

2024 - 2025

For The Twelve Months Ended March 31, 2025

Annual Report

 **MPay**  **mCard**  **mCoin**  **mPass**



CHARACTERISTICS OF GEM



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

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

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

This report, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief, the information contained in this report is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this report misleading.

This report will remain at www.hkgem.com on the "Latest Listed Company Information" page of the GEM website for at least 7 days from the date of its posting and will be published on the website of the Company at <http://www.agtech.com>.

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FORTUNE





We are dedicated to creating prosperity and financial success for our customers, employees and communities.

We provide innovative and secure financial solutions that empower individuals and businesses to achieve their financial goals and build a brighter future. We strive to foster a culture of growth, opportunity, and well-being for all our stakeholders, ensuring that everyone can share in the fortune we create together.

HEALTH





We are committed to promoting the well-being of our customers, employees and communities. We endeavor to support the healthy development of the financial industry and initiatives that enhance the physical, mental, and financial health of our stakeholders.



CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive Directors

Sun Ho (*Chairman & CEO*)
Hu Taoye

Non-executive Directors

Qin Yuehong
Ji Gang

Independent Non-executive Directors

Chow Siu Lui
Chan Ka Leong
(*appointed on May 3, 2024*)
Yuen Kit Ming Fanny
(*appointed on May 14, 2024*)

AUTHORIZED REPRESENTATIVES

Sun Ho
Lee Wai Yan Vivian

COMPANY SECRETARY

Lee Wai Yan Vivian

REGISTERED OFFICE

Clarendon House
2 Church Street
Hamilton HM11
Bermuda

HEAD OFFICE & PRINCIPAL PLACE OF BUSINESS

Unit 3912, 39th Floor, Tower Two
Times Square, Causeway Bay
Hong Kong
Tel: (852) 2506 1668
Fax: (852) 2506 1228

PRINCIPAL BANKERS

Bank of China (Macau) Limited
China Merchants Bank
Mizuho Bank, Ltd.
The Hongkong and Shanghai
Banking Corporation Limited
Tai Fung Bank Limited
Bank of communications Co., Ltd.

AUDIT COMMITTEE

Chow Siu Lui (*Chairman*)
Chan Ka Leong
Yuen Kit Ming Fanny

REMUNERATION COMMITTEE

Chow Siu Lui (*Chairman*)
Chan Ka Leong
Yuen Kit Ming Fanny

NOMINATION COMMITTEE

Sun Ho (*Chairman*)
Chow Siu Lui
Chan Ka Leong
Yuen Kit Ming Fanny

CORPORATE GOVERNANCE COMMITTEE

Sun Ho (*Chairman*)
Lee Wai Yan Vivian

RISK MANAGEMENT AND INTERNAL CONTROL COMMITTEE

Sun Ho (*Chairman*)
Chen Ji
Lee Wai Yan Vivian
Hu Taoye

AUDITOR

PricewaterhouseCoopers
Certified Public Accountants
22/F, Prince's Building
Central
Hong Kong

SHARE REGISTRAR IN BERMUDA

Conyers Corporate Services
(Bermuda) Limited
Clarendon House
2 Church Street
Hamilton HM11
Bermuda

BRANCH SHARE REGISTRAR IN HONG KONG

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

STOCK CODE

8279

WEBSITE

<http://www.agtech.com>



DEFINITIONS

In this report, unless the context otherwise requires, the following words and expressions shall have the following meanings when used herein:

"2014 Share Option Scheme"	the share option scheme of the Company adopted on December 23, 2014
"2024 Share Option Scheme"	the share option scheme of the Company adopted on September 9, 2024
"Ali Fortune"	Ali Fortune Investment Holding Limited, a company incorporated in the British Virgin Islands and the controlling shareholder of the Company
"Alibaba China"	阿里巴巴（中國）網絡技術有限公司 (Alibaba (China) Technology Co., Ltd.*), a company established in the PRC with limited liability and an indirect wholly-owned subsidiary of Alibaba Holding
"Alibaba Cloud"	阿里雲計算有限公司 (Alibaba Cloud Computing Ltd.*) is a company established in the PRC with limited liability and a consolidated entity of Alibaba Holding
"Alibaba Group"	Alibaba Holding and its subsidiaries
"Alibaba Holding"	Alibaba Group Holding Limited, a company incorporated in the Cayman Islands, with its American depository shares, each representing eight ordinary shares, listed on the New York Stock Exchange (Stock Symbol: BABA) and its ordinary shares listed on the Main Board of the Stock Exchange (Stock Code: 9988 (HKD Counter) and 89988 (RMB Counter))
"Alipay"	支付寶（中國）網絡技術有限公司 (Alipay.com Co., Ltd.*), a company established in the PRC and a wholly-owned subsidiary of Ant Holdco
"Alipay Entities"	Alipay, Alipay Singapore and Ant Bank (Macao)
"Alipay Entities Group"	the Alipay Entities together with their respective direct and indirect subsidiaries from time to time
"Alipay Singapore"	Alipay Singapore Holding Pte. Ltd., a company incorporated in Singapore and an indirect wholly-owned subsidiary of Ant Holdco
"Alipay+ Solution" or "Alipay+"	a suite of global cross-border digital payment and marketing solutions launched by Ant Group



DEFINITIONS

"AMCM"	Autoridade Monetária de Macau (the Monetary Authority of Macao)
"AML/CFT"	Anti-Money Laundering and Combating the Financing of Terrorism
"Ant Bank (Macao)"	Ant Bank (Macao) Limited, a company incorporated under the laws of Macau with limited liability and an indirect non-wholly owned subsidiary of the Company as at the date of this report
"Ant Group"	Ant Holdco and its subsidiaries
"Ant Holdco"	螞蟻科技集團股份有限公司 (Ant Group Co., Ltd.), a company organized under the laws of the PRC
"Ant International (Cayman)"	Ant International (Cayman) Holding Limited, a company incorporated in the Cayman Islands
"Ant International Technologies"	Ant International Technologies (Hong Kong) Holding Limited, a company incorporated under the laws of Hong Kong with limited liability and an indirect wholly-owned subsidiary of Ant International (Cayman)
"Beijing AGTech"	北京亞博科技有限公司 (Beijing AGTech Co., Ltd*), a company established in the PRC with limited liability and a wholly-owned subsidiary of the Company
"Board"	the board of Directors
"Bye-law(s)"	the bye-law(s) of the Company
"Caixiaoer"	北京彩小二科技有限公司 (Beijing Caixiaoer Technology Co., Ltd.*), a company established in the PRC with limited liability and a consolidated subsidiary of the Company
"CEO"	chief executive officer
"CLM"	世紀星彩企業管理有限公司 (China Lottery Management Co., Ltd*), a company established in the PRC with limited liability and an indirect wholly-owned subsidiary of the Company
"Company" or "AGTech"	AGTech Holdings Limited, a company incorporated in Bermuda with limited liability, the issued Shares of which are listed on GEM



DEFINITIONS

"Director(s)"	the director(s) of the Company
"E-Wallet(s)"	the e-wallets operated by the Alipay Entities from time to time, including but not limited to, the "Alipay" e-wallet, the "AlipayHK" e-wallet, Ant Bank (Macao)'s "Alipay (Macao)" e-wallet and Alipay+ Solution partners' e-wallets (e.g. Kakao Pay from South Korea, GCash from the Philippines, Touch'n Go from Malaysia and TrueMoney from Thailand)
"ESG"	environmental, social and governance
"GEM"	GEM operated by the Stock Exchange
"GEM Listing Rules"	the Rules Governing the Listing of Securities on GEM of the Stock Exchange
"Group"	the Company and its subsidiaries
"HK\$"	Hong Kong dollars, the lawful currency of Hong Kong
"Hong Kong" or "HK"	the Hong Kong Special Administrative Region of the PRC
"India"	The Republic of India
"Macao" and "Macao"	the Macao Special Administrative Region of the PRC
"Macau Pass"	Macau Pass S.A., a company incorporated under the laws of Macau and an indirect wholly-owned subsidiary of the Company
"MOF"	the Ministry of Finance of China
"MOP"	Macau patacas, the lawful currency of Macau
"MPay"	the e-wallet operated by Macau Pass
"PRC" or "China"	the People's Republic of China which, for the purpose of this report, refers to Chinese Mainland only



DEFINITIONS

“province(s)”	province(s), municipality(ies) and autonomous region(s) of the PRC unless otherwise specified, and “provincial” shall be construed accordingly
“RMB”	Renminbi, the lawful currency of the PRC
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Shanghai Caicai”	上海菜菜超市有限公司 (Shanghai Caicai Supermarket Co. Ltd.*), a company established in the PRC with limited liability and an indirect wholly-owned subsidiary of Alibaba Holding
“Share(s)”	ordinary share(s) of HK\$0.002 each in the share capital of the Company
“Share Award Scheme”	the share award scheme of the Company adopted on March 17, 2017
“Shareholder(s)”	holder(s) of the Share(s)
“Silvercreek”	深圳市銀溪數碼技術有限公司 (Shenzhen Silvercreek Digital Technology Co., Ltd.*), a company established in the PRC with limited liability and a consolidated subsidiary of the Company
“SME(s)”	small and medium-sized enterprises
“Sports Lottery”	the national sports lottery of China
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“treasury shares”	bears the same meaning ascribed thereto in the GEM Listing Rules
“US\$”	United States dollars, the lawful currency of the United States of America
“Welfare Lottery”	the national welfare lottery of China



DEFINITIONS

"ZCLM"	浙江世紀星彩企業管理有限公司 (Zhejiang Century Star Lottery Enterprise Management Limited*), a company established in the PRC with limited liability and an indirect wholly-owned subsidiary of the Company
"%"	per cent

Notes:

1. In this report, the exchange rates of HK\$1.0794 to RMB1.00, INR1 to HK\$0.090 and MOP1 to HK\$0.9709 have been used for reference only.
 2. The English translation of the Chinese company names in this report are included for reference only and should not be regarded as the official English translation of such Chinese company names.
 3. In the event of any inconsistency, the English text of this report shall prevail over the Chinese text.
- * For identification purposes only

CORPORATE PROFILE

ABOUT THE GROUP

AGTech was incorporated in Bermuda and its Shares are listed on GEM (Stock Code: 8279). The Company is included as a constituent stock in the MSCI World Micro Cap Index.

As a comprehensive financial technology group dedicated to providing digital banking, digital payment, and other related services to a wide range of users, AGTech's core businesses are broadly divided into four principal categories:

- (i) Digital Banking Services:
 - (a) digital banking services for individuals and SMEs (including deposits, loans, transfers and cross-border remittances, cross-border e-commerce/supply chain financing, wealth management, etc.);
 - (b) internet securities investment services;
 - (c) insurance agency services;
- (ii) Digital Payment Services:
 - (a) payment card services and ancillary services;
 - (b) e-wallet services;
 - (c) acquiring services for merchants;
 - (d) payment-related hardware supply (including sales and leasing);
- (iii) Local Consumer Services: lifestyle, culture and entertainment, marketing technical services and e-commerce; and
- (iv) Lottery Services:
 - (a) lottery hardware sales;
 - (b) lottery offline distribution, and other integrated services

As a member of the Alibaba Group, the Group is the exclusive lottery platform of Alibaba Group and Ant Group. AGTech is an associate member of the World Lottery Association (WLA) and the Asia Pacific Lottery Association (APLA).



CORPORATE STRATEGY AND OBJECTIVES

AGTech is committed to becoming a leading global comprehensive financial technology group, providing customers with diversified services including digital banking services, digital payment services, digital local consumer services and lottery services to cater for the needs of different markets.

Leveraging its experience with online and mobile shopping and payment platforms, the Group aims to integrate its core strengths into digital payment and digital consumer services across Macau and beyond. By broadening its reach into complementary sectors (including banking, e-commerce, lifestyle, entertainment, advertising and marketing technical services), the Group seeks to promote mobile payments, support smart city development, and advance financial digitization. Its expansion into banking services aims to create synergies with existing businesses by connecting ecosystem resources from Alibaba Group and Ant Group to meet the consumption and financing needs of residents and SMEs.

Looking ahead, AGTech will continue to expand its business footprint and deepen its scenario-based service capabilities. With the rapid advancement of fintech in the Web 3.0 era, the Group will leverage Macau's unique advantages as a free port with an independent monetary system and an open environment for financial innovation. By harnessing innovative technologies such as the integrated digital lifestyle and financial platform, cross-border fintech, and blockchain,

AGTech will collaborate with ecosystem partners to drive breakthrough developments in blockchain-based finance in the Guangdong-Hong Kong-Macao Greater Bay Area. Together, we aim to pioneer a new chapter in innovative financial services powered by cutting-edge technology.

AGTech's philosophy is founded
on five core values:
"FORTUNE", "HEALTH", "HAPPINESS",
"LUCK" and "RESPONSIBILITY".
Together they form the color scheme
of our logo.





CORPORATE PROFILE

CORPORATE VALUES

HEALTH

We are committed to promoting the well-being of our customers, employees and communities. We endeavor to support the healthy development of the financial industry and initiatives that enhance the physical, mental, and financial health of our stakeholders.

FORTUNE

We are dedicated to creating prosperity and financial success for our customers, employees and communities. We provide innovative and secure financial solutions that empower individuals and businesses to achieve their financial goals and build a brighter future. We strive to foster a culture of growth, opportunity, and well-being for all our stakeholders, ensuring that everyone can share in the fortune we create together.

HAPPINESS

We believe that financial well-being is closely tied to overall happiness. We strive to build a thriving digital financial ecosystem where everyone can flourish, finding joy and convenience in their financial journey and lifestyle. Additionally, we actively promote a culture of positivity, support and well-being within our organization.

RESPONSIBILITY

We are committed to upholding the highest standards of integrity, transparency, and accountability in our operations. Our dedication to responsible banking and financial services ensures that we prioritize the financial well-being of our customers, safeguard their assets, and provide innovative solutions that meet their needs. By fostering a culture of responsibility, we not only build trust with our stakeholders but also contribute to the stability and growth of the digital financial ecosystem in Macau.

LUCK

Luck is more than just a chance – it's an opportunity we create for our customers and communities. Through our payment and e-commerce platforms, we bring excitement and joy to everyday transactions with lucky draws, sales promotions, and exclusive discounts, fostering a sense of community and engagement. We are dedicated to ensuring that our customers always have something to look forward to, making their payment and shopping experiences rewarding and enjoyable.



CORPORATE PROFILE

EXCELLENT TEAM

Having recognized that talents are assets to our Company, AGTech possesses talented employees who are experienced in our industries and other professional areas. We provide employees with a good working environment, competitive salaries and extensive platforms for them to showcase their capabilities. We will continue to provide our incentive schemes to stimulate employees' initiative and creativity.

Currently, AGTech has around 368 employees with qualifications in digital banking and financial services, digital payment services, lottery, information technology ("IT") and other specialized fields. With such a strong team, it enables AGTech to build a solid business foundation and to achieve breakthroughs in the future.

HAPPINESS



We believe that financial well-being is closely tied to overall happiness. We strive to build a thriving digital financial ecosystem where everyone can flourish, finding joy and convenience in their financial journey and lifestyle. Additionally, we actively promote a culture of positivity, support and well-being within our organization.



CHAIRMAN'S STATEMENT

Dear Shareholders,

I am pleased to present to the Shareholders the annual report for the year ended March 31, 2025.

During the year under review, we remained committed to our strategic development direction of financial technology, driving the transformation and development of the Group's business through the construction of a more comprehensive digital business ecosystem.

In September 2024, we completed the attainment of the controlling stake in Ant Bank (Macao), completing a key strategic acquisition in the Asia-Pacific region in the financial services sector and the broader digital economy. This has enabled us to comprehensively build a digital business ecosystem comprising digital banking, digital payments, and digitalised local consumer services. Ant Bank (Macao) is a digital bank holding a full banking licence in Macau. By providing safe and efficient digital financial services to Macau residents and small and medium-sized enterprises (SMEs), it promotes inclusive finance for the benefit of the general public. During the year under review, our product and service offerings underwent a comprehensive upgrade, integrating the entire business chain from deposits, loans, wealth management to investment, while maintaining capital adequacy ratio at industry-leading level. As of March 31, 2025, the total number of customers for our digital banking business doubled compared to the end of the previous financial year. Customer growth also drove a significant increase in deposit volume, with total deposits for the year ended March 31, 2025 growing by approximately 280% compared to the end of the previous financial year.

During the year under review, we continued to build a one-stop digital lifestyle and financial services platform, strengthen the payment ecosystem in Macau, expand cross-border payment connections, empower Mainland-bound consumption, and promote the upgrading of local digital lifestyle services.

- Currently, our MPay e-wallet has approximately 1.5 million registered users. It is not only one of the most widely used electronic payment tools in Macau but also a comprehensive digital lifestyle service platform integrating diverse scenarios such as dining, transportation, tourism, entertainment, shopping, and finance, making it a "Super App".
- We have observed a strong demand for cross-border payments in our operations. Therefore, MPay has continuously expanded its cross-border payment capabilities, now supporting nearly 60 countries and regions, providing convenience for users' overseas travel. During the year under review, the number of MPay users who have used cross-border payment services increased by approximately 148%.
- Against the backdrop of accelerated integration in the Greater Bay Area, residents within the region travelling to and from Chinese Mainland have become a new consumer trend. Therefore, we launched the MPay Cross-border Zone in August 2024, which now integrates approximately 70 commonly used mini-apps in the Chinese Mainland, such as Amap Ride-Hailing, Meituan Takeout, Luckin Coffee, and Heytea, to facilitate travel, dining and consumption for Macau residents travelling in the Chinese Mainland.



CHAIRMAN'S STATEMENT

- Macau Pass' acquiring service is one of the primary payment acceptance tools for local merchants in Macau. To facilitate overseas tourists' consumption in Macau, Macau Pass's acquiring services also accepts payments from tourists from over 10 overseas countries and regions using their home country's e-wallets, enabling local merchants to conduct business seamlessly while providing tourists with a convenient payment experience.

During the year under review, we continued to facilitate transportation connectivity within the Greater Bay Area. The cumulative amount of mCards in issuance has exceeded 5 million, supporting public transportation across Macau and nearly 30,000 local consumption points. The "Macau Pass – China T-Union mCard", launched in December 2024, has been further expanded to support public transportation in Hong Kong, Macau, and over 300 cities across the Chinese Mainland. However, we are well aware that this is just the beginning. Many cities across the country still need to be connected, and mCard has the potential to integrate with even more consumption scenarios in the future. A small card carries a big vision. Through mCard, we will strengthen the connectivity between Macau, the Greater Bay Area, and the Chinese Mainland, and help Macau better integrate into the broader national development.

