from cash and cash equivalents is limited because the counterparties are banks with high credit rating assigned by international credit-rating agencies, for which the Group considers to represent low credit risk. The Group's exposure to credit risk arising from refundable rental deposits is considered to be low, taking into account (i) the landlords' credit rating and (ii) the remaining lease term and the period covered by the rental deposits.

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer rather than the industry or country in which the customers operate and therefore significant concentrations of credit risk primarily arise when the Group has significant exposure to individual customers. At the end of the reporting period, 10% (2023: 10%) of the total trade receivables was due from the largest trade debtor.

Notes To The Financial Statements

24. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS *(CONTINUED)*

b) *Financial risk management objectives and policies* (Continued)

i) *Credit risk* (Continued)

The Group measure loss allowance for trade receivables at an amount equal to lifetime ECL. To measure the ECL, trade receivables have been assessed individually. In addition, the directors of the Company are of the opinion that there was no default occurred on trade receivables and the balances are still considered fully recoverable in accordance with the management's historical experience on the settlement pattern or record.

Individual credit evaluations are performed on all customers requiring credit over a certain amount. These evaluations focus on the customer's past history of making payments when due and current ability to pay, and take into account information specific to the customer as well as pertaining to the economic environment in which the customer operates. Trade receivables are due within 90 days (2023: 90 days) from the date of billing. Debtors with balances that are more than 1 month past due are requested to settle all outstanding balances before any further credit is granted. Normally, the Group does not obtain collateral from customers.

The following table provides information about the Group's exposure to credit risk and ECLs for trade receivables as at 31 December 2024 and 31 December 2023:

	2024		
	Expected loss rate	Gross carrying amount HK$'000	Loss allowance HK$'000
0 to 90 days	13.61%	13,251	1,803
91 to 180 days	18.16%	7,664	1,392
181 to 365 days	20.61%	8,777	1,809
Over 365 days	24.33%	6,214	1,512
		35,906	6,516

Notes To The Financial Statements

24. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS *(CONTINUED)*

b) ***Financial risk management objectives and policies*** *(Continued)*

i) Credit risk (Continued)

	2023		
	Expected loss rate	Gross carrying amount HK$'000	Loss allowance HK$'000
0 to 90 days	5.54%	5,054	280
91 to 180 days	6.70%	2,148	144
181 to 365 days	6.22%	3,588	223
Over 365 days	12.2%	7,449	908
		18,239	1,555

Expected loss rates are based on actual loss experience over the past 2 years. These rates are adjusted to reflect differences between economic conditions during the period over which the historic data has been collected, current conditions and the Group's view of economic conditions over the expected lives of the receivables.

Movement in the loss allowance account in respect of trade receivables during the year is as follows:

	2024 HK$'000	2023 HK$'000
Balance at 1 January	**1,555**	645
Impairment losses recognised during the year	**4,961**	910
Balance at 31 December	**6,516**	1,555

The following significant changes in the gross carrying amounts of trade receivables contributed to the increase in the loss allowance:

— origination of new trade receivables net of those settled resulted in an increase in loss allowance of HK$4,961,000.

Notes To The Financial Statements

24. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS *(CONTINUED)*

b) Financial risk management objectives and policies *(Continued)*

ii) Liquidity risk

Individual operating entities within the Group are responsible for their own cash management, including the short term investment of cash surpluses and the raising of loans to cover expected cash demands, subject to the parent company's board approval. The Group's policy is to regularly monitor its liquidity requirements and its compliance with lending covenants, to ensure that it maintains sufficient reserves of cash and adequate committed lines of funding from major financial institutions to meet its liquidity requirements in the short and longer term.

The following tables set out the remaining contractual maturities at the end of the reporting period of the Group's non-derivative financial liabilities based on contractual undiscounted cash flows (including interest payments computed 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.