Leveraging the MPay's vast user base and Macau Pass' extensive merchant network in Macau, we continue to enhance our role as a bridge for business services. Through digital platforms, we provide consumers with convenient and cost-effective service experiences, create incremental value for merchants, stimulate local consumer market vitality, and effectively promote the healthy development of the local commercial ecosystem. In early 2025, Macau Pass collaborated with Alipay and other companies to introduce "Alipay Tap!" service to over 1,000 merchants in Macau, activating new digital commerce and marketing scenarios and promoting the development of Macau's smart city initiatives. In the same quarter, Macau Pass entered into a strategic partnership with Huawei. Huawei Watch now supports MPay QR code payments in Macau. Subsequently, on the 20th anniversary of Macau Pass, its one-stop reward points redemption platform, mCoin, teamed up with Huawei to offer various discounts to users, leveraging the momentum of the debut economy to successfully boost sales of Huawei's new smart devices in Macau. In the future, we will also gradually expand our cooperation ecosystem and reshape the digital connection methods of local commerce through innovative models such as scenario-based marketing.

Based on the MPay one-stop digital lifestyle and financial services platform, we have built a diversified "ticketing+" service system to deeply empower Macau's cultural and tourism industry. In 2024, we entered into a marketing strategic partnership with 88VIP and Sands China to promote the integration of "tourism + sports"; at the end of the year, we also entered into a strategic partnership with the National Music Industry Park and Max Star Music Group to jointly promote the establishment and development of Macau as a "City of Performing Arts". As of March 31, 2025, through strategic partnerships, co-hosting events, and providing ticketing and cultural entertainment digital products and services, we supported over 200 large-scale performances and events in Macau, including large-scale concerts, domestic and international sports events, exhibitions, and theatrical productions. In 2025, Macau will host numerous internationally renowned cultural and tourism events, including the National Games (co-hosted by Guangdong, Hong Kong, and Macau). We look forward to fully leveraging our advantages in digital technology to provide comprehensive digital solutions for event ticketing, transportation, and related consumer services, with a view to showcasing Macau's tech-driven new identity to the world.



CHAIRMAN'S STATEMENT

We have successfully established a matured business model integrating “digital finance, digital payments, and digital lifestyle scenarios” in Macau. This innovative practice not only serves to helping residents and tourists, but also has the potential to expand into international markets. In 2024, we took a step in our technology expansion overseas by partnering with international partners, enabling more countries and regions to benefit from the Macau’s digital payment innovations.

Our lottery business department remains an integral part of AGTech. As the exclusive lottery platform for Alibaba Group and Ant Group, our lottery solutions have laid a solid foundation for creating synergies and enhancing the value of the lottery industry chain over the years. While promoting industrial development, AGTech always remembers to fulfill its social responsibilities. Through the upgrade of lottery hardware facilities and the innovation of software technology, we assist the China Sports Lottery Administration Center in expanding lottery sales outlets, actively enrich the types of offline lottery sales channels, and participate in the PRC lottery industry.

Based on Macau’s strategic positioning as “one center, one platform, one base”, we are facing unprecedented development opportunities. We will take full advantage of government policies to continuously improve the local digital ecosystem comprising digital finance, digital payments, and digitalized local consumer services. At the same time, we will deepen regional cooperation, focus on promoting payment interconnectivity in the Greater Bay Area, and strive to build a cross-border digital financial service system. We will also share our matured solutions through our “Payment+” strategy to create a benchmark for digital ecosystem expansion to overseas. We believe that through data sharing and resource integration across different business segments, we will not only achieve sustained growth in commercial value, but also contribute innovative strength to Macau’s moderate economic diversification and global digitalization.

Moreover, with the rapid advancement of fintech in the Web 3.0 era, the Group will leverage Macau’s unique advantages as a free port with an independent monetary system and an open environment for financial innovation. By harnessing innovative technologies such as the integrated digital lifestyle and financial platform, cross-border fintech, and blockchain, AGTech will collaborate with ecosystem partners to drive breakthrough developments in blockchain-based finance in the Guangdong-Hong Kong-Macao Greater Bay Area. Together, we aim to pioneer a new chapter in innovative financial services powered by cutting-edge technology. To accelerate this vision, we have established the “Macau Web 3.0 Think Tank” in partnership with global technology leaders, economists and policy experts. This initiative will drive blockchain finance policy research, establish RWA (real world assets) technical standards, and foster international collaboration networks. The Think Tank’s insights will directly support Macau’s Digital Deepwater Port Strategy while positioning itself as the intellectual engine for blockchain finance innovation in the Greater Bay Area.



CHAIRMAN'S STATEMENT

In the future, AGTech will strive to become a digital bridge connecting Macau with the world, showcasing the innovative achievements of Chinese fintech on the international stage.

Last but not least, I would like to sincerely thank our shareholders and partners for their invaluable support, and extend my heartfelt appreciation to our employees for their hard work and dedication. Together, let us join hands to embrace the challenges of the new era of the digital economy and strive for success!

Yours faithfully,

Sun Ho

Chairman & Chief Executive Officer

Hong Kong,
June 24, 2025

LUCK





Luck is more than just a chance – it's an opportunity we create for our customers and communities. Through our payment and e-commerce platforms, we bring excitement and joy to everyday transactions with lucky draws, sales promotions, and exclusive discounts, fostering a sense of community and engagement. We are dedicated to ensuring that our customers always have something to look forward to, making their payment and shopping experiences rewarding and enjoyable.



CORPORATE GOVERNANCE REPORT

CORPORATE GOVERNANCE PRACTICES

The Board is committed to maintaining high standards of corporate governance in order to uphold the transparency of the Group and safeguard interests of the Shareholders.

The Company has adopted the applicable code provisions in the Corporate Governance Code (the “**Code**”) as set out in Part 2 of Appendix C1 of the GEM Listing Rules. The Company has applied the principles of the Code in different respects, including but not limited to:

- the frequency and proper conduct of Board meetings;
- the well-balanced composition of the Board, with independent non-executive Directors representing not less than one-third of the total number of Directors;
- the proper procedures for appointment and re-election of Directors;
- the annual review of individual Directors’ contributions to the Group and the years of service of each independent non-executive Director;
- the establishment of an audit committee to review the financial reporting, risk management and internal controls of the Group and the enhanced communications between the audit committee and the external auditor of the Company twice a year through meetings held for the pre-audit planning and the annual results of the Group. The audit committee also met with the external auditor of the Company once without the presence of the other Directors during the year under review;
- the establishment of a remuneration committee to review the remuneration policy and other remuneration-related matters of the Group;
- the establishment of a nomination committee to formulate a policy concerning diversity in the Board and a nomination policy, make recommendations to the Board on any proposed appointment of Directors and assess the independence of the independent non-executive Directors on a regular basis;
- the establishment of a corporate governance committee to assist the Board in performing the corporate governance duties as required under the Code;
- the establishment of a risk management and internal control committee (“**RMICC**”) to assist the Board in discharging its ongoing responsibility to oversee the Group’s risk management and internal control systems;



CORPORATE GOVERNANCE REPORT

- the provision of briefing or training (costs to be borne by the Company) on the relevant requirements of the GEM Listing Rules (including the Code) and the SFO to all newly appointed Directors and to the entire Board;
- the provision of insurance coverage for Directors' liabilities;
- the timely supply of sufficient information to Directors for matters requiring their approval or opinions;
- the timely publication of the Company's announcements, circulars, annual and interim results and reports (collectively referred to as the "**Publications**") to keep the Shareholders informed of the latest business developments and financial performance of the Group;
- the holding of an annual general meeting each year to meet with the Shareholders and answer their enquiries; and
- the timely updating of the Company's official website with the latest Publications and the provision of a platform for communications with the Shareholders and investors through such website.

During the year under review, the Company complied with the Code except for the following deviations:

- (a) under code provision C.2.1 of the Code, the roles of chairman and chief executive should be separate and should not be performed by the same individual. The roles of chairman and CEO of the Company were performed by an executive Director, Mr. Sun Ho, during the year under review. The Company considered that the combination of the roles of chairman and CEO could effectively facilitate the formulation and implementation of the strategies of the Company. The Company considered that under the supervision of its Board and especially its independent non-executive Directors, a balancing mechanism existed so that the interests of the Shareholders were adequately and fairly represented. The Company considered that there was no imminent need to change the arrangement;



CORPORATE GOVERNANCE REPORT

- (b) under code provision B.2.2 of the Code, every Director should be subject to retirement by rotation at least once every three years. However, pursuant to the Bye-laws, the chairman of the Company shall not be subject to retirement by rotation or be taken into account in determining the number of Directors to retire in each year. During the year under review, the chairman of the Board was not subject to retirement by rotation as the Board considered that the continuity of the office of the chairman provided the Group with strong and consistent leadership and was of great importance to the smooth operations of the Group. The Company considered that the performance of the chairman was already under the supervision of the entire Board (especially the independent non-executive Directors), and checks and balances existed so that the interests of the Shareholders were adequately and fairly represented;
- (c) under code provision C.2.7 of the Code, the chairman of the Board should at least annually hold meetings with the independent non-executive Directors without the presence of other Directors. During the year under review, the chairman of the Board did not hold such kind of private meetings with the independent non-executive Directors. The chairman of the Board considered that it was unnecessary as it would be more transparent to let the independent non-executive Directors speak out their views to all other Directors in the full Board meetings which would be held multiple times each year. Besides, the chairman of the Board, being an executive Director himself, always welcomes all independent non-executive Directors to directly communicate with him via his email or phone to discuss any matters of the Company from time to time;
- (d) under code provision C.1.5 of the Code, each Director should disclose to the Company, among other things, an indication of the time involved by him/her in his/her offices held in other public companies or organisations and other significant commitments. During the year under review, no such disclosure was made by the Directors to the Company. As the Board had adopted a corporate governance practice that each Director's contributions to the Group would be reviewed and discussed at the Board meeting annually (the "**Annual Contributions Review**"), the Board considered that assessing the time spent by each Director on his/her commitments outside the Group was not necessary for the purposes of the Annual Contributions Review and that the disclosure of the time spent by a Director in performing his/her duties would not necessarily indicate accurately the efficiency of such Director and the effectiveness of his/her work, and may therefore be misleading;



CORPORATE GOVERNANCE REPORT

- (e) under code provision E.1.2(c) of the Code, the remuneration committee should review and recommend to the Board for approval of the specific remuneration packages of senior management. The remuneration committee of the Company had reviewed its scope of duties and considered that the delegated responsibility to review and recommend to the Board to approve the specific remuneration packages of senior management should be vested in the executive Directors who have a better understanding of the level of expertise, experience and performance expected of the senior management in the daily business operations. Notwithstanding the foregoing, the remuneration committee would continue to be primarily responsible for the review and recommendation of the remuneration packages of the Directors;
- (f) under code provision E.1.5 of the Code, the Company should disclose details of any remuneration payable to members of senior management by band in its annual report. The Company did not make such disclosure in its annual report as the Board considered that (i) the remuneration of any newly appointed “chief executive” (as defined under the GEM Listing Rules) would have already been disclosed in the announcement previously issued by the Company in respect of such appointment in accordance with GEM Listing Rule 17.50(2)(g); (ii) the five highest paid employees within the Group had already been disclosed in the notes to the consolidated financial statements of the Group in the annual report, and (iii) giving further details of remuneration for each and every senior management staff would result in particulars of excessive length and no additional value to the Shareholders, whilst at the same time may impair the flexibility of the Group in its negotiations of remuneration packages for senior management staff (especially those who are not Directors or chief executives of the Group and hence are not supposed to be subject to the aforesaid disclosure requirement under GEM Listing Rule 17.50(2)(g)) should it need to find replacement staff or recruit additional senior personnel in the future; and
- (g) under code provision F.1.1 of the Code, the Company should have a policy on payment of dividends and should disclose it in its annual report. The Company did not have such policy and did not make such disclosure in its annual report as the Board considered that it would be premature to decide on its dividend policy as the Company did not have any distributable reserves calculated under the laws of Bermuda, and even if the Company will have sufficient distributable reserves to pay its dividends in the future, the Board has yet to assess the funding requirements of the Group (for instance, its working capital needs and capital expenditure) at that time before the Company could decide on the amount of dividends or proportion of net profits that it would be in a position to distribute to the Shareholders.

The above deviations (a) to (g) were similarly disclosed on pages 66 to 68 of the Company's interim report for the six month ended September 30, 2024 and pages 25 to 27 of the Company's annual report for the fifteen months ended March 31, 2024.



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Temporary non-compliance event during the year under review:

Under code provision B(f) of Part 1 of the Code, the Company should disclose non-compliance with Rules 5.05(1) and (2), and 5.05A of the GEM Listing Rules. Following the resignation of the independent non-executive Directors, Mr. Feng Qing and Dr. Gao Jack Qunyao, and the appointment of the new independent non-executive Director, Mr. Chan Ka Leong, on May 3, 2024, the Company only had two independent non-executive Directors, and therefore fell below the requirements of Rules 5.05(1), 5.05A and 5.28 of the GEM Listing Rules for a short period from May 3, 2024 to May 13, 2024, which require the Company to have at least three independent non-executive Directors, that the independent non-executive Directors should represent at least one-third of the Board, and that the audit committee of the Company must comprise a minimum of 3 members. The Company subsequently appointed a third independent non-executive Director, Ms. Yuen Kit Ming Fanny, on May 14, 2024, and following such appointment, the Company has re-complied with the requirements under Rules 5.05(1), 5.05A and 5.28 of the GEM Listing Rules.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the required standard of dealings regarding securities transactions by Directors set out in Rules 5.48 to 5.67 of the GEM Listing Rules as its code of conduct for dealings in securities of the Company by the Directors (the “**Code of Conduct**”). The Company had made specific enquiry with all Directors and was not aware of any non-compliance with the required standard of dealings set out in the Code of Conduct during the year under review.

During the year under review, letters were sent to Directors before the commencement of the “black-out periods” in preparation for the annual and interim results announcements to remind them that they should not deal in the securities of the Company during such periods.

THE BOARD

Being the highest decision-making body of the Company, the Board is responsible for the Group's corporate policy formulation, strategic business planning, business development, risk management, material acquisitions, disposals and capital transactions, and other significant operational and financial matters. In addition, the Board is responsible for promoting the Group's desired culture and aligning it with the Group's purpose, values and strategies. Major corporate matters that are specifically delegated by the Board to the management include the preparation of annual and interim results for Board approval before publication, execution of business strategies and initiatives adopted by the Board, implementation of adequate systems of internal controls and risk management procedures, and compliance with relevant statutory requirements, rules and regulations.



CORPORATE GOVERNANCE REPORT

During the year under review and up to the date of this report, the members of the Board comprised:

Executive Directors:	Mr. Sun Ho (<i>Chairman</i>) Ms. Hu Taoye
Non-executive Directors:	Ms. Qin Yuehong Mr. Ji Gang Mr. Tung Peng Hung (<i>resigned on January 10, 2025</i>) Mr. Zou Liang (<i>retired on September 9, 2024</i>)
Independent non-executive Directors:	Mr. Chow Siu Lui Mr. Chan Ka Leong (<i>appointed on May 3, 2024</i>) Ms. Yuen Kit Ming Fanny (<i>appointed on May 14, 2024</i>) Mr. Feng Qing (<i>resigned on May 3, 2024</i>) Dr. Gao Jack Qun Yao (<i>resigned on May 3, 2024</i>)

In compliance with Rule 5.02D of the GEM Listing Rules which took effect on December 31, 2023, Mr. Chan Ka Leong and Ms. Yuen Kit Ming Fanny, who were appointed as independent non-executive Directors on May 3, 2024 and May 14, 2024 respectively, obtained the legal advice referred to in Rule 5.02D of the GEM Listing Rules on April 24, 2024 and May 14, 2024 respectively, and each of them has confirmed that he/she understood his/her obligations as a director of the Company.

An updated list of the Directors identifying their roles and functions and as to whether they are independent non-executive Directors is posted on the websites of the Company and of the Stock Exchange.

To the best of the Directors' knowledge, there are no financial, business, family or other material relationships among the members of the Board, except that Ms. Qin Yuehong and Mr. Tung Peng Hung (resigned on January 10, 2025) are employees of Alibaba Group, Mr. Ji Gang and Mr. Zou Liang (retired on September 9, 2024) are employees of Ant Group and Mr. Sun Ho is also the chairman of the board of directors of Ant Bank (Macao). During the year under review, except for the period from May 3, 2024 to May 13, 2024, there were at least three independent non-executive Directors (representing not less than one-third of the total number of Directors) and at least one of them (namely, Mr. Chow Siu Lui) possesses the appropriate professional qualifications or accounting or related financial management expertise as required under Rule 5.05(2) of the GEM Listing Rules.

The appointments of the Directors are subject to retirement by rotation once every three years and re-election in accordance with the Bye-laws at the Company's annual general meeting, except that the chairman of the Board is not subject to retirement by rotation, as the Board considers that the continuity of the office of the chairman provides the Group with strong and consistent leadership and is of great importance to the smooth operations of the Group. The service agreements for all the Directors are determinable by the Company within a year without payment of any compensation (other than statutory compensation).



CORPORATE GOVERNANCE REPORT

The Board meets multiple times each year (at approximately quarterly intervals) to review the financial and operating performance of the Group. The Directors participate in person or through electronic means of communication. At least 14 days' notice of all regular Board meetings is given to all Directors while reasonable notice is generally given for other Board meetings. An agenda together with supporting Board papers are sent to the Directors no less than three days before a Board meeting. All Directors are given an opportunity to include matters in the agenda for discussion. The company secretary assists the chairman in the preparation of the agenda for the meeting and ensures that all applicable rules and regulations regarding the meetings are observed. The company secretary records the proceedings of each Board meeting in minutes with details of the decisions reached, any concerns raised and dissenting views expressed. Drafts of Board meeting minutes are circulated to all Directors for comments and approval as soon as practicable after the meetings. All minutes are open for inspection at any reasonable time on request by any Director.

During the year under review, all members of the Board were provided with monthly updates on internal unaudited financial statements so as to give the Directors a balanced and comprehensible assessment of the Company's performance, financial position and prospects.

Respective responsibilities of Directors and auditor

The Board has the ultimate responsibility for the preparation of financial statements of the Group. For the year under review, the Board was not aware of any material uncertainties relating to events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern. Accordingly, the Board continued to adopt the going concern approach in preparing the financial statements for the year under review. The reporting responsibilities of the auditor of the Company for such financial statements are stated in the independent auditor's report on pages 172 to 176.

Policy for Directors to seek independent professional advice and assistance, and Directors' insurance

The Company has adopted a policy for Directors to seek independent professional advice and assistance. In performing his/her duties to the Company, a Director is authorized by the Board to obtain independent professional advice and assistance from external legal, accounting or other advisors (costs to be borne by the Company) if necessary. Such Director should lodge a written request with the company secretary, specifying the reasons why such professional advice and assistance are necessary. Upon the endorsement of the chairman of the Board, the company secretary shall then contact the appropriate professional party as soon as possible and pass its draft engagement letter (containing the expected scope of services and fee quotation) for the Director's review and comments before the Company signs such engagement letter. Directors' insurance is provided to the Directors in connection with the performance of their duties.



CORPORATE GOVERNANCE REPORT

Directors' work commitments outside of the Group

Directors are required to disclose in a timely manner to the company secretary regarding any change, the number and nature of offices held in public companies or organisations and other significant commitments, and the identity of such public companies or organisations. The Board decides to disclose such information in the Company's annual report each year in the biographies section of the Directors.

Promotion of strong governance and compliance culture across the Group

As role models of the Group, the Directors strive to promote a strong governance and compliance culture at all levels of the Group and align such culture with its purpose, values and strategies. To this end, the Board has taken the following measures to ensure that this culture will instil and continually reinforce across the Group values of acting lawfully, ethically and responsibly:

- (i) Strengthening governance linkages within the Group through common memberships between the Board and the major subsidiaries' boards;
- (ii) Appointment of senior executives of the Group to the major subsidiaries to ensure that the values and culture of the listed holding company will be adhered to by such subsidiaries, especially those that are newly acquired by the Company;
- (iii) Provision of training and briefing materials to new directors of the Company or its major subsidiaries to facilitate their understanding of the Group's business, relevant listing rules and their duties and obligations as a director;
- (iv) Internal audit department will conduct internal audit of principal operating subsidiaries of the Company by rotation and priority will be given to subsidiaries newly acquired by the Company;
- (v) Key governance policies are established for employees, such as:
 - Code of conduct for securities dealings;
 - Disclosure Policy for Inside Information;
 - Anti-Corruption Policy; and
 - Whistleblowing Policy.



CORPORATE GOVERNANCE REPORT

Directors' training

The Company provides newly appointed Directors with briefings on the businesses of the Group and training materials on corporate governance, directors' duties and responsibilities and other matters under the GEM Listing Rules and other relevant rules or regulations. The company secretary updates Directors on any changes to the GEM Listing Rules and other relevant rules and regulations.

Pursuant to code provision C.1.4 of the Code, all Directors should participate in continuous professional development to develop and refresh their knowledge and skills. This is to ensure that their contribution to the Board remains informed and relevant. During the year under review, all Directors participated in continuous professional development by studying materials on topics related to corporate governance, GEM Listing Rules and/or regulations, and/or attending or participating in in-house or external training, industry-specific seminars and conferences and provided their training records to the Company.

Directors	Type of training received
Executive Directors	
Mr. SUN Ho	A, B
Ms. HU Taoye	A, B
Non-executive Directors	
Ms. QIN Yuehong	A, B
Mr. JI Gang	A
Mr. TUNG Peng Hung (<i>resigned on January 10, 2025</i>)	A, B
Mr. ZOU Liang (<i>retired on September 9, 2024</i>)	A
Independent Non-executive Directors	
Mr. CHOW Siu Lui	A, B
Mr. CHAN Ka Leong (<i>appointed on May 3, 2024</i>)	A, B
Ms. YUEN Kit Ming Fanny (<i>appointed on May 14, 2024</i>)	A, B
Mr. FENG Qing (<i>resigned on May 3, 2024</i>)	A
Dr. GAO Jack Qunyao (<i>resigned on May 3, 2024</i>)	A, B

- A: studying materials on topics related to corporate governance, GEM Listing Rules and/or regulations
- B: attending or participating in in-house or external training, industry-specific seminars and conferences



CORPORATE GOVERNANCE REPORT

LINKAGE BETWEEN CORPORATE GOVERNANCE AND ENVIRONMENTAL, SOCIAL AND GOVERNANCE (“ESG”)

Corporate governance provides the framework within which the Board forms their decisions and build their businesses. The entire Board is focusing on creating long-term sustainable growth for Shareholders and delivering long-term values to all stakeholders. An effective corporate governance structure allows the Group to have a better understanding of, evaluate and manage, risks and opportunities (including environmental and social risks and opportunities). The ESG Reporting Guide set out in Appendix C2 to the GEM Listing Rules provides a framework for the Group to, among other things, identify and consider what environmental risks and social risks may be material to it. The Board is responsible for effective governance and oversight of it, as well as assessment and management of material environmental and social risks. The Company is required to disclose environmental and social matters in the ESG Report in accordance with the ESG Reporting Guide.

CHAIRMAN AND CHIEF EXECUTIVE

During the year under review, the roles of chairman and CEO of the Company were performed by the same individual, namely, the executive Director, Mr. Sun Ho. The Company considered that the combination of the roles of chairman and CEO could effectively formulate and implement the strategies of the Company. The Company considered that under the supervision of its Board and its independent non-executive Directors, a balancing mechanism existed so that the interests of the Shareholders were adequately and fairly represented. The Company considered that there was no imminent need to change the arrangement.

Apart from being responsible for the strategic planning, business development, management and monitoring of operational as well as financial performance of the Group, the role of the chairman also includes providing leadership for the Board. He is also the chairman of each of the nomination committee, the corporate governance committee and the RMICC of the Company and an authorized representative of the Company.

Furthermore, the chairman is responsible for ensuring that:

- other Directors are properly briefed on issues arising at Board meetings;
- Directors receive, in a timely manner, adequate information, which is accurate, clear, complete and reliable;
- the Board works effectively and performs its responsibilities;
- all key and appropriate issues are discussed by the Board in a timely manner;
- good corporate governance practices and procedures are established by the Group;



CORPORATE GOVERNANCE REPORT

- Directors make a full and active contribution to the Board's affairs and act in the best interests of the Company;
- different views and concerns of Directors are discussed with sufficient time at Board meetings before reaching any Board decisions which fairly reflect the consensus of the Board; and
- he himself attends the annual general meeting (and if not possible, assigns another Director to chair such meeting on his behalf), and other Directors are invited to attend all general meetings of the Company to enhance communications with the Shareholders and answer any queries that they may have in respect of the financial performance and other affairs of the Group.

The chairman approves the agenda for each Board meeting, which is prepared by the company secretary and has incorporated any matters proposed by other Directors for discussion.

NON-EXECUTIVE DIRECTORS

Each of Ms. Qin Yuehong, Mr. Tung Peng Hung (resigned on January 10, 2025), Mr. Ji Gang and Mr. Zou Liang (retired on September 9, 2024) was appointed as a non-executive Director by way of a letter of appointment for a fixed term of one year (with renewal option). Each of Mr. Chow Siu Lui, Mr. Chan Ka Leong (appointed on May 3, 2024) and Ms. Yuen Kit Ming Fanny (appointed on May 14, 2024) was appointed as independent non-executive Director by way of a service agreement for an initial term of one year (with renewal option) whereas each of Mr. Feng Qing (resigned on May 3, 2024) and Dr. Gao Jack Qunyao (resigned on May 3, 2024) was appointed by way of a service agreement on a two-year basis.

The Company has received from each of the existing independent non-executive Directors an annual confirmation of independence for himself/herself together with his/her respective "immediate family members" (as defined under Rule 20.10(1)(a) of the GEM Listing Rules). The Company considers that all independent non-executive Directors are independent. None of the independent non-executive Directors has served the Board for more than nine years. All independent non-executive Directors are clearly identified in all corporate communications of the Company that disclose the names of Directors.

For any proposal by the Board to elect a person as an independent non-executive Director at the general meeting of the Company, the reasons for such proposal and why the Board considers that person to be independent shall be set out in the circular to Shareholders and/or the explanatory statement accompanying the notice of the relevant general meeting.

Where a substantial Shareholder or a Director has a conflict of interest in a matter to be considered by the Board which the Board has determined to be material, the matter shall be dealt with by a physical Board meeting rather than a written resolution, and independent non-executive Directors who, and whose associates, have no material interest in the transaction shall be present in that meeting.



CORPORATE GOVERNANCE REPORT

MECHANISMS TO ENSURE BOARD INDEPENDENCE

The Company has mechanisms in place to ensure independent views and input are available to the Board which is critical to good corporate governance. The implementation and effectiveness of such mechanisms will be reviewed by the Board on an annual basis. Set out in the table below is a summary of such mechanisms and the findings of the annual review of them by the Board:

Board independence mechanisms	Findings of annual review by the Board
<p>(a) Standardized recruitment process for independent non-executive Directors (“INEDs”):</p> <ul style="list-style-type: none">Any member of the nomination committee is authorized to identify suitable candidates as INEDs and, if necessary, can engage recruitment agencies to help;The company secretary of the Company will conduct background check on the INED candidates including, but not limited to, their qualifications and the written confirmation of independence of them (together with their respective “immediate family members” as defined under Rule 20.10(1)(a) of the GEM Listing Rules);If the results of the background check are found to be satisfactory, the member of the nomination committee will propose the appointment of such candidates to the nomination committee for approval and recommendation to the Board for consideration;	<p>During the year ended March 31, 2025, Mr. Chan Ka Leong was appointed as independent non-executive Director on May 3, 2024 and Ms. Yuen Kit Ming Fanny was appointed as independent non-executive Director on May 14, 2024. Mr. Chan Ka Leong and Ms. Yuen Kit Ming Fanny were eligible for re-election at the annual general meeting of the Company held on September 9, 2024 (the “2024 AGM”). The process used for nominating Mr. Chan and Ms. Yuen for re-election as INEDs (which was in accordance with the recruitment process of the Group), the independence and time commitment of Mr. Chan and Ms. Yuen, the recommendation of the Board for their re-election and the reasons therefor were all duly set out in the relevant circular of the Company dated August 16, 2024 sent to the Shareholders for their information and consideration (the “2024 AGM Circular”).</p> <p>The INED, Mr. Chow Siu Lui, retired by rotation and was nominated for re-election at the 2024 AGM. The process used for nominating Mr. Chow for re-election as INED (which was in accordance with the recruitment process of the Group), the independence and time commitment of Mr. Chow, the recommendation of the Board for his re-election and the reasons therefor were all duly set out in the 2024 AGM Circular.</p>



CORPORATE GOVERNANCE REPORT

Board independence mechanisms

Findings of annual review by the Board

- In determining the suitability of the INED candidates, the nomination committee will consider various factors including but not limited to their qualifications, the potential time commitment that can be made by the candidates to the affairs of the Group and, in particular, whether they will be holding their seventh (or more) listed company directorship;
- For INEDs to be re-elected, the nomination committee will consider their past contributions and time commitment to the affairs of the Group and their tenure of services with the Company and, in particular, whether they have served the Board for more than nine years to impair their independence; and
- Any member of the nomination committee shall abstain from voting at the nomination committee meeting when his/her own nomination for re-election as Director or INED is being considered.



CORPORATE GOVERNANCE REPORT

Board independence mechanisms

(b) Number of INEDs and their time contribution

Findings of annual review by the Board

During the year under review, there were three INEDs (representing not less than one-third of the total number of Directors) at all times (except for the period from May 3, 2024 to May 13, 2024) and at least one of them (namely Mr. Chow Siu Lui) possesses the appropriate professional qualifications or accounting or related financial management expertise as required under Rule 5.05(2) of the GEM Listing Rules.

The attendance rates of Board or Board committees meetings and general meetings of the Company of each of the three INEDs during the year under review are as follows:

Mr. Chow Siu Lui:

- Board meetings: 100%
- Board committees meetings: 100%
- General meetings: 100%

Mr. Chan Ka Leong (appointed on May 3, 2024):

- Board meetings: 83%
- Board committees meetings: 100%
- General meetings: 100%

Ms. Yuen Kit Ming Fanny (appointed on May 14, 2024):

- Board meetings: 100%
- Board committees meetings: 100%
- General meetings: 100%

Mr. Feng Qing (resigned on May 3, 2024):

- Board meetings: 100%
- Board committees meetings: 100%
- General meetings: Not applicable

Dr. Gao Jack Qunyao (resigned on May 3, 2024):

- Board meetings: 100%
- Board committees meetings: 100%
- General meetings: Not applicable



CORPORATE GOVERNANCE REPORT

Board independence mechanisms

Findings of annual review by the Board

(c) Assessment or evaluation of INEDs' contribution

During the year under review, all the INEDs devoted sufficient time to the affairs of the Group and helped approve interim and annual results announcements and reports of the Group, amendments to the Bye-laws, amendments to the Share Award Scheme and adoption of the 2024 Share Option Scheme, various announcements on profit alert of the Group, continuing connected transactions for the Company, grants of award Shares under the Share Award Scheme, a discloseable and connected transaction and changes of non-executive Directors.

(d) Other channels where independent views are available

The Company has adopted a policy for all Directors (including the INEDs) to seek independent professional advice and assistance from external legal, accounting or other advisors (costs to be borne by the Company) to assist performance of their duties if necessary.

In view of the annual review findings of the Board independence mechanisms mentioned above, the Board considers that such mechanisms were properly implemented and remained effective for the year under review.



CORPORATE GOVERNANCE REPORT

BOARD COMMITTEES

The Board delegates its functions to various Board committees (including the remuneration committee, the nomination committee, the corporate governance committee, the audit committee and the RMICC) and the management of the Group. The Board however recognizes that delegating its functions and authorities to its committees and the management does not absolve its overall responsibility from the sound governance of the Company or from applying the required levels of skill, care and diligence in the performance of its duties as Directors.

Each of the aforementioned committees is provided with sufficient resources enabling it to discharge its duties, including but not limited to obtaining advice and assistance from internal or external legal, accounting or other advisors (costs to be borne by the Company) if necessary.

1. Remuneration committee

The remuneration committee was established on June 24, 2005. During the year under review, Mr. Chow Siu Lui, Mr. Chan Ka Leong (appointed on May 3, 2024), Ms. Yuen Kit Ming Fanny (appointed on May 14, 2024), Mr. Feng Qing (resigned on May 3, 2024) and Dr. Gao Jack Qunyao (resigned on May 3, 2024) (all of whom being independent non-executive Directors) were members of the remuneration committee. The chairman of the remuneration committee is Mr. Chow Siu Lui.

The remuneration committee is responsible for formulating and recommending to the Board the emolument policy of the Group and the remuneration packages of Directors, as well as reviewing and making recommendations on the Company's share option scheme, Share Award Scheme, bonus structure, benefits in kind, provident fund and compensation payments, including any compensation payable for loss or termination of office or appointment. The remuneration committee consults with the chairman and CEO on its proposal and recommendations, and adopts the execution model whereby the remuneration committee makes recommendations to the Board for approval.

The remuneration committee reviews and recommends to the Board for approval of the emoluments of the Directors. The executive Directors have reserved the authority to approve specific remuneration packages of senior management since the executive Directors have a better understanding of the level of expertise, experience and performance expected of the senior management in daily business operations.

The specific terms of reference of the remuneration committee are posted on the websites of the Company and of the Stock Exchange and are available to the Shareholders upon request.



CORPORATE GOVERNANCE REPORT

During the year under review, the remuneration committee held four meetings to consider, review and recommend to the Board the remuneration packages for the Directors, Mr. Sun Ho, Mr. Chan Ka Leong and Ms. Yuen Kit Ming Fanny as well as the grant of award Shares to Mr. Sun Ho and other employees of the Company.

Directors' remuneration policy and other remuneration related matters

The remuneration committee reviews and recommends to the Board for approval of the remuneration of the Directors, having regard to the Group's operating results, individual performance, time commitment and responsibilities, and comparable market remuneration packages for executive and non-executive directors of listed issuers in Hong Kong. The remuneration packages for Directors comprise directors' fees and/or salaries, discretionary bonus, share options or award Shares that may be granted from time to time under the share option scheme of the Company or the Share Award Scheme respectively, contributory provident fund, social security fund, medical benefits and training.

The Group's general remuneration policies for employees are formulated on the basis of performance and experience of individual employees and are in line with local market practices. In addition to salary, the Group also offers to its employees other fringe benefits including year-end bonus, discretionary bonus, share options or award Shares that may be granted from time to time under the share option scheme of the Company or the Share Award Scheme respectively, contributory provident fund, social security fund, medical benefits and training.



CORPORATE GOVERNANCE REPORT

2. **Nomination committee**

The nomination committee was established on June 24, 2005. During the year under review, Mr. Sun Ho, Mr. Chow Siu Lui, Mr. Chan Ka Leong (appointed on May 3, 2024), Ms. Yuen Kit Ming Fanny (appointed on May 14, 2024), Mr. Feng Qing (resigned on May 3, 2024) and Dr. Gao Jack Qunyao (resigned on May 3, 2024) were members of the nomination committee. The chairman of the nomination committee is Mr. Sun Ho, an executive Director. Except for Mr. Sun Ho, all members of the nomination committee are/were independent non-executive Directors.

The nomination committee is responsible for formulating nomination policy and making recommendations to the Board on nomination and appointment of Directors and Board succession. The nomination committee will also develop selection procedures for nomination of candidates, review the size, structure and composition of the Board, as well as assess the compliance with the Board diversity policy. The nomination committee will also assess independence of the independent non-executive Directors and check whether any of them has served the Board for more than nine years, thus requiring separate Shareholders' approval for his/her further appointment.

The specific terms of reference of the nomination committee are posted on the websites of the Company and of the Stock Exchange and are available to the Shareholders upon request.

During the year under review, two meetings of the nomination committee were held whereby the number of years of service of the three independent non-executive Directors had been reviewed and none of them had served the Board for more than nine years. The independence of all the independent non-executive Directors was also reviewed and confirmed during such meeting. Besides, the nomination policy and the Board diversity policy (which together cover the structure, size and composition, including age, gender, independence, skills, knowledge and experience, of the Board) were reviewed on an annual basis and were considered to be relevant to the needs of the Company and able to reflect both the current regulatory requirements and good corporate governance practice. Accordingly, no changes to the aforesaid policies were considered necessary for the year under review. The nomination of the new Directors, Mr. Chan Ka Leong and Ms. Yuen Kit Ming Fanny, were also considered and recommended by the nomination committee to the Board for approval during the year under review.



CORPORATE GOVERNANCE REPORT

Nomination policy

(a) Objective

The nomination policy of the Company aims to set out the procedures for appointing new or re-electing Directors to ensure that the Board has a balance of skills, experience and diversity of perspectives appropriate to the requirements of the Group's business, and that such Directors shall devote sufficient time and make contributions to the Group that are commensurate with their roles and Board responsibilities.

(b) Identification of candidates

Any member of the nomination committee is authorized to identify suitable candidates for the position of Director when there is a vacancy or an additional Director is considered necessary. Where necessary, the nomination committee can engage recruitment agencies to help search for suitable candidates. Once suitable candidates are identified, the member of the nomination committee will inform the company secretary of the Company to conduct background check on the candidates (including, but not limited to, obtaining copies of their identification documents, credentials to verify information and qualifications stated in their curriculum vitae, written confirmation of information required to be disclosed under Rule 17.50(2) of the GEM Listing Rules, and (for the appointment/re-election of independent non-executive Directors) written confirmation of independence for the candidates or the independent non-executive Directors to be re-elected (together with their respective "immediate family members" as defined under Rule 20.10(1)(a) of the GEM Listing Rules) pursuant to Rule 5.09 of the GEM Listing Rules). If the results of the background check are found to be satisfactory, the member of the nomination committee will propose the appointment of such candidates to the nomination committee for approval and recommendation to the Board for consideration.