As at 31 December 2024

	Within 1 year or on demand HK$'000	**More than 1 year but less than 2 years HK$'000**	**More than 2 years but less than 5 years HK$'000**	**Total contractual undiscounted cash flows HK$'000**	**Carrying amount HK$'000**
Accrued expenses and other payables	**4,857**	**—**	**—**	**4,857**	**4,857**
Note payables	**11,564**	**—**	**—**	**11,564**	**11,472**
Lease liabilities	**526**	**636**	**642**	**1,804**	**1,626**
	16,947	**636**	**642**	**18,225**	**17,955**

As at 31 December 2023

	Within 1 year or on demand HK$'000	More than 1 year but less than 2 years HK$'000	More than 2 years but less than 5 years HK$'000	Total contractual undiscounted cash flows HK$'000	Carrying amount HK$'000
Accrued expenses and other payables	1,860	—	—	1,860	1,159
Note payables	16,000	—	—	16,000	16,000
Lease liabilities	1,039	—	—	1,039	1,023
	18,899	—	—	18,899	18,182

Notes To The Financial Statements

24. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS *(CONTINUED)*

c) *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 December 2024 and 2023.

d) *Capital management*

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern so that they can continue to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The capital structure of the Group consists of cash and cash equivalents and equity attributable to owners of the Company, comprising issued share capital and reserves.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt. The Group's overall strategy remains unchanged throughout the year.

Zijing Capital and Zijing Asset Management, a wholly-owned subsidiary and an indirectly wholly-owned subsidiary of the Company, respectively, licensed by the Securities and Futures Commission ("SFC"), provides corporate financial advisory and asset management services to their customers, are obliged to meet the regulatory liquid capital requirements under the Securities and Futures (Financial Resources) Rules ("FRR") at all times. The Group monitors the financial position of both companies in order to ensure that they maintain a liquid capital level adequate to support the level of activities and meet the capital requirements imposed by the SFC. During the years ended 31 December 2024 and 2023, both Zijing Capital and Zijing Asset Management complied with the liquid capital requirements imposed by the SFC.

The Group's externally imposed capital requirement is to maintain its listing status on the Stock Exchange, which requires having a public float of at least 25% of the shares.

Other than the above, neither the Company nor any of its subsidiaries are subject to externally imposed capital requirements.

NOTES TO THE FINANCIAL STATEMENTS

25. COMMITMENTS

As at 31 December 2024 and 2023, the Group has no capital commitment.

26. MATERIAL RELATED PARTY TRANSACTIONS

Key management personnel remuneration

All members of key management personnel are directors of the Company, and the remuneration for them is disclosed in note 9 and is as follows:

	2024	2023
	HK$'000	HK$'000
Short-term employee benefits	**2,988**	4,552
Post-employment benefits	**—**	56
	2,988	4,608

Notes To The Financial Statements

27. POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 DECEMBER 2024

The Group has not applied any new standard, amendments to standards and interpretation that have been issued but are not yet effective for the financial year beginning 1 January 2024. The new standard, amendments to standards and interpretation include the following which may be relevant to the Group.

Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments[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 HKFRS Accounting Standards	Annual Improvements to HKFRS Accounting Standards — Volume 11[3]
Amendments to HKAS 21	Lack of Exchangeability[2]
HKFRS 18	Presentation and Disclosure in Financial Statements[4]

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

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 1st 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.

The Group is in the process of making an assessment of what the impact of these amendments and new standards is expected to be in the period of initial application. So far it has concluded that the adoption of them is unlikely to have a significant impact on the consolidated financial statements.

Notes To The Financial Statements

28. EVENTS AFTER THE REPORTING PERIOD

(a) On 17 January 2025, the Company completed the share consolidation exercise, consolidating every ten (10) issued and unissued ordinary shares with a par value of HK$0.10 each into one (1) consolidated share with a par value of HK$1.00 each. For further details, please refer to the Company's announcement dated 15 January 2025.

(b) On 11 February 2025, the Company completed the issuance of new shares pursuant to the Subscription Agreement. Further details are provided in the Company's announcement dated 22 January 2025.

FINANCIAL SUMMARY

Annual results for the five years ended 31 December 2024

	For the year ended 31 December				
	2020 HK$'000	2021 HK$'000	2022 HK$'000	2023 HK$'000	**2024** **HK$'000**
Revenue	7,996	18,581	16,764	16.733	**40,840**
Net profit/(loss) attributable to owners of the Company	(2,773)	5,833	(7,569)	(3,928)	**(2,477)**

	As at 31 December				
	2020 HK$'000	2021 HK$'000	2022 HK$'000	2023 HK$'000	**2024** **HK$'000**
Total assets	26,412	38,506	32,157	42,760	**92,701**
Total liabilities	806	7,067	8,102	18,182	**17,956**
Total equities	25,606	31,439	24,055	24,579	**74,745**