CORPORATE GOVERNANCE REPORT

(c) **Criteria for determining suitability of candidates or Directors to be re-elected**

The nomination committee will consider the following factors in determining the suitability of the candidates or Directors to be re-elected to the Group:

- the qualifications, skills, experience and background of the candidates or the Directors to be re-elected;
- (for the appointment of new Directors) potential time commitment that can be made by the candidates to the affairs of the Group;
- how the candidates or Directors to be re-elected will contribute to the diversity of the Board in accordance with the Board diversity policy of the Company (as set out in the section headed “Diversity” below);
- (for the appointment/re-election of independent non-executive Directors) independence of the candidates or the independent non-executive Directors to be re-elected as required under the GEM Listing Rules;
- (for the re-election of independent non-executive Directors) tenure of services of the independent non-executive Directors to be re-elected, and in particular, whether they have served the Board for more than nine years;
- (for the re-election of Directors) past contributions and time commitment to the affairs of the Group; and
- (for the re-election of Directors) those incumbent Directors who have been longest in office since their last re-election or appointment within the last three years will be selected for retirement by rotation and re-election with priority (for the purpose of compliance with the Code and bye-law 84 of the Bye-laws).

(d) **Approval of appointment and re-election**

The candidates or Directors (to be re-elected) approved by the nomination committee will then be proposed to the entire Board for final approval and, where appropriate, for recommendation to the Shareholders for their approval at the annual general meeting of the Company.

Any member of the nomination committee shall abstain from voting at the nomination committee meeting when his/her own nomination for re-election as Director is being considered.



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(e) **Annual review and disclosure**

The nomination committee will continuously monitor the implementation of its nomination policy and review it on an annual basis to ensure that it remains relevant to the needs of the Company and reflects both the current regulatory requirements and good corporate governance practice.

The Board will make the relevant disclosure in respect of the Company's nomination policy in the Corporate Governance Report contained in the annual report of the Company in compliance with the requirements of the GEM Listing Rules (in particular, Appendix C1 of the GEM Listing Rules).

3. Corporate governance committee

The Company established a corporate governance committee on March 23, 2012 with its specific terms of reference posted on the websites of the Company and of the Stock Exchange and available to the Shareholders upon request. The corporate governance committee is to assist the Board in performing the corporate governance duties as required under the Code. The corporate governance committee comprises two members, namely, the chairman of the Board and an executive Director, Mr. Sun Ho (as chairman of such committee), and the company secretary of the Company, Ms. Lee Wai Yan Vivian.

The corporate governance committee is responsible for reviewing and monitoring the adequacy of the corporate governance guidelines of the Company and for recommending any proposed changes to the Board for approval. The corporate governance committee also reviews and monitors the training and continuous professional development of Directors and senior management of the Company, the Company's policies and practices on compliance with legal and regulatory requirements, the code of conduct applicable to employees of the Group and the Directors, and the Company's compliance with the Code and disclosure in this Corporate Governance Report and the ESG Report of the Company. Additionally, the corporate governance committee approves policies (including ESG-related or carbon reduction policies) and internal control systems to be monitored by the RMICC.

During the year under review, the corporate governance committee held one meeting to discuss various documents published by the Stock Exchange, including:

(i) the Review of Issuers' Annual Report Disclosure – Report 2023; (ii) Review of Proposed Amendments to Listing Rules Relating to Treasury Shares; and (iii) Review of Corporate Governance Code and Related Listing Rules.

During the year under review, the board diversity policy of the Company was reviewed by the Board and the nomination committee instead of the corporate governance committee.



CORPORATE GOVERNANCE REPORT

4. Audit committee

The Company has established an audit committee with its specific terms of reference posted on the websites of the Company and the Stock Exchange and available to the Shareholders upon request. The primary duties of the audit committee are to review and supervise the financial reporting process as well as the risk management and internal control systems of the Group, consider the appointment or reappointment of the auditor and provide advice and comments on the Group's draft annual and interim results and reports to the Board.

During the year under review, the independent non-executive Directors, Mr. Chow Siu Lui, Mr. Chan Ka Leong (appointed on May 3, 2024), Ms. Yuen Kit Ming Fanny (appointed on May 14, 2024), Mr. Feng Qing (resigned on May 3, 2024) and Dr. Gao Jack Qunyao (resigned on May 3, 2024), were members of the audit committee. The chairman of the audit committee is Mr. Chow Siu Lui.

The audit committee held three meetings for the financial year ended March 31, 2025. During the year under review, the audit committee reviewed the Group's draft interim and annual results, and the committee was of the opinion that the preparation of such results complied with the applicable accounting standards and requirements and that adequate disclosures had been made. The audit committee also attended two meetings during the year under review with the external auditor of the Company, PricewaterhouseCoopers ("PwC"), to discuss the audit for the financial statements of the Group for the fifteen months ended March 31, 2024 and the audit strategy of the Group for the year ended March 31, 2025 respectively.

As mentioned below, the RMICC of the Company has confirmed with the Board via the audit committee that the risk management and internal control systems (including the internal audit functions) of the Group were effective and adequate, and that the Group's processes for financial reporting and GEM Listing Rules compliance were effective. The audit committee, having discussed with PwC regarding its findings about the internal control of the Group during its annual audit and having considered the various financial, operational and compliance internal control policies and/or procedures of the Group in place (together with the work performed by the internal audit department of the Group during the year under review), concurred with the findings of the RMICC.



CORPORATE GOVERNANCE REPORT

5. Risk management (“RM”) and internal control (“IC”) committee (“RMICC”)

The RMICC has been established by the Board with effect from January 1, 2016. During the year under review, the Board delegated to the RMICC the responsibilities for implementation of the RM and IC systems and reviewing of all relevant financial, operational, compliance controls, the adequacy of resources, staff qualifications and experience, training programmes and budget of the Group’s accounting, internal audit and financial reporting functions as well as those relating to the Company’s ESG performance and reporting.

The specific terms of reference of the RMICC are posted on the websites of the Company and of the Stock Exchange and are available to the Shareholders upon request. The primary duties of the RMICC are to assist the Board in (i) deciding the Group’s risk level and risk appetite; (ii) considering the Group’s risk management strategies and giving directions where appropriate; (iii) reviewing and monitoring the RM and IC systems of the Group, including ESG systems; and (iv) providing advice on the RM and IC systems and reporting any findings (including any deficiencies, failures or risks noted) to the Board via the audit committee of the Company.

The RMICC comprises at least three members as follows:

- the chief executive officer of the Company (currently being Mr. Sun Ho, an executive Director) who shall act as the chairman of the RMICC;
- the chief financial officer/head of accounting department of the Group (currently being Mr. Chen Ji), and/or the company secretary of the Company (currently being Ms. Lee Wai Yan Vivian), who (or who together) shall be responsible for monitoring the overall RM and IC functions of the Group on an ongoing basis; and
- the head of internal audit department of the Group, who shall be responsible for carrying out internal audit on different operating units of the Group by rotation on an ongoing basis.



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The terms of reference of the RMICC together with its proposed acceptance levels of certain risk areas that may affect the Group were discussed and approved by the Board. Such terms of reference set out the responsibilities of the RMICC for monitoring the RM and IC functions of the Group, and the actual work performed by the RMICC is outlined as follows:

(a) RM functions

The RM functions were delegated to the chief financial officer/head of accounting department and/or the company secretary of the Company. The RMICC had identified various risk areas that may affect the Group (including operational, budgeting, liquidity, foreign exchange or treasury, credit and legal regulatory compliance, network security or political risks) and formulated the acceptance levels of such risks if arisen. Such identified risk areas, their corresponding acceptance levels and the proposed scope of work of RMICC members had been tabled to the Board for approval in advance. The identified areas of risks, together with ESG risks, were reviewed and monitored on a monthly basis by the RMICC. Any deviation from the acceptance levels of risks pre-approved by the Board must be reported by the RMICC as soon as practicable to the Board via the audit committee.

No material ESG risks associated with the Group's businesses have been identified by the RMICC in that:

- (i) the Group does not run any factories but outsources the manufacturing functions to selected high-quality suppliers/subcontractors with environmental protection certification; and
- (ii) unlike companies which supply consumer goods, food or beverages, the Group is principally engaged in digital banking services, digital payment services, local consumer services and lottery services. Accordingly, the Group does not anticipate any material risks of health and safety to the public arising from its products and services.



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(b) IC functions

The monitoring of the IC system of the Group was delegated to the chief financial officer/head of accounting department and/or the company secretary of the Company who had ensured, on an ongoing basis, that various financial, operational and compliance internal control policies and/or procedures in place were adhered to.

The Group has always attached great importance to the review and revision of IC policies and related processes, and has maintained a high frequency of such work to ensure that the internal control construction can continuously and dynamically support business development and new business scenarios. During the year under review, the Group revised a total of 20 important IC policies, covering important operational aspects of all major business segments.

In addition, the Group continues to promote the online management of important business processes to help improve the efficiency and effectiveness of internal control. During the year under review, the Group has also added and optimized more than 20 office automation system processes.

In addition to policy revision and review, we also emphasize on training and promotion of IC policies and awareness. During the year under review, the Group also conducted several IC training sessions for its employees, covering areas such as anti-money laundering, procurement management, and data security.

At the same time, all newly revised IC policies are supplemented by email notifications and promotion to all staff and all IC policies are uploaded to the Group's IC system platform for daily review by staff, and the process management department also provides daily process consultation services to employees.



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(c) Internal audit functions

As part of the overall IC system, the Group has internal audit functions in place which were delegated to the internal audit department of the Group.

During the year under review, the Group's internal audit department initiated various internal audit projects on the Macau digital payment business segment and the banking business segment of the Group, including but not limited to audit projects on the mCard business, Macau Pass' point-of-sale terminal management, anti-money laundering and counter-terrorist financing risk management, credit risk management, technology and cybersecurity risk, independent reviews of capital adequacy assessments, related party transaction compliance, etc.

At the same time, the internal audit department of the Group also engaged independent third-party audit institutions in accordance with regulatory requirements and professional needs to conduct independent assessment audits on the digital banking system, the PC version of the corporate online banking system, and the SWIFT customer security controls of the banking business, with a view to conducting a more comprehensive IC review of the risks of the corresponding business segments.

Macau Pass and Ant Bank (Macao) have also established internal audit job positions and risk management committees at the subsidiary level, which regularly report on internal audit activities to the respective audit committees and boards of directors at the subsidiary level.

The head of internal audit of the Group reports on internal audit work to the RMICC on a half-yearly basis. The RMICC shall report the findings (including any deficiencies, failures or risks noted) of the RM and IC (including the internal audit and ESG-related matters) monitoring to the Board via the audit committee at least twice a year or as and when any material deficiency, failure or risk is noted.

The RMICC held two meetings for the year ended March 31, 2025. During the year under review, the RMICC reviewed and assessed RM and IC systems of the Group on a half-yearly basis. During the year under review, no significant risks (including ESG risks) or significant internal control deficiencies or failures had been noted by the RMICC which reported the findings accordingly to the Board via the audit committee. The RMICC also confirmed with the Board via the audit committee that the RM and IC systems (including the internal audit functions) of the Group were effective and adequate, and that the Group's processes for financial and ESG reporting and GEM Listing Rules compliance were effective.



CORPORATE GOVERNANCE REPORT

RISK MANAGEMENT AND INTERNAL CONTROL

The Board is responsible for evaluating and determining the nature and extent of the risks it is willing to take in achieving the Group's strategic objectives, ensuring that the Group establishes and maintains appropriate and effective RM and IC systems, and reviewing the effectiveness of such systems. The RM and IC systems of the Group aim to provide reasonable, though not absolute, assurance against material misstatement or loss and to manage rather than eliminate risks of failure to achieve business objectives.

In order to enhance the RM and IC systems of the Group, various measures were taken by the Group which included, but not limited to, the following:

- (i) the Group has established the internal audit department to carry out internal audit functions as described in the section headed "5. Risk management and internal control committee" in this Corporate Governance Report;
- (ii) the RMICC was established with effect from January 1, 2016 to assist the Board in performing various RM and IC functions;
- (iii) the risk management and internal control committee of Macau Pass was established with effect from December 13, 2023 to assist the board of directors of Macau Pass in performing risk management and internal control functions;
- (iv) the risk management committee of Ant Bank (Macao) was established with effect from May 10, 2019 to assist the board of directors of Ant Bank (Macao) in managing material banking risks and internal controls;
- (v) a whistle-blowing arrangement by way of a designated email account was implemented to give all staff of the Group an opportunity to raise, in confidence, concerns about any possible improprieties in financial reporting, RM, IC, plans and ideas about the Group to the Group's internal audit department and the audit committee for further investigation, if required;
- (vi) with effect from February 2022, a whistle-blowing arrangement was also implemented by means of adding a new section on the Company's official website titled "Integrity Compliance" to allow its employees and those who deal with the Group (e.g. customers and suppliers) to raise concerns, in confidence and anonymity, or to report on the matter(s). Such reports will be channeled to and reviewed by the Group's internal audit department which shall report to the audit committee for further investigation, if required;



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- (vii) an “Anti-corruption Policy” was adopted by the Group as disclosed in the paragraph titled “Business Ethics and Anti-Corruption” in the section “TRUST BUILDING” in the Company’s ESG Report 2024/25. Internal controls of the Group in respect of anti-corruption are in place which comprise the following measures:
- the offering of gifts, entertainment, hospitality, free travel and accommodation to government officials or business partners has to be endorsed by the senior management of the Group who shall observe specific policies in place governing these matters;
 - the accounting department of the Group will check payments and receipts of money and require valid supporting documents and proper records in order to identify and prevent possible bribery, extortion, fraud and money laundering activities engaged by any employee or member of the Group;
 - the whistle-blowing arrangements as mentioned in (v) and (vi) above can be used by all staff of the Group to raise, in confidence, concerns about any possible corruption activities to the Group’s internal audit department and the audit committee for further investigation, if required;
 - the Group actively provides anti-corruption related training to its Directors and staff, which covers the purposes behind its anti-corruption policy, the regulatory requirements, the requirements of the Group’s anti-corruption policy and related processes, the whistle-blowing channels for reporting corruption and the protection policy for whistle-blowers;
- (viii) an ESG Task Force, comprising members from the social responsibility department, internal audit department, finance department, legal and compliance department, and human resources and administration department, was established in 2025 to assist the RMICC in identifying climate-related risks and opportunities facing the Group, proposing strategies to manage these risks (along with sustainability metrics and targets) to RMICC, and implementing ESG-related actions and carbon reduction initiatives; and
- (ix) a “Disclosure Policy” was adopted by the Company, providing a general guide to directors, officers, senior management and relevant employees of the Group in the handling of inside information and/or monitoring of information disclosure pursuant to the relevant rules and regulations.



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The Board has conducted, on an annual basis, a review of the effectiveness of the RM system and the IC system (including the internal audit functions) of the Group for the year under review. Both the RM and IC systems (including the internal audit functions) of the Group were found to be effective and adequate, and no material deficiencies, failures or risks were identified in respect of such systems for the year under review and the last annual review by the Board.

The Board's annual review also confirmed that the Group's processes for financial and ESG reporting and GEM Listing Rules compliance were effective.

In its annual review of the effectiveness of the RM and IC systems (including the internal audit functions) of the Group, the Board has considered the following factors:

- terms of reference, delegation of duties (i.e. scope of work) and acceptance levels of risks of the RMICC that have previously been tabled to the Board for approval;
- the extent and frequency of the reporting duties of the RMICC to the Board via the audit committee;
- the RMICC has been empowered under its terms of reference to have access to adequate resources, enabling it to discharge its duties, including but not limited to obtaining advice and assistance from internal or external legal, accounting or other advisors (costs to be borne by the Company) if necessary;
- members of the RMICC have the necessary qualifications, experience and competence to carry out their duties;
- training is obtained by, or will be (upon request) made available to, members of the RMICC, and that new accounting staff will be provided with training by the internal audit department of the Group;
- previous findings reported by the RMICC to the Board via the audit committee;
- the confirmation provided by the RMICC to the audit committee that the RM and IC systems (including the internal audit functions) of the Group were effective and adequate, and that the Group's processes for financial and ESG reporting and GEM Listing Rules compliance were effective; and
- the discussion with the external auditor of the Company, PwC, that no significant internal control deficiencies were identified by it during its annual audit of the Group.

In the event that any material deficiency, failure or risk is reported by the RMICC to the Board via the audit committee, the Board should convene a physical Board meeting to consider ways to rectify the deficiency or failure, or to mitigate the risk or adverse impact, and decide whether any announcement of inside information to inform the Shareholders is necessary.



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As mentioned above, the handling of inside information by Directors and other staff of the Group and/or monitoring of information disclosure pursuant to the SFO and the GEM Listing Rules are governed by the “Disclosure Policy” adopted by the Company, whereby:

- the Company adopts an upward reporting approach for identifying and escalating any potential inside information to the Board;
- employees of the Company shall bring any potential inside information promptly to the attention of their immediate superiors or the heads of business units or departments as appropriate;
- heads of business units or departments should promptly ascertain the facts and gather all relevant details reported by the staff and notify and escalate the details of any potential proposal, transaction or business development which may give rise to disclosure obligations to the head of legal and compliance department or to the chief financial officer (for financial or accounting related matters) to verify and assess such details reported. After identifying any potential inside information, the head of legal and compliance department or the chief financial officer should notify the CEO and the company secretary;
- the CEO, with the assistance of the company secretary if necessary, shall seek professional advice (where appropriate) and report to the Board or its delegate(s) and provide them with adequate details for review and assessment of the likely impact of such proposal, transaction or business development and ascertain whether it constitutes inside information or is subject to disclosure in order to avoid a false market of the Shares;
- the Board or its delegate(s) should review all relevant details and factors and decide whether disclosure is required and approve the relevant announcement and any further actions where applicable;
- inside information should be disseminated via the electronic publication system operated by the Stock Exchange before the information is released via other channels, such as the media or posting on the Company's official website;



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- all Directors and employees are made aware of the “Disclosure Policy” and their obligations to maintain the confidentiality of any confidential information of the Group;
- no employee is permitted to disclose, discuss or share any confidential information about the Group with outside parties without the Company’s prior approval;
- all Directors and employees are absolutely prohibited to deal or procure another person to deal in any securities of the Company when they possess any unpublished inside information; and
- any breach of the above obligations and professional conduct may result in internal disciplinary actions and where applicable, personal sanctions (civil or criminal) under applicable laws and regulations.

AUDITOR’S REMUNERATION AND AUDITOR RELATED MATTERS

PwC was appointed as the auditor of the Company in December 2016. There was no change of auditors of the Company in the preceding three years. A resolution for the re-appointment of PwC as auditor of the Company will be proposed at the forthcoming annual general meeting of the Company. The Board concurred with the views of the audit committee in determining the re-appointment of the auditor of the Company.

Remuneration to PwC in respect of its audit and audit-related services amounted to HK\$3,146,000 and HK\$154,000 respectively for the year ended March 31, 2025. No non-audit services were provided by PwC to the Group for the year under review.

DIVERSITY

Board diversity

During the year under review, compliance with the policy concerning diversity of Board members (the “**Diversity Policy**”) was reviewed and assessed with reference to the Board composition and measurable objectives.

Summary of the Diversity Policy

(i) Purpose

The Diversity Policy sets out the approach to diversity of Board members.

(ii) Scope of application

The Diversity Policy applies to the Board. It does not apply to diversity in relation to employees of the Group.



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(iii) Policy statement

The Company recognizes and embraces the benefits of building a diverse Board to prevent biased decision-making when its members are homogenous. The Board believes that diversity at Board level is important to achieve and maintain a sustainable development and a competitive advantage for the Company.

The Board believes all Board appointments should be made on meritocracy having due regard to a range of diversity elements, including (but not limited to) gender, age, nationality (or substantially different regional identities within Chinese nationality), tenure of service with the Company ("**Tenure**"), presence of a substantial percentage of non-executive Directors on the Board to safeguard minority Shareholders' interests and/or to exert checks and balances on the executive Directors ("**Directorship Designation**") and at least one Director having directorship experience with other public company(ies) to keep the Board abreast of the current practices of other listed companies ("**Other Public Company Directorship Experience**"). These elements are considered to be complementary to the Board as a whole to enhance its quality and effectiveness of performance in a continuously balanced manner from time to time.

(iv) Measureable objectives

Measurable objectives set for implementing the Diversity Policy include gender, age, nationality (or substantially different regional identities within Chinese nationality), Tenure, Directorship Designation and Other Public Company Directorship Experience.

(v) Monitoring and reporting

Whether the measurable objectives of the Diversity Policy have been achieved annually will be reviewed and monitored by the Board. The Corporate Governance Report contained in the annual report of the Company each year will also disclose a summary of the Diversity Policy, the measurable objectives set for implementing the Diversity Policy and the status of whether such measurable objectives have been achieved.

(vi) Review of the Diversity Policy

The Board will review on an annual basis the implementation and effectiveness of the Diversity Policy and will discuss, consider, and if thought fit, approve any revisions that may be required.

Having reviewed the Board composition and the measurable objectives (including gender, age, nationality (or substantially different regional identities within Chinese nationality), Tenure, Directorship Designation and Other Public Company Directorship Experience) chosen to assess the achievement of the Diversity Policy as of the date of this report as set out in the table below, the Board was of the view that the Board composition had achieved the measurable objectives and had complied with the Diversity Policy.



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Board composition of the Company (composed of seven Directors)					
		Number of Directors	Approximate percentage	Measurable objectives	Achieved
Gender	Male	4	57.14%	Both genders present to ensure different views from different genders are considered	✓
	Female	3	42.86%		
Age (Years)	40-49	3	42.86%	Age spans over at least a decade to ensure a balanced mix of conservative and ambitious experience from relatively sophisticated veteran and energetic young Directors	✓
	50-69	4	57.14%		
Nationality (or substantially different regional identities within Chinese nationality)	Chinese Mainland	3	42.86%	More than a single nationality or substantially different regional identities within Chinese nationality (e.g. Chinese Mainland, Hong Kong SAR, Macau SAR) to ensure diverse perspectives shaped by varied cultural, legal, and international exposure are considered	✓
	Hong Kong SAR	3	42.86%		
	Macau SAR	1	14.28%		
Tenure (Number of years)	below 3	3	42.86%	Different tenures of Directors' service contracts to ensure the consistency of business strategies implemented by the veteran Directors being complemented by new ideas from relatively new Directors	✓
	3-6	2	28.57%		
	7 or above	2	28.57%		
Directorship Designation	Executive Directors	2	28.57%	Presence of substantial percentage of non-executive Directors to ensure interests of minority Shareholders and the Company as a whole are considered and/or to exert checks and balances on the executive Directors	✓
	Non-executive Directors	2	28.57%		
	Independent non-executive Directors	3	42.86%		
Other Public Company Directorship Experience (Number of companies)	Nil	3	42.86%	At least one Director having directorship experience with other public companies to share directorship experience from other public companies and help the Board keep abreast of the current practices of other public companies	✓
	One	2	28.57%		
	Two or above	2	28.57%		



CORPORATE GOVERNANCE REPORT

Overall speaking, the Group has been complying with its Diversity Policy since it was implemented. Gender diversity has been one of the key measurable objectives of the Diversity Policy of the Company since such policy was in place, and the Company intends to maintain this measurable objective on an annual basis in the future. There has been at least one female Director on the Board since the Diversity Policy was implemented, and the Company will ensure that there will be at least one female Director at all times. To ensure that the Company shall continue to comply with gender diversity on its Board, the members of the nomination committee are welcome to nominate any potential female candidate from time to time to register for a standby list which the Board can quickly refer to whenever the Board needs to recruit a female Director to achieve gender diversity on its Board. Where applicable, instructions will also be given to recruitment agents to specifically search for female candidates to fill any vacancy on the Board.

Gender diversity across the workforce

While the Diversity Policy applies to the Board only, the Group also maintains gender diversity in relation to employees of the Group who are not Directors.

Total number of employees of the Group (excluding Directors) amounted to 368 as at March 31, 2025, comprising:

- (i) Male 217 (i.e. approximately 59%) (of which two (i.e. approximately 0.92%) are senior management personnel as disclosed in the section headed "BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT" in this annual report); and
- (ii) Female 151 (i.e. approximately 41%) (of which one (i.e. approximately 0.66%) is senior management personnel as disclosed in the section headed "BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT" in this annual report).

The Group does not have any specific plans or measurable objectives set for achieving gender diversity across the workforce (including senior management) as its recruitment policy has always been open to both genders. Under the recruitment process of the Group, a candidate will be appraised based on his/her qualifications, working experience, skills and competence rather than his/her gender. Artificially setting any specific ratio of male to female employees in the Group's workforce as a target in its recruitment policy will impair the Group's flexibility in recruiting talents and may even give rise to sex discrimination.



CORPORATE GOVERNANCE REPORT

MEETING ATTENDANCE

The individual attendance records of each Director at the meetings of the Board and its committees and at the general meetings of the Company during the year under review are set out in the following table:

	Number of meetings attended/held [#]						Annual General Meeting	Special General Meeting
		Audit	Remuneration	Nomination	Corporate			
	Board	Committee	Committee	Committee	Governance Committee	RMICC		
Executive Directors								
SUN Ho	7/7	N/A*	N/A*	2/2	1/1	2/2	1/1	1/1
HU Taoye	7/7	N/A*	N/A*	N/A*	N/A*	2/2	1/1	1/1
Non-executive Directors								
QIN Yuehong	7/7	N/A*	N/A*	N/A*	N/A*	N/A*	1/1	1/1
JI Gang	6/7	N/A*	N/A*	N/A*	N/A*	N/A*	1/1	1/1
TUNG Pen Hung (resigned on January 10, 2025)	7/7	N/A*	N/A*	N/A*	N/A*	N/A*	1/1	N/A
ZOU Liang (retired on September 9, 2024)	2/3	N/A*	N/A*	N/A*	N/A*	N/A*	1/1	N/A
Independent non-executive Directors								
CHOW Siu Lui	7/7	3/3	4/4	2/2	N/A*	N/A*	1/1	1/1
CHAN Ka Leong (appointed on May 3, 2024)	5/6	3/3	3/3	1/1	N/A*	N/A*	1/1	1/1
YUEN Kit Ming Fanny (appointed on May 14, 2024)	6/6	3/3	3/3	1/1	N/A*	N/A*	1/1	1/1
FENG Qing (resigned on May 3, 2024)	1/1	N/A	1/1	1/1	N/A*	N/A*	N/A	N/A
GAO Jack Qunyao (resigned on May 3, 2024)	1/1	N/A	1/1	1/1	N/A*	N/A*	N/A	N/A

* Not applicable, as these Directors were not members of the relevant Board committees.

the number of meetings held during the year under review where each Director was a member of the Board and/or the relevant Board committees



CORPORATE GOVERNANCE REPORT

COMPANY SECRETARY

The company secretary is responsible for facilitating the Board's process and communications among Board members and with the Shareholders and the management, and advising the Board and its committees on all corporate governance matters. The company secretary reports to the chairman of the Board and/or the CEO, and his/her selection, appointment or dismissal shall be a Board decision. During the year under review, Ms. Lee Wai Yan Vivian ("**Ms. Lee**") continued to be the company secretary, an authorized representative under Rule 5.24 of the GEM Listing Rules, an authorized representative to accept on behalf of the Company the service of process and notice in Hong Kong under the Companies Ordinance (Cap 622 of the laws of Hong Kong) and a member of each of the corporate governance committee and RMICC of the Company. Ms. Lee has joined the Group since October 23, 2020.

Ms. Lee is also the Legal & Compliance Director of the Company and joined Alibaba Group as a senior legal counsel in January 2019. She was a senior legal director at Fosun International Limited (Stock Code: 0656) from December 2015 to December 2018. She also worked at the Hong Kong office of various international law firms from 2008 to 2015. Ms. Lee obtained a Bachelor of Arts degree from the University of British Columbia (Canada) and a Graduate Diploma in Law (Common Professional Examination) and qualified to practice law in England and Wales. She was admitted as a solicitor of the High Court of Hong Kong in 2007 and is currently a member of the Law Society of Hong Kong.

The Directors have access to the advice and services of the company secretary to ensure that Board procedures and all applicable laws, rules and regulations are followed.

During the year under review, the company secretary, Ms. Lee, had undertaken not less than 15 hours of relevant professional training required under Rule 5.15 of the GEM Listing Rules. Ms. Lee has been a full-time employee of the Company since June 2022.



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SHAREHOLDERS ENGAGEMENT AND INVESTOR 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 the Shareholders and the investing public.

The Company has adopted a “Shareholder Communications Policy” to encourage and maintain timely and effective communications with the Shareholders through the following means:

- (i) The Directors shall host the annual general meeting of the Company each year to meet with the Shareholders and answer their enquiries. The chairpersons of the Board, corporate governance, risk management and internal control, audit, nomination and remuneration committees and the auditor of the Company shall attend the annual general meeting of the Company to answer questions from the Shareholders. The chairman of the independent Board committee (if any) should also be available to answer questions at any general meeting to approve a connected transaction or any other transaction that requires independent Shareholders’ approval. A separate resolution shall be proposed to be considered by the attending Shareholders in respect of each substantially separate issue, and voting on each resolution shall be conducted by way of a poll. The poll voting procedures shall be explained fully to Shareholders during the meeting. The Company’s branch share registrar shall be appointed as scrutineer to monitor and count the poll votes cast at the meeting. The announcement of the results of the poll which include the number of shares voted for and against each resolution shall be posted on the websites of the Stock Exchange and the Company respectively on the same day of the meeting.
- (ii) The Company shall update its Shareholders and the investors on the Group’s latest business developments and financial performance through announcements, circulars as well as annual and interim reports to be issued by the Company from time to time.



CORPORATE GOVERNANCE REPORT

- (iii) The corporate website of the Company shall serve as an effective communication platform to the investing public and the Shareholders, and the Company has posted the following documents to its website:
- list of Directors specifying their roles and functions;
 - the updated and consolidated version of its Bye-laws and memorandum of association;
 - the procedures for eligible Shareholders to propose a candidate for election as a Director;
 - the procedures for eligible Shareholders to convene a special general meeting or to put forward proposals at Shareholders' meetings;
 - the announcements, circulars as well as annual and interim reports, and ESG reports of the Company; and
 - terms of reference of the Company's Board committees, including audit, remuneration, nomination, corporate governance and risk management and internal control committees.
- (iv) Notice to the Shareholders in respect of the annual general meetings and other general meetings of the Company at which the passing of a special resolution is to be considered shall be sent by the Company at least 21 clear days before such meetings. All other general meetings may be called by not less than 14 clear days' notice before such meetings.
- (v) The Company's contact information can be found in its official website (<https://www.agtech.com/investors/investorscontact?lang=en>) and is as follows:
- Address: Unit 3912, 39/F, Tower Two, Times Square, Causeway Bay, Hong Kong
 - Telephone: (852) 2506 1668
 - Email: agtech@agtech.com



CORPORATE GOVERNANCE REPORT

Shareholders are welcome to make their enquires or communicate their views on matters affecting the Group through the above means or attend general meetings convened by the Company from time to time. When the Company receives any enquiry or views from a Shareholder or stakeholder via mail, email or telephone, the matter will be channeled to the head of Investor Relations Department and/or the company secretary of the Company to answer or handle. Generally, a response to the enquiry or views from the Shareholder or stakeholder will be made by the Company within 7 days, unless additional time is required for further investigation into the matter.

Alternatively, Shareholders or stakeholders are also welcome to directly communicate their enquiries or views with the Directors when they choose to attend annual or special general meetings convened by the Company. The Directors, company secretary and/or other professional advisers (if any) present at such meetings would be delighted to respond to their enquiries or views.

The implementation and effectiveness of the above-mentioned Shareholder Communications Policy are reviewed by the Board on an annual basis. For the year under review, the Board was of the view that such policy remained adequate and effective in that: (a) such policy has provided multiple channels of communications to cater for different preferences of the Shareholders or stakeholders, including the Company's official website to disseminate the latest information about the Group (e.g. financial results and reports, ESG reports, announcements and circulars) to the Shareholders or stakeholders, correspondence and email addresses for them to communicate in writing, as well as telephone number and physical general meetings for them to communicate directly and verbally; (b) chairpersons of the Board and Board committees, company secretary and/or other professional advisers (if any) present at general meetings are available to answer questions raised by the Shareholders; and (c) designated officers (i.e. the head of Investor Relations Department and the company secretary) of the Company will be responsible for responding promptly to the enquiries or views from the Shareholders or stakeholders.

The Company's principal share registrar and transfer agent in Bermuda is Conyers Corporate Services (Bermuda) Limited at Clarendon House, 2 Church Street, Hamilton HM11, Bermuda. Share registration matters shall be handled for the Shareholders by the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong.



CORPORATE GOVERNANCE REPORT

AMENDMENTS TO THE BYE-LAWS

During the year under review, the Bye-laws were amended to, inter alia, (i) update and bring the Bye-laws in line with the latest GEM Listing Rules requirements, in relation to the expanded paperless listing regime and the dissemination of corporate communications by listed issuers to shareholders by way of electronic means or by making all of their corporate communications available on their websites and the Stock Exchange's website, which took effect from December 31, 2023, and (ii) clarify and reinstate the power of the Company to purchase or otherwise acquire its own Shares (including its redeemable Shares) for cancellation or to be held as treasury shares in view of the recent amendments to the GEM Listing Rules relating to treasury shares which took effect from June 11, 2024. The aforesaid amendments to the Bye-laws were approved by the Shareholders by way of a special resolution at the annual general meeting of the Company held on September 9, 2024. Further details of the amendments to the Bye-laws are disclosed in the circular of the Company dated August 16, 2024.

Save as disclosed above, during the year under review, there were no changes in the constitutional documents of the Company.



CORPORATE GOVERNANCE REPORT

SHAREHOLDERS' RIGHTS

(A) Shareholders to convene a special general meeting or to put forward proposals at Shareholders' meetings

In accordance with bye-law 58 of the Bye-laws, Shareholders holding (at the date of deposit of the requisition) not less than one tenth of the paid-up capital of the Company carrying the right of voting at general meetings of the Company shall at all times have the right, by written requisition to the Board or the company secretary of the Company, to require a special general meeting to be called by the Board to consider any proposed resolution specified in such requisition and add resolutions to such meeting agenda (the "**Proposal**"); 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 requisitionists themselves may do so in accordance with the provisions of Section 74(3) of the Companies Act 1981 of Bermuda.

Under bye-law 59 of the Bye-laws, a special general meeting of the Company shall be called by written notice of not less than fourteen (14) clear days to the Shareholders. However, a special general meeting may be called by shorter notice if permitted by the GEM Listing Rules and it is so agreed by a majority in number of the Shareholders having the right to attend and vote at the meeting, being a majority together representing not less than ninety-five per cent. (95%) of the total voting rights at that meeting of all the Shareholders.

The aforesaid written notice shall specify (a) the time and date of the meeting, (b) save for an electronic meeting, the place of the meeting and if there is more than one meeting location as determined by the Board pursuant to bye-law 64A, the principal place of the meeting, (c) if the general meeting is to be a hybrid meeting or an electronic meeting, the notice shall include a statement to that effect and with details of the electronic facilities for attendance and participation by electronic means at the meeting or where such details will be made available by the Company prior to the meeting, and (d) particulars of resolutions to be considered at the meeting.

A circular containing the background and details of the Proposal and the aforesaid written notice should also be sent to the Shareholders, Directors and the auditor of the Company.



CORPORATE GOVERNANCE REPORT

Eligible Shareholders who wish to requisition for the convening of a special general meeting should sign the written requisition and send the same to the company secretary of the Company, at Unit 3912, 39th Floor, Tower Two, Times Square, Causeway Bay, Hong Kong. In the written requisition, the requisitioner should state his/her contact details including telephone number and email address to facilitate the follow-up action by the company secretary.

(B) Shareholders sending enquiries to the Board

Shareholders may at any time send their enquiries to the Board in writing by contacting either the company secretary of the Company at Unit 3912, 39th Floor, Tower Two, Times Square, Causeway Bay, Hong Kong or through our Shareholders' hotline (852) 2506 1668, e-mail at agtech@agtech.com or directly by raising questions at the annual or special general meetings of the Company. Questions on the procedures for convening or putting forward proposals at the annual or special general meetings of the Company may also be put to the company secretary by the same means.

(C) Shareholders to propose a candidate for election as Director

In accordance with bye-law 58 of the Bye-laws, Shareholders holding (at the date of deposit of the requisition) not less than one tenth of the paid-up capital of the Company shall at all times have the right, by written requisition to the Board or the company secretary of the Company, to require a special general meeting to be called by the Board to consider the proposal of electing a candidate as Director as specified in such requisition (the "**Election Proposal**"); 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 requisitionists themselves may do so in accordance with the provisions of Section 74(3) of the Companies Act 1981 of Bermuda.

Under bye-law 59 of the Bye-laws, the special general meeting for the Election Proposal shall be called by written notice of not less than fourteen (14) clear days to the Shareholders. However, a general meeting may be called by shorter notice if permitted by the GEM Listing Rules and it is so agreed by a majority in number of the Shareholders having the right to attend and vote at the meeting, being a majority together representing not less than ninety-five per cent. (95%) of the total voting rights at that meeting of all the Shareholders.

The written notice shall specify the time and place of the meeting, full name(s) of the person(s) to be proposed as Director(s) and his/her/their respective proposed designation on the Board (i.e. whether such proposed person(s) is/are to be designated as executive, non-executive or independent non-executive Director(s)), with each nomination to be considered as a separate ordinary resolution in the meeting.



CORPORATE GOVERNANCE REPORT

A circular should also be sent, together with the aforesaid written notice, to the Shareholders, Directors and the auditor of the Company containing the background and details of the Election Proposal (including biographical details of the person(s) proposed to be elected as Director(s) and other information about him/her/them as required to be disclosed under GEM Listing Rules 17.50(2)).

Eligible Shareholders (other than the candidate(s) to be proposed for election as a Director) who wish to requisition for the convening of a special general meeting to consider the Election Proposal should sign the written requisition and send the same to the company secretary of the Company, at Unit 3912, 39/F, Tower Two, Times Square, Causeway Bay, Hong Kong. In the written requisition, the requisitionist should state his/her contact details including telephone number and email address to facilitate the follow-up action by the company secretary and enclose the following documents:

- (i) a written notice signed by the nominated candidate of the candidate's willingness to be appointed as Director;
- (ii) the candidate's personal information as required to be disclosed under GEM Listing Rule 17.50(2) and such other information as set out in the section headed "Required information of the candidate(s) nominated by Shareholders" below; and
- (iii) the candidate's written consent to the publication of his/her personal data by the Company.

The minimum length of the period during which the written requisition and the notice in (i) above are given shall be at least seven (7) days and (if the same are submitted after the despatch of the notice of the general meeting appointed for the Election Proposal) the period for lodgment of the same shall commence on the day after the despatch of the notice of the general meeting appointed for the Election Proposal and end no later than seven (7) days prior to the date of such general meeting.



CORPORATE GOVERNANCE REPORT

Required information of the candidate(s) nominated by Shareholders

In order to enable Shareholders to make an informed decision on their election of Directors, the above Election Proposal should be accompanied with the following information of the nominated candidate(s):

- a) full name and age;
- b) positions to be held with the Company and its subsidiaries (if any);
- c) experience including (i) other directorships held in the past three years in public companies of which the securities are listed on any securities market in Hong Kong and overseas, and (ii) other major appointments and professional qualifications;
- d) current employment and such other information (which may include business experience and academic qualifications) of which Shareholders should be aware of, pertaining to the ability or integrity of the candidate;
- e) length or proposed length of service with the Company;
- f) relationships with any Directors, senior management, substantial shareholders or controlling shareholders (as defined in the GEM Listing Rules) of the Company, or an appropriate negative statement;
- g) interests in the Shares within the meaning of Part XV of SFO, or an appropriate negative statement;
- h) a declaration made by the nominated candidate in respect of the information required to be disclosed pursuant to GEM Listing Rule 17.50(2)(h) to (w), or an appropriate negative statement to that effect where there is no information to be disclosed pursuant to any of such requirements nor are there any other matters relating to that nominated candidate's standing for election as a Director that should be brought to Shareholders' attention; and
- i) contact details of the nominated candidate.

The Shareholder proposing the candidate(s) will be required to read out aloud the proposed resolution(s) at the general meeting of the Company.

RESPONSIBILITY





We are committed to upholding the highest standards of integrity, transparency, and accountability in our operations. Our dedication to responsible banking and financial services ensures that we prioritize the financial well-being of our customers, safeguard their assets, and provide innovative solutions that meet their needs. By fostering a culture of responsibility, we not only build trust with our stakeholders but also contribute to the stability and growth of the digital financial ecosystem in Macau.



DISCUSSION AND ANALYSIS OF THE GROUP'S RESULTS AND BUSINESS

ABOUT THE GROUP

AGTech was incorporated in Bermuda and its Shares are listed on GEM (Stock Code: 8279). The Company is included as a constituent stock in the MSCI World Micro Cap Index. As a comprehensive financial technology group dedicated to providing digital banking, digital payment, and other related services to a wide range of users, AGTech's core businesses are broadly divided into four principal categories:

- (i) Digital Banking Services:
 - (a) digital banking services for individuals and SMEs (including deposits, loans, transfers and cross-border remittances, cross-border e-commerce/supply chain financing, wealth management, etc.);
 - (b) internet securities investment services;
 - (c) insurance agency services;
- (ii) Digital Payment Services:
 - (a) payment card services and ancillary services;
 - (b) e-wallet services;
 - (c) acquiring services for merchants;
 - (d) payment-related hardware supply (including sales and leasing);
- (iii) Local Consumer Services: lifestyle, culture and entertainment, marketing technical services and e-commerce; and
- (iv) Lottery Services:
 - (a) lottery hardware sales;
 - (b) lottery offline distribution, and other integrated services.

As a member of the Alibaba Group, the Group is the exclusive lottery platform of Alibaba Group and Ant Group. AGTech is an associate member of the World Lottery Association (WLA) and the Asia Pacific Lottery Association (APLA).



DISCUSSION AND ANALYSIS OF THE GROUP'S RESULTS AND BUSINESS

The Group's businesses in Macau have gradually evolved into a digital ecosystem (as outlined in the diagram below) that integrates digital banking services, digital payment services, and local consumer services.





DISCUSSION AND ANALYSIS OF THE GROUP'S RESULTS AND BUSINESS

CORPORATE STRATEGY AND OBJECTIVES

AGTech is committed to becoming a leading global comprehensive financial technology group, providing customers with diversified services including digital banking services, digital payment services, local consumer services and lottery services to cater for the needs of different markets.

Leveraging its experience with online and mobile shopping and payment platforms, the Group aims to integrate its core strengths into digital payment and digital consumer services across Macau and beyond. By broadening its reach into complementary sectors (including banking, e-commerce, lifestyle, entertainment, advertising and marketing technical services), the Group seeks to promote mobile payments, support smart city development, and advance financial digitization. Its expansion into banking services aims to create synergies with existing businesses by connecting ecosystem resources from Alibaba Group and Ant Group to meet the consumption and financing needs of residents and SMEs.

Looking ahead, AGTech will continue to expand its business footprint and deepen its scenario-based service capabilities. With the rapid advancement of fintech in the Web 3.0 era, the Group will leverage Macau's unique advantages as a free port with an independent monetary system and an open environment for financial innovation. By harnessing innovative technologies such as the integrated digital lifestyle and financial platform, cross-border fintech, and blockchain, AGTech will collaborate with ecosystem partners to drive breakthrough developments in blockchain-based finance in the Guangdong-Hong Kong-Macao Greater Bay Area. Together, we aim to pioneer a new chapter in innovative financial services powered by cutting-edge technology.

INDUSTRY OVERVIEW

Macau's Banking Industry

The Macao SAR Government has identified the modern financial sector as one of the key industries to accelerate the diversification, sustainability, and high-quality development of Macau's economy, while emphasising the importance of accelerating the development of the modern financial sector. Backed by national policy support, Macau's financial infrastructure system is becoming increasingly robust.

According to the latest statistics published by AMCM, as of March 2025, the total asset size of Macau's banking sector reached approximately MOP2.4 trillion. In 2024, the banking sector's recorded a profit of MOP4.01 billion, representing a year-on-year decrease of 21.3%, primarily due to a decline in net interest income and narrowing interest rate margins. Overall, the capital adequacy ratio and liquidity ratio of the banking sector, two key indicators, remain above the statutory regulatory requirements, demonstrating a highly stable performance.



DISCUSSION AND ANALYSIS OF THE GROUP'S RESULTS AND BUSINESS

Looking ahead, the Macau financial industry may focus on promoting cross-border capital flows and financial market connectivity, advancing the development of financial infrastructure in various Greater Bay Area cities, particularly the integration of payment and custody systems, and increasing the application of fintech in cross-border scenarios to enhance the performance of financial services in supporting the real economy of the Greater Bay Area. It is anticipated that Macau will leverage its institutional advantages, draw on the strong economic hinterland of the Chinese Mainland, align with international financial market rules, and establish an efficient, secure, and convenient platform for the seamless flow of funds both domestically and internationally, thereby fostering the two-way cross-border circulation of capital and emerging as a new growth driver for Macau's economy.

Macau's Digital Payment Market

The digital payment market in Macau is currently undergoing a new phase of development, transitioning from quantity to quality. According to statistics from the AMCM, in 2024, digital payment/mobile payment transactions in terms of volume and value both reached new highs, with transaction volume increasing by 17.9% year-on-year to 354.7 million, and total transaction value rising by 7.8% to MOP30.3 billion. As of the end of 2024, the number of mobile payment terminals and QR code signs in Macau reached 108,905, representing a year-on-year increase of 6.6%.

The vibrant growth of Macau's electronic payment market can be attributed to multiple factors. **First, it is driven by policy initiatives.** The government successively launched multiple rounds of electronic consumption benefits plan to vigorously stimulate the local economy during the COVID-19 pandemic. In the first half of 2024, the "Weekend Consumption Rewards in Northern District" (周末北區消費大獎賞) campaign was launched, with a consumption contribution rate of 5 times; the "Citywide Consumption Rewards" (全城消費大獎賞) campaign, a large-scale consumption promotion activity launched in late September 2024, generated approximately MOP270 million in consumption across the city within the first four weeks, with a contribution rate of 5.3 times. The latest "Community Consumption Grand Prize" (社區消費大獎賞), a large-scale consumption promotion activity launched in March 2025, generated approximately MOP115 million in consumption across the city within the first week. These activities, while stimulating consumption, also further promoted the widespread adoption of local digital payments and digital lucky draws for discount vouchers.



DISCUSSION AND ANALYSIS OF THE GROUP'S RESULTS AND BUSINESS

Second, cross-border payments have become more convenient. In March 2024, the State Council issued the “Opinions on Further Optimising Payment Services to Facilitate Payments” (關於進一步優化支付服務提升支付便利性的意見). According to statistics as of October 2024, the number of offline transactions and transaction amounts involving foreign bank cards nationwide increased by 184% and 150%, respectively, compared to February of the same year, and continued to grow. The AMCM has also actively promoted local financial institutions to introduce more cross-border payment tools. Currently, most merchants in Macau can accept e-wallets from the Chinese Mainland, Hong Kong, South Korea, Singapore, Thailand, Malaysia, and other regions, as well as payment services from international card organisations.

Third, the payment ecosystem continues to innovate. New payment technologies such as Alipay Tap! and wearable payments have successively entered the Macau commercial market, driving digital payments to connect with more localised consumption scenarios and creating new digital business models.

Nevertheless, Macau's retail and catering sectors and our digital payment services continue to face challenges despite the recovery in tourist arrivals, in that: (i) the average spending per tourist has remained subdued, with many visitors opting for shorter stays and more budget-conscious consumption patterns; (ii) there has been increased competition in the digital payment market in Macau; and (iii) a growing number of Macau residents are choosing to spend their weekends and leisure time in nearby Greater Bay Area cities like Zhuhai, drawing consumption away from Macau.

In the future, it is expected that Macau's digital payment industry will no longer be merely an alternative tool but rather the core infrastructure driving digital economic innovation through scenario innovation, data empowerment, and ecosystem value enhancement.

Macau's Local Consumption Market

The widespread adoption of digital payments in Macau has laid a solid foundation for the development of local digital services. Residents have a higher acceptance rate for digital services, and digital consumption has become the new normal. According to the Survey on Information Technology Usage in the Household Sector for 2024 published by the Statistics and Census Service of the government of Macau, in 2024, the number of people shopping online in Macau reached 245,500, with strong demand for food delivery and fashion categories, reflecting consumers' digital consumption habits are increasingly established.



DISCUSSION AND ANALYSIS OF THE GROUP'S RESULTS AND BUSINESS

Meanwhile, Macau's core positioning as a "World Center of Tourism and Leisure" continues to deepen. The Macau SAR Government is actively implementing a "Tourism+" cross-industry integration strategy, introducing world-class sports events and entertainment performances to create a "City of Culture and Events". This has spawned an integrated consumption scenario of "daytime sightseeing + evening performances or sports events + cross-border shopping", driving the vigorous development of the consumption market. In 2024:

- Macau's tourism market continued its growth. The total number of inbound tourists reached 34.929 million, up 23.8% year-on-year, with total tourist spending amounting to MOP75.36 billion, an increase of 5.8% year-on-year. Per-capita spending of visitors was MOP2,157, down by 14.6% year-on-year.
- Macau's convention and exhibition economy achieved significant results, with 1,524 events held, generating approximately MOP5.48 billion in non-gaming revenue, marking substantial progress in industrial diversification.
- Breakthrough was achieved in regional coordinated development. Macau actively leveraged its strategic role as a hub in the Greater Bay Area, collaborating with Guangdong and Hong Kong to launch "one-stop, multi-destination" (一程多站) premium tours. Newly introduced facilitating measures in 2025 further optimized services for Hong Kong and Macau residents living in the Chinese Mainland, deepening integration of regional tourism resources.

In the future, Macau can pursue three key pathways – technological innovation, regional collaboration, and industry upgrading – to drive the development of the "Tourism+" strategy, and continue to enhance development quality and efficiency.

Lottery

There are two legal lottery operators in China: the Welfare Lottery and the Sports Lottery. According to data published by the MOF, in 2024, total lottery sales in China reached RMB623.486 billion, an increase of RMB43.790 billion compared to the previous year, representing a growth rate of 7.6%. Of this, the Welfare Lottery sold RMB207.956 billion worth of lottery tickets, an increase of RMB13.515 billion year-on-year, representing a growth rate of 7.0%; while the Sports Lottery sold RMB415.530 billion worth of lottery tickets, an increase of RMB30.275 billion year-on-year, representing a growth rate of 7.9%. This marks the first time that annual lottery sales revenue has exceeded RMB600 billion since China began selling lottery tickets in 1984. This growth not only reflects the public's enthusiasm for participating in lotteries but also demonstrates the continuous expansion of China's lottery market, providing more financial support for the development of social welfare causes.



DISCUSSION AND ANALYSIS OF THE GROUP'S RESULTS AND BUSINESS

BUSINESS REVIEW

Digital Banking Services

Ant Bank (Macao) is a digital bank holding a full banking licence in Macau, providing comprehensive financial services including cross-border remittances, payment, savings, loans, wealth management, insurance agency and securities investment to Macau residents and SMEs. In September 2024, AGTech increased its equity interest in Ant Bank (Macao) to approximately 51.5%, thereby completing an important strategic acquisition in the financial services sector in Macau and in the broader digital economy, and establishing specialised financial services characterised by inclusivity, convenience, and a seamless user experience.

During the year under review, we continued to refine our product portfolio around the core financial needs of Macau residents and SMEs, now offering specialised services such as multi-currency deposits, fixed and demand deposits, online credit loans for individuals, and trading of Hong Kong and US securities, thereby integrating the entire business chain from deposit, loans, wealth management to investment. With our innovative service model, customers can enjoy a comprehensive digital financial experience on a single platform, significantly improving service efficiency and customer satisfaction. As of March 31, 2025, our total number of customers doubled compared to the end of the previous financial year. Customer growth also drove a significant increase in deposit volume, with total deposits as at the end of current financial year growing by approximately 280% compared to the end of the previous financial year, demonstrating customer trust and business resilience.

In terms of risk management and security, we adhere to the principle of ensuring the safety and stability of banking operations, maintaining our capital adequacy ratio at industry-leading level, and safeguarding the security of our clients' funds and the stability of their businesses. Through a robust risk management system and strict internal control mechanisms, we ensure the steady operation of the bank.

Digital Payment Services

Macau Pass, an indirect wholly-owned subsidiary of the Company, is one of the leading digital payment service providers in Macau, principally engaged in contactless payment card and ancillary services, e-wallet services and acquiring services.



DISCUSSION AND ANALYSIS OF THE GROUP'S RESULTS AND BUSINESS

mCard

There are currently over 5 million mCards in issuance, supporting local public transportation and nearly 30,000 consumption points across Macau. The mCard now features a single-chip for dual-wallet, NFC recharge, and everyday contactless payments functionality, offering users greater convenience for top-ups and payments. On December 4, 2024, Macau Pass joined the China T-Union system, launching the "Macau Pass – China T-Union mCard", which is now usable on public transport in over 300 cities across Chinese Mainland covered by the China T-Union network. Following the "Macau Pass – China T-Union mCard", we have partnered with more cities to launch the "Lingnan Pass – Macau Pass China T-Union Card" and the "Shenzhen-Macau Intercity Card", advancing interoperability in the Greater Bay Area's transportation sector. Starting from March 22, 2025, the "Macau Pass – China T-Union mCard" will support use on Hong Kong MTR lines bearing the "Transport Interoperability" logo, thereby enabling seamless travel between Hong Kong, Macau, and over 300 cities in Chinese Mainland with a single card. Through transportation connectivity, we are actively promoting both hard and soft connectivity in the Greater Bay Area, ultimately fostering closer connections (heart connectivity) among its people.

During the year under review, various limited-edition mCards have been issued, such as:

- 520 Lover mCard



- UEFA Euro 2024 mCard





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- The Air Macau x Macau Pass collaborative edition mCard (2024 Blind Box Purchase Version)



- World Heritage Sites mCard



- The 71st Edition of the Macau Grand Prix mCard – Sanchia Lau collaboration





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- The 71st Edition of the Macau Grand Prix mCard – Newton Lam collaboration



- Street Signs Mini mCard



- Coffee Walk mCard





DISCUSSION AND ANALYSIS OF THE GROUP'S RESULTS AND BUSINESS

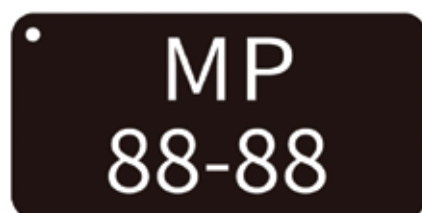
- “Macau Pass – China T-Union” mCard



- “Macau Pass – China T-Union” First Edition mCard



- License Plate mCard



- Lingnan Pass – Macau Pass China T-Union Card





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- Shenzhen-Macau Intercity Card



- Year of the Snake mCard



- Year of the Snake 3D mCard





DISCUSSION AND ANALYSIS OF THE GROUP'S RESULTS AND BUSINESS

MPay e-wallet

MPay e-wallet currently has approximately 1.5 million registered users. It is not only one of the most widely used electronic payment tools among Macau residents but also a comprehensive digital lifestyle service platform supporting a wide range of scenarios including dining, transportation, tourism, entertainment, online and offline shopping, finance, routine payments (utilities and property management fees), automated parking fee payments, and cross-border services and payments, making it a "Super App".

To meet the growing demand for payment services and enhance user experience, MPay increased transaction and transfer limits for users in the 3A, 3B, and JR categories starting from September 20, 2024. Among these, 3B users will enjoy unlimited annual transaction limits and annual transfer limits.

In addition to meeting users' daily payment needs in Macau, MPay has been committed to advancing cross-border payment services. Currently, it supports users in nearly 60 countries and regions, including the United States, the United Kingdom, Switzerland, France, Germany, Italy, Australia, New Zealand, Qatar, Singapore, Malaysia, South Korea, Japan, the Philippines, and Thailand, providing convenience for global consumers. During the year under review, the number of MPay users who used cross-border payment services has increased by approximately 148%. In January 2025, MPay further broke down geographical barriers by supporting the binding of UnionPay credit cards issued in Macau and Hong Kong, significantly enhancing the convenience of cross-border payments for users, especially those traveling between Hong Kong and Macau.

In addition to addressing the payment needs of Macau residents and international travellers, we have also focused on the practical demands of Macau residents for cross-border consumption following the implementation of the Greater Bay Area integration policy. In August 2024, MPay introduced a "cross-border zone" on its mobile app, currently featuring approximately 70 popular mini-apps in the Chinese Mainland such as Amap Ride-Hailing, Meituan Takeout, Luckin Coffee, and Heytea, enhancing convenience for Macau residents in their cross-border travel, dining and consumption in the Chinese Mainland. Shortly after the end of current financial year, in early April 2025, MPay's "cross-border zone" also connected to the transit QR code of Guangzhou Metro, enabling Macau residents to conveniently pay fares in MOP across Guangzhou Metro, buses and ferries in Guangzhou, and Foshan Metro.



DISCUSSION AND ANALYSIS OF THE GROUP'S RESULTS AND BUSINESS

Acquiring Services

We also provide merchants with comprehensive payment terminals and acquiring services, currently covering approximately 90% of local merchants in Macau. Macau Pass's acquiring services business not only support Alipay, AlipayHK, WeChat Pay, Octopus (Hong Kong), and e-wallets launched by Macau banks, but are also actively expanding partnerships with more overseas e-wallets. Currently, Macau Pass's acquiring services support travellers from over 10 overseas countries and regions to use their home country's e-wallets in Macau, attracting more international travellers, helping local merchants in Macau to conduct business seamlessly while providing tourists with a convenient payment experience. In late April 2024, with the help of Macau Pass' acquiring service, Macau buses began supporting Alipay (Chinese Mainland and Hong Kong) users and UnionPay app users (linked to a non-local UnionPay card) to use the transit QR code for bus fare payments. Starting in September 2024, Macau Pass's acquiring service officially expanded to support WeChat Pay (Chinese Mainland and Hong Kong) transit QR codes for bus fares, significantly enhancing convenience for residents and tourists. On January 14, 2025, we partnered with Alipay and Sands China to launch the Alipay Tap! payment service at Macau Sands Resort, which currently covers over 1,000 merchant stores across various industries such as dining, retail, and tourism. Popular tourist attractions and major commercial districts including the Ruins of St. Paul's, Rua do Cunha, and Portas do Cerco have gradually integrated this service, making payments more convenient for visitors to Macau.

Local Consumer Services

Leveraging the MPay platform with its vast user base and the Macau Pass' extensive merchant network in Macau, the Group continues to enhance its role as a bridge for business services. Through the one-stop reward points redemption platform, mCoin, and the tourism and lifestyle services platform, mPass, the Group provides consumers with convenient and cost-effective service experiences, creates incremental value for merchants, and drives the vibrant development of the local consumer market.

In the first quarter of 2025, Macau Pass entered into a strategic partnership with Huawei. Huawei Watch now supports MPay QR code payments in Macau. Subsequently, mCoin platform became one of the first platforms in Macau to launch several of Huawei's major new products. To mark the 20th anniversary of Macau Pass, Macau Pass collaborated with Huawei to offer a range of exclusive discounts and benefits to users, leveraging its debut economy advantage to effectively drive sales of Huawei's latest products in Macau.

Based on the MPay one-stop digital lifestyle and financial services platform, Macau Pass connects scenarios and ecosystems through "payment + finance", creating a diverse range of "ticketing+" services and exploring numerous innovative models. For example, it has integrated MPay with payment and consumption scenarios, collaborated with various local lifestyle brands, issued mCards in collaboration with performance events, and launched marketing campaigns for event merchandise and ticket packages through a membership points system.



DISCUSSION AND ANALYSIS OF THE GROUP'S RESULTS AND BUSINESS

Additionally, leveraging its digital platform and ecosystem resources, Macau Pass can also connect markets across Chinese Mainland, Hong Kong, Macau, and internationally. As of the end of March 2025, we have supported over 200 large-scale performances and events in Macau through strategic partnerships, co-hosting, and providing ticketing and cultural entertainment digital products and services, including large-scale performances, concerts, domestic and international sports events, exhibitions, and theatrical productions. In December 2024, we partnered with 88VIP and Sands China to establish a marketing strategic partnership, promoting the integration of "tourism + sports". At the 10th China International Music Industry Conference, we entered into a strategic partnership with the National Music Industry Park and Max Star Music Group to jointly promote the establishment and development of Macau as a "City of Performing Arts" through comprehensive digital solutions combined with high-quality contents.

Lottery Services

The Group is one of the leading suppliers of lottery terminals in China. During the year under review, the Group won 17 lottery hardware tenders to supply lottery terminals to the Sports Lottery Administration Centers in Shandong, Hainan, Guizhou, Shaanxi, Zhejiang, Jiangsu, Jiangxi, Heilongjiang, Fujian, Xinjiang, Sichuan, Tianjin, and Hunan Provinces of China. The Group will continue to pursue tenders to supply to the lottery hardware markets.

The Group currently distributes lottery products (including lotto-type lottery, prediction-based sports lottery and instant scratch tickets) by expanding its physical lottery sales channels in the Chinese Mainland, focusing on small and micro retail outlets.

During the year under review, the number of lottery retail outlets collaborated with the Group has increased by approximately 4% compared to 2024. On the other hand, the revenue generated from offline lottery distribution through these retail outlets was approximately HK\$75.65 million, representing a decrease of about 28% compared to the previous financial year. Excluding the impact of the previous financial year covering a 15-month period, the decline was primarily due to shortages in the allocation and supply of instant scratch tickets.

Additionally, the Group has operated its dedicated lottery resources channel on Alipay. While this lottery resources channel has not conducted any internet lottery sales, it serves as a one-stop platform for many lottery-related services and resources, providing online users in China with an easy access to information and resources that address various lottery needs.

Through this lottery resources channel, the Group hopes to build on its online presence and maximise the value of its business partnership with Alibaba Group and Ant Group, in addition to preparation for any potential policy approval and authorization of online distribution of lottery products in the future.



DISCUSSION AND ANALYSIS OF THE GROUP'S RESULTS AND BUSINESS

Payment-related Hardware Supply

Macau Pass acts as the authorised agent to sell “Keruyun (客如雲)” brand of catering system in Macau and Hong Kong regions. As a leading digital SaaS service provider, Keruyun has been appointed as one of the designated suppliers of digitalization support services for Macau's SMEs, serving many local catering outlets in Macau.

BUSINESS OUTLOOK

The Group is dedicated to becoming a leading global comprehensive financial technology group. With digital banking services, digital payment services, and digital local consumer services as its core, the Group aims to build a comprehensive digital ecosystem and create a new paradigm for modern financial services.

Through offering digital banking services, e-wallet and acquiring services, contactless smart card, multipurpose digital payment system and other services, the Group strives to promote mobile payment and inclusive finance in Macau and contribute to the smart city transformation. With a vast customer base and an extensive merchant network, the digitised services provided by the Group have been ever-evolving, providing users with more convenient multi-scene services.

The Group will also explore on strategic cooperation with Alibaba Group and Ant Group to further develop and create more diverse business scenarios within the e-commerce and digital media and entertainment landscape: provide support for more electronic payment tools from overseas countries and regions to further facilitate the consumption of visitors to Macau, helping Macau's economic development and digital transformation of merchants, in addition to exploring commercialization opportunities within the Macau digital payment ecosystem and cultural and entertainment market. Leveraging the advantages of Alipay+, the Group will integrate relevant industries in Macau through channels and contents, accurately present Macau's cultural tourism advantages such as entertainment, catering and shopping to potential tourists, assist collaborating merchants to increase their online exposure, and deeply build Macau as the World Center of Tourism and Leisure. In the future, we will continue to enhance payment convenience for the elderly, foreigners coming to live and work in Macau, and other demographics. We will deepen the construction of service scenarios, enrich the provision of payment services, and continuously improve the standard of payment services and the payment experience for these relevant groups.



DISCUSSION AND ANALYSIS OF THE GROUP'S RESULTS AND BUSINESS

The Group aims to meet the consumption and financing needs of Macau's residents and SMEs by connecting scenarios and resources of the ecosystem with payment plus inclusive finance, create synergies with the Group's existing lifestyle, culture and entertainment and e-commerce businesses by utilising the resources of the ecosystems in the Alibaba Group and Ant Group, creating specialised cross-border financial service, diversifying and expanding the Group's sources of revenue.

With the rapid advancement of fintech in the Web 3.0 era, the Group will leverage Macau's unique advantages as a free port with an independent monetary system and an open environment for financial innovation. By harnessing innovative technologies such as the integrated digital lifestyle and financial platform, cross-border fintech, and blockchain, AGTech will collaborate with ecosystem partners to drive breakthrough developments in blockchain-based finance in the Guangdong-Hong Kong-Macao Greater Bay Area. Together, we aim to pioneer a new chapter in innovative financial services powered by cutting-edge technology.

With roots in Macau and sights set on the global stage, the Group will continue to invest resources to improve its technological infrastructure. Focused on user needs, we will expand our service offerings and global financial reach, seek innovative business opportunities and continue delivering on our commitment to provide long-term sustainable growth for the Shareholders.

OPERATIONAL STATISTICS OF THE GROUP

- As of March 31, 2025, Ant Bank (Macao)'s total number of customers doubled compared to the end of the previous financial year. Customer growth also drove a significant increase in deposit volume, with total deposits for the year ended March 31, 2025 growing by approximately 280% compared to the end of the previous financial year.
- As of March 31, 2025, over 5 million mCards have been issued, supporting local public transportation and nearly 30,000 consumption points across Macau.
- As of March 31, 2025, MPay e-wallet had approximately 1.5 million registered users. It supports cross-border payments in nearly 60 countries and regions, with newly added support for binding of UnionPay credit cards issued in Macau and Hong Kong. During the year under review, the number of MPay users utilizing cross-border payment services increased by approximately 148%.
- Macau Pass is one of the primary merchant acquiring tools in the local market, covering approximately 90% of Macau's local merchants as of March 31, 2025.



DISCUSSION AND ANALYSIS OF THE GROUP'S RESULTS AND BUSINESS

- During the year under review, the Group won 17 lottery hardware tenders to supply lottery terminals to the Sports Lottery Administration Centers in Shandong, Hainan, Guizhou, Shaanxi, Zhejiang, Jiangsu, Jiangxi, Heilongjiang, Fujian, Xinjiang, Sichuan, Tianjin, and Hunan Provinces of China.

FINANCIAL PERFORMANCE REVIEW

Reference is made to the announcements of the Company dated December 7, 2023 and January 2, 2024 regarding the change of the financial year end date of the Company from December 31 to March 31, and accordingly, the current financial period covers a period of twelve months from April 1, 2024 to March 31, 2025. The corresponding comparative amounts shown covered a period of fifteen months from January 1, 2023 to March 31, 2024, and therefore are not directly comparable with the amounts shown for the current period.

Revenue

Revenue of the Group for the year ended March 31, 2025 amounted to approximately HK\$615.0 million (for the fifteen months ended March 31, 2024: approximately HK\$766.6 million), representing a decrease of approximately 19.8% compared to the fifteen months ended March 31, 2024. For the year ended March 31, 2025, revenue contributions were mainly derived from the following businesses:

a) Digital payment and related businesses (including local consumer services and payment-related hardware supply)

There was an overall decrease in revenue by approximately HK\$148.4 million to approximately HK\$307.3 million for the year ended March 31, 2025. Apart from the inclusion of revenue for first quarter of 2023 in the Non-comparable Financial Period of approximately HK\$116.6 million, the decrease in revenue for the year ended March 31, 2025 as compared to that for the twelve months ended March 31, 2024 by approximately HK\$31.8 million was mainly due to the decrease in average spending per tourist in Macau, keen competition in the digital payment market in Macau and the fact that the living subsidy under the 2022 Electronic Consumption Benefits Plan came to an end in June 2023.

b) Digital banking business

The revenue of Ant Bank (Macao) of approximately HK\$67.8 million has been consolidated into the Group's results from September 2, 2024 (being the date of completion of the attainment of a controlling stake in Ant Bank (Macao) by the Group). It mainly included interest income derived from loans to individuals and corporate customers, placements with banks and monetary bills with AMCM of approximately HK\$51.1 million and fee and commission income (mainly derived from securities investment services, insurance agency services and account services) of approximately HK\$16.7 million.



DISCUSSION AND ANALYSIS OF THE GROUP'S RESULTS AND BUSINESS

Net interest income derived from the digital banking business of the Group amounted to approximately HK\$18.2 million for the year ended March 31, 2025.

c) **Lottery business**

There was an overall decrease in revenue by approximately HK\$71.0 million to approximately HK\$239.9 million for the year ended March 31, 2025. Apart from the inclusion of revenue for first quarter of 2023 in the Non-comparable Financial Period of approximately HK\$53.2 million, the decrease in revenue as compared to that for the twelve months ended March 31, 2024 by approximately HK\$17.8 million was mainly due to the decrease in revenue from the provision of offline distribution and other integrated services by approximately HK\$15.8 million as a result of the shortages in the allocation and supply of instant scratch tickets in multiple provinces in the PRC.

Other operating expenses

There was a decrease in other operating expenses of the Group by approximately HK\$97.3 million to approximately HK\$310.4 million for the year ended March 31, 2025 (for the fifteen months ended March 31, 2024: approximately HK\$407.7 million). Apart from the inclusion of other operating expenses for first quarter of 2023 in the Non-comparable Financial Period of approximately HK\$92.7 million, the decrease in other operating expenses as compared to that for the twelve months ended March 31, 2024 by approximately HK\$4.6 million was mainly due to a combination of factors:

- (i) the inclusion of other operating expenses of Ant Bank (Macao) of approximately HK\$34.0 million, such as technical service fees of approximately HK\$7.9 million, outsource expense for supporting Ant Bank (Macao)'s technical and daily operation of approximately HK\$12.7 million; and fees and commission expense of approximately HK\$5.5 million;
- (ii) partially offset by the decrease in costs (including transaction service fees, handling fees for stored value payment card top-up services and cost incurred for e-wallet services' customer loyalty programme) in respect of the digital payment business by approximately HK\$18.0 million; and
- (iii) the decrease in distribution expenses in relation to lottery offline distribution business by approximately HK\$13.8 million due to decrease in revenue from offline distribution services as mentioned above and the fact that the Group no longer needed to pay service fees to Alibaba Group during the year ended March 31, 2025 as the Group's collaboration with Alibaba Group for the sale of lottery products in the PRC had ceased in March 2024.



DISCUSSION AND ANALYSIS OF THE GROUP'S RESULTS AND BUSINESS

Employee benefits expenses

Employee benefits expenses decreased by approximately HK\$15.5 million to approximately HK\$194.1 million for the year ended March 31, 2025 (for the fifteen months ended March 31, 2024: approximately HK\$209.6 million), which was mainly due to a combination of factors:

- (i) inclusion of employee benefits expenses for first quarter of 2023 in the Non-comparable Financial Period of approximately HK\$40.7 million;
- (ii) the consolidation of Ant Bank (Macao)'s employee benefits expenses for the year ended March 31, 2025 since September 2024; and
- (iii) decrease in number of employees of the Group from 413 as at March 31, 2024 to 368 as at March 31, 2025.

Depreciation and amortization expenses

Depreciation and amortization expenses decreased by approximately HK\$25.0 million to approximately HK\$58.6 million for the year ended March 31, 2025 (for the fifteen months ended March 31, 2024: approximately HK\$83.6 million), which was mainly due to a combination of factors:

- (i) inclusion of depreciation and amortization expenses for first quarter of 2023 in the Non-comparable Financial Period of approximately HK\$17.2 million;
- (ii) the decrease in amortization expense of software by HK\$9.9 million as majority of those assets have been fully amortized for the fifteen months ended March 31, 2024; and
- (iii) partially offset by the amortization expenses on the fair value of identifiable intangible assets, i.e. core deposit intangibles arising from the takeover of Ant Bank (Macao).



DISCUSSION AND ANALYSIS OF THE GROUP'S RESULTS AND BUSINESS

Operating loss and loss for the year

Operating loss for the year ended March 31, 2025 was approximately HK\$71.8 million (for the fifteen months ended March 31, 2024: approximately HK\$44.8 million). The increase in operating loss by approximately HK\$27.0 million was mainly due to a combination of factors:

- (i) the decrease in total revenue (partially offset by the related costs and expenses) of the Group as mentioned above; and
- (ii) the decrease in other operating expenses and employee benefits expenses of the Group as mentioned above.

The loss for the year ended March 31, 2025 was approximately HK\$98.6 million (for the fifteen months ended March 31, 2024: profit of approximately HK\$30.7 million). Apart from the above-mentioned factors for the decrease in operating loss, the change from profit to loss for the year ended March 31, 2025 was also primarily attributable to:

- (i) there was a fair value loss of approximately HK\$70.9 million for the current year on the convertible term loan facilities in the maximum amount of INR1,319.4 million (equivalent to approximately HK\$137.3 million) provided by the Group to, and fully utilized by, its 45%-owned joint venture company in India, First Games Technology Private Limited, after taking into account the likelihood of recoverability of those convertible term loans which are due in 2026 onwards; as compared to a gain on fair value changes of such financial assets of approximately HK\$3.1 million which was recorded for the fifteen months ended March 31, 2024;
- (ii) the decrease in finance income by approximately HK\$32.2 million to approximately HK\$44.3 million (for the fifteen months ended March 31, 2024: approximately HK\$76.5 million) mainly due to the inclusion of finance income for the first quarter of 2023 during the fifteen months ended March 31, 2024 of approximately HK\$23 million and the decrease in market interest rates for the current year as compared to prior period; and
- (iii) there was a one-off loss allowance recognized on a receivable from an independent third party of approximately HK\$10.3 million for the year ended March 31, 2025 after taking into account the recoverability of this receivable.



DISCUSSION AND ANALYSIS OF THE GROUP'S RESULTS AND BUSINESS

Liquidity and financial resources

The Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's operations and meet its short-term and long-term funding requirements.

For the non-digital banking business segment of the Group, net cash (defined as total cash and cash equivalents plus cash from payment settlement receivable on T+1 basis less total debts, which include trade payables, accruals and other payables (excluding provision for warranty which represents a future obligation that does not directly impact the current cash balance), contract liabilities, floats balance due to card or account holders, card deposits due to cardholders and lease liabilities) as at March 31, 2025 amounted to approximately HK\$81.9 million. In addition, fixed deposits held at bank with original maturity over three months amounted to approximately HK\$224.5 million as at March 31, 2025 (as at March 31, 2024: approximately HK\$201.4 million).

For the digital banking business segment of the Group, AMCM sets capital requirements for Macau's banking industry to maintain a minimum prescribed ratio (currently, 8%) of total capital to total risk-weighted assets of a bank (the "**Minimum Capital Adequacy Ratio**"). The Asset and Liability Management Committee of Ant Bank (Macao) undertakes capital management function on an on-going basis to manage its capital structure and meet its funding requirements. As at March 31, 2025, Ant Bank (Macao)'s capital adequacy ratio stood at approximately 56.0%, which exceeded the Minimum Capital Adequacy Ratio.

The total assets and net current assets of the Group as at March 31, 2025 were approximately HK\$6,244.6 million and approximately HK\$838.0 million respectively (as at March 31, 2024: approximately HK\$3,729.7 million and approximately HK\$781.4 million respectively). Current liabilities of the Group as at March 31, 2025 were approximately HK\$3,346.9 million (as at March 31, 2024: approximately HK\$950.1 million). The liquidity ratio (defined as current assets divided by current liabilities) of the Group as at March 31, 2025 was approximately 1.3 (as at March 31, 2024: approximately 1.8) which continuously reflects the adequacy of financial resources of the Group.



DISCUSSION AND ANALYSIS OF THE GROUP'S RESULTS AND BUSINESS

Credit Risk

The credit risk of the Group mainly arises from cash and bank balances, other receivables and deposits, trade receivables, loans and advances to customers and convertible terms loans to a joint venture that are measured at fair value through profit or loss.

The Group's maximum exposure to credit risk which may cause a financial loss to the Group due to failure to discharge an obligation by the counterparties in respect of debts, loans or advances provided by the Group is arising from the carrying amount of the respective recognized financial assets as stated in the consolidated statement of financial position. In order to minimize the credit risk, the management of the Group has established a risk assessment and approval mechanism for credit approval and delegated relevant teams responsible for monitoring procedures to ensure that follow-up action is taken to recover overdue debts, loans and advances. In addition, the Group reviews the recoverable amount of each individual trade debt and loans at the end of the reporting period to ensure that adequate impairment losses are made for irrecoverable amounts. The Group has established written credit policy which covers authority of granting facility limits, credit review, maintenance of collaterals and provisioning. Credit review is performed regularly and at least annually and approved by management team in accordance with their respective limits.

Cash and bank balances of the Group are placed in (i) renowned or high credit-rated banks and financial institutions which are considered to be of low credit risk as they have an investment credit rating with at least one major agency; or (ii) Ant Bank (Macao) which is a subsidiary controlled by the Group at both the shareholders' and board of directors' levels. There has been no recent history of default in relation to these banks and financial institutions.



DISCUSSION AND ANALYSIS OF THE GROUP'S RESULTS AND BUSINESS

Capital structure and foreign exchange risk

During the year ended March 31, 2025, the Group financed its capital requirement through its equity and its internally generated cash flow.

As at March 31, 2025, the Group did not have any bank borrowings. The gearing ratio (defined as bank borrowings divided by equity) of the Group as at March 31, 2025 was therefore not applicable.

As at March 31, 2025, majority of the Group's bank deposits and cash and cash equivalents were denominated in US\$, MOP, HK\$ and RMB. RMB-denominated bank deposits and cash and cash equivalents were primarily held by the entities of which functional currency is RMB. MOP-denominated bank deposits and cash and cash equivalents were primarily held by the entities of which functional currency is MOP. Since MOP is pegged to HK\$ and HK\$ is pegged to US\$, there is no significant foreign exchange risk in respect to US\$ and MOP during the year ended March 31, 2025.

As at March 31, 2025, the Group's entity with functional currency of Hong Kong dollar had net monetary assets denominated in INR of approximately HK\$11.0 million (as at March 31, 2024: approximately HK\$81.9 million) and the related foreign exchange risk had not been hedged. The decrease in balance is mainly due to the fair value loss recognized on the convertible term loan facilities of approximately HK\$70.9 million. For details, please refer to section headed "Significant changes to financial position" in this annual report. Substantially all of its revenue-generating operations, monetary assets and liabilities of the Group are conducted or transacted in functional currencies. The Group had neither foreign currency hedging activities nor any financial instruments for hedging purposes during the year ended March 31, 2025. However, the management monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise.



DISCUSSION AND ANALYSIS OF THE GROUP'S RESULTS AND BUSINESS

Contingent liabilities and capital commitment

As at March 31, 2025, the Group did not have any material contingent liabilities and capital commitment that constituted "notifiable transactions" under Chapter 19 of the GEM Listing Rules.

Significant investments, material acquisitions and disposals of subsidiaries, associates and joint ventures during the year under review

There were no significant investments, material acquisitions and disposals of subsidiaries, associates and joint ventures that constituted "notifiable transactions" under Chapter 19 of the GEM Listing Rules during the year ended March 31, 2025, other than (i) the completion of the discloseable and connected transaction in relation to the attainment of the controlling stake in Ant Bank (Macao) and disposal of a 30% equity interest in Star N Cloud Network Intelligence Company Limited on September 2, 2024, as disclosed in the announcement of the Company dated September 2, 2024; and (ii) the discloseable and connected transaction in relation to the capital increase contemplated under the Capital Increase Agreement (as defined below) as disclosed in the section headed "CONNECTED TRANSACTION" below.

Employees' information and remuneration policies

As at March 31, 2025, the Group had 368 (as at March 31, 2024: 413) employees in the Chinese Mainland, Macau and Hong Kong. Total staff costs (excluding Directors' emoluments) for the year ended March 31, 2025 amounted to approximately HK\$184.2 million (for the fifteen months ended March 31, 2024: approximately HK\$195.9 million).

The Group's remuneration policies are formulated on the basis of performance and experience of individual employees and are in line with local market practices. In addition to salary, the Group also offers to its employees other fringe benefits including year-end bonus, share option scheme, Share Award Scheme, contributory provident fund, social security fund, medical benefits and training (including on-the-job training, in-house and external training seminars).

Charges on the Group's assets

As at March 31, 2025, bank deposits of approximately HK\$2.2 million (as at March 31, 2024: approximately HK\$1.6 million) were held in designated bank accounts to secure letters of bank guarantee granted to the Group.

As at March 31, 2025, a sum of approximately HK\$5.0 million (as at March 31, 2024: approximately HK\$5.0 million) was held by trustees of the Company for purchases of award Shares under the Share Award Scheme. Such sum was not available for general use by the Group.



DISCUSSION AND ANALYSIS OF THE GROUP'S RESULTS AND BUSINESS

As at March 31, 2025, a minimum deposit balance of approximately HK\$36.5 million (as at March 31, 2024: Nil) of Ant Bank (Macao) was maintained with AMCM in compliance with liquidity rules in Macau. In addition, as at March 31, 2025, a restricted bank deposit was held for performance guarantees provided by a Macau bank in favor of the Macau government for service projects of Macau Pass to the extent of approximately HK\$19,000. The bank guarantees are secured by the restricted bank deposit provided by the Group amounting to approximately HK\$19,000.

Save as disclosed above, as at March 31, 2025, there was no charge on the assets of the Group.

Future plans for material investments and acquisition of capital assets

As at March 31, 2025, there was no specific plan for material investments and acquisition of capital assets that is required to be disclosed pursuant to Rule 17.10 of the GEM Listing Rules and the inside information provisions under Part XIVA of the SFO.

Significant changes to financial position

Inventories of the Group amounted to approximately HK\$21.6 million as at March 31, 2025 (as at March 31, 2024: approximately HK\$20.8 million). Inventory turnover period decreased from 107 days for the fifteen months ended March 31, 2024 (based on annualized purchases of inventories for such period) to 88 days for the year ended March 31, 2025 was primarily due to higher average inventory for the fifteen months ended March 31, 2024 as a result of the postponed delivery of lottery hardware products caused by the outbreak of the pandemic towards the year end in 2022.

Trade receivables of the Group amounted to approximately HK\$21.0 million as at March 31, 2025 (as at March 31, 2024: approximately HK\$20.2 million). Debtor turnover period decreased slightly from 14 days for the fifteen months ended March 31, 2024 to 12 days for the year ended March 31, 2025. The debtor turnover period continued to stay at a low level for the year, reflecting that the status of trade receivables collection from customers remained satisfactory.

Goodwill of the Group increased to approximately HK\$1,545.7 million as at March 31, 2025 (as at March 31, 2024: approximately HK\$1,466.6 million), primarily due to the recognition of goodwill arising from the attainment of a controlling stake in Ant Bank (Macao) in September 2024 (the “**Controlling Stake Attainment**”) of approximately HK\$87.0 million and the currency translation difference of approximately HK\$7.9 million.



DISCUSSION AND ANALYSIS OF THE GROUP'S RESULTS AND BUSINESS

The financial assets at fair value through profit or loss of approximately HK\$11.0 million as at March 31, 2025 (as at March 31, 2024: approximately HK\$81.9 million) represents the fair value of convertible term loan facilities in the maximum amount of INR1,319.4 million (or approximately HK\$137.3 million) which had been provided by the Group to and fully utilized by a 45%-owned joint venture company in India, First Games Technology Private Limited. A fair value loss on such financial assets of approximately HK\$70.9 million was recognized for the year after taking into account the likelihood of recoverability of those convertible term loans which are due in 2026 onwards (for the fifteen months ended March 31, 2024: fair value gain of HK\$3.1 million).

Monetary bills with AMCM of approximately HK\$996.3 million as at March 31, 2025 (as at March 31, 2024: Nil) represent the debt securities issued by AMCM and held by Ant Bank (Macao), which are recognized as financial assets carried at amortized costs following the Controlling Stake Attainment.

Loans and advances to customers of approximately HK\$307.8 million as at March 31, 2025 (as at March 31, 2024: Nil) represent the loans and advances to customers of Ant Bank (Macao) accounted for by the Group following the Controlling Stake Attainment.

Deposits from customers of approximately HK\$2,398.5 million as at March 31, 2025 (as at March 31, 2024: Nil) represent the balances of savings and time deposits placed by individuals and corporate customers with Ant Bank (Macao) accounted for by the Group following the Controlling Stake Attainment.

The current portion of other receivables, deposits and prepayments decreased from approximately HK\$316.6 million as at March 31, 2024 to approximately HK\$260.7 million as at March 31, 2025, which was mainly due to the decrease in payment settlement related receivable on T+1 basis as compared to March 31, 2024, the repayment of loan from an associate of approximately HK\$38.7 million and the one-off loss allowance recognized on a receivable from an independent third party of approximately HK\$10.3 million.

The current portion of accruals and other payables amounted to approximately HK\$370.6 million as at March 31, 2025 (as at March 31, 2024: approximately HK\$433.9 million). The decreases in the current portion of accruals and other payables were mainly due to the decrease in payables to merchants for the digital payment business.

Significant events after the reporting period

There was no significant event affecting the Group after March 31, 2025.



BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

DIRECTORS

Mr. Sun Ho – Executive Director, Chairman & CEO

Mr. Sun, aged 56, took over the Company in 2006 and gradually transformed the Group into a comprehensive financial technology group engaged in digital banking, digital payment, local consumer services and lottery. Mr. Sun serves as the Company's Executive Director, Chairman and Chief Executive Officer, leading it in overall strategic direction, business development and corporate management. He is also the authorized representative and the chairman of each of the nomination committee, the corporate governance committee and the risk management and internal control committee of the Company. Mr. Sun is also the Chairman and CEO of Macau Pass S.A., the chairman of the board of directors of Ant Bank (Macao) Limited and director of various subsidiaries of the Company.

In addition, Mr. Sun has been actively involved and was appointed major positions in the industry, like Founder and President of Web3.0 Think Tank in Macau, Director of Macau Chamber of Commerce, President of the Federation of Card Games and Deputy President of the International Mind Sports Association. Currently, under his leadership, the Group's strategy focuses on providing more products and service features for the digital banking, digital payments, local consumer services and tourism of Macau and the Greater Bay Area. The Group is also committed to expanding into global markets to serve more customers and small and medium-sized businesses. At the same time, the Group is eager to take on more social responsibilities and continue contributing to the smart city transformation of Macau and other regions.

Prior to taking over the Company, Mr. Sun held various senior leadership positions in other listed companies, and had extensive experience in strategy, management, auditing and financial management of Chinese and international enterprises. He holds a bachelor's degree in Economics from the University of Sydney in Australia and a master's degree in Corporate Finance from the Hong Kong Polytechnic University. Mr. Sun is a member of CPA Australia and a fellow member of the Hong Kong Institute of Certified Public Accountants.



BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

Ms. Hu Taoye – Executive Director

Ms. Hu, aged 45, is an executive director of the Company, a member of the risk management and internal control committee of the Company. Ms. Hu mainly responsible for internal control, internal audit and other related affairs of the Group. Ms. Hu has been appointed as a director of the Company since January 30, 2019 and was the chief financial officer of the Group. She obtained a bachelor's degree in Economics from Renmin University of China in the People's Republic of China in July 2001. She was admitted as a practising member of the Chinese Institute of Certified Public Accountants in July 2003 and a non-practising member of such institute since March 2008. In addition, Ms. Hu was also admitted as a member and a fellow member of The Association of Chartered Certified Accountants (ACCA) in November 2005 and November 2010, respectively. From 2001 to early 2008, she worked for KPMG and her last position with KPMG was audit manager.

Ms. Hu joined Alibaba Group in February 2008. From February 2008 to May 2014, Ms. Hu served as an internal control director and a financial controller of the B2B and Alibaba Cloud divisions of Alibaba Group. After that, she served as a financial controller of AutoNavi and UC Web, under Alibaba Mobile Internet Division of Alibaba Group until June 2016. Prior to joining the Group, Ms. Hu was a financial controller of the digital media and entertainment division of Alibaba Group.



BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

Ms. Qin Yuehong – Non-executive Director

Ms. Qin, aged 47, has been a non-executive director of the Company since May 12, 2023. She joined Alibaba Group in May 2019 as vice president of Corporate Finance Department. She has been involved in various capital operation projects of Alibaba Group, including the secondary listing of shares of Alibaba Holding on The Stock Exchange of Hong Kong Limited, issuance of U.S. dollar bonds, syndicated loans as well as financing work for different business units of Alibaba Group including Local Services Group (本地生活), Cainiao Smart Logistics Group (菜鳥), Alibaba Health Information Technology Limited and other sub-businesses of Alibaba Group. Prior to joining Alibaba Group, Ms. Qin worked for China International Capital Corporation Limited (a company whose shares are listed on the Stock Exchange (stock code: 3908) and the Shanghai Stock Exchange (stock code: 601995)) from 2002 to 2019 and her last position was the managing director of the Investment Banking Division. Ms. Qin was the non-executive director of Sun Art Retail Group Limited (a company whose shares are listed on the Stock Exchange (stock code: 6808)) from May 2024 to February 2025. Ms. Qin graduated from Tsinghua University, Mainland China with a bachelor's degree and a master's degree in accounting in 2000 and 2002, respectively, and passed the certified public accountant examinations in Chinese Mainland and Canada.

Mr. Ji Gang – Non-executive Director

Mr. Ji, aged 50, has been a non-executive Director of the Company since August 10, 2016. He joined Ant Holdco in January 2016. He is currently the Vice President and Head of Strategic Investment of Ant Holdco. He is responsible for the global strategic investments for Ant Holdco and has many years of experience in investment and the internet industry. Before joining Ant Holdco, he served as a Vice President of Alibaba Group and was responsible for strategic investment. Before joining Ant Holdco, he served as a vice president of Alibaba Group and was responsible for strategic investment. He has been a director of Hundsun Technologies Inc.* (恆生電子股份有限公司) (Shanghai Stock Exchange stock code: 600570) since April 2022. He was a director of Phoenix Tree Holdings Limited from January 2019 to June 2020. He holds a bachelor's degree in international business management from University of International Business and Economics, China.



BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

Mr. Chow Siu Lui – Independent Non-executive Director

Mr. Chow, aged 64, was appointed as an independent non-executive Director, the chairman of each of the audit committee and the remuneration committee, and a member of the nomination committee of the Company on 24 January 2022. Mr. Chow has extensive experience in fund raising and initial public offering activities in Hong Kong as well as accounting and financial areas. Mr. Chow worked in KPMG Hong Kong for about 28 years and was admitted as one of its partners in 1995. He was then mainly responsible for providing advice in group structuring prior to initial public offering and fund raising in local and overseas stock exchanges. He was a partner of VMS Investment Group (HK) Limited, who is responsible for private equities investment, including due diligence of all investment projects. Mr. Chow was a previous chairman of the investment strategy task force of the Hong Kong Chartered Governance Institute (“**HKCGI**”) (formerly known as Hong Kong Institute of Chartered Secretaries) and the Mainland Development Strategies Advisory Panel of the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”).

Mr. Chow is currently an independent non-executive director for a number of listed companies, including Genertec Universal Medical Group Company Limited (SEHK: 2666), China Everbright Greentech Limited (SEHK: 1257), Futong Technology Development Holdings Limited (SEHK: 465) and China Tobacco International (HK) Company Limited (SEHK: 6055). He was a non-executive director of Renrui Human Resources Technology Holdings Limited (SEHK: 6919) from July 2018 to April 2023. He was also an independent non-executive director for (i) Sinco Pharmaceuticals Holdings Limited (SEHK: 6833) from February 2016 to November 2018, (ii) Fullshare Holdings Limited (SEHK: 607) from December 2013 to December 2021, (iii) Shanghai Dazhong Public Utilities (Group) Co., Ltd. (SEHK: 1635) from April 2016 to May 2022 and (iv) Global Cord Blood Corporation (New York Stock Exchange: CO) from October 2019 to October 2022.

Mr. Chow earned a Professional Diploma in Accountancy from the Hong Kong Polytechnic University (formerly known as Hong Kong Polytechnic), in November 1983. He became a fellow of the Association of Chartered Certified Accountants in July 1991, The Chartered Governance Institute and HKCGI both in October 2009, and HKICPA in December 1993.



BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

Mr. Chan Ka Leong – Independent Non-executive Director

Mr. Chan, aged 48, was appointed as an independent non-executive director and a member of each of the audit committee, remuneration committee and nomination committee of the Company on May 3, 2024.

Mr. Chan is a member of the Executive Council of the Macau Special Administrative Region and the Guangdong Provincial Committee of the Chinese People's Political Consultative Conference. He currently serves as the President of the General Union of Neighbourhood Associations of Macau* (澳門街坊會聯合總會) and the President at Macau Kai Yuen Publishing House* (澳門啟元出版社).

Mr. Chan obtained a Bachelor's degree in enterprise management from Guanghua School of Management, Peking University in July 2000 and a Master's degree in mathematics from the University of Macau in October 2006.

Ms. Yuen Kit Ming Fanny – Independent Non-executive Director

Ms. Yuen, aged 55, was appointed as an independent non-executive director and a member of each of the audit committee, remuneration committee and nomination committee of the Company on May 14, 2024. Ms. Yuen has over 20 years of solid experience in management consulting services (with focus on banking, capital markets and fintech development), information services, data analytics, sales and marketing (serving primarily clients in the financial services industry). From March 2010 to September 2012, she was the General Manager for decision analytics in Greater China South in Experian Hong Kong Limited. From May 2013 to October 2023, she served as the Managing Director for financial services in Accenture Company Limited.

Ms. Yuen was a member of the Departmental Advisory Committee of Department of Information Systems in City University of Hong Kong from May 2021 to April 2024. Ms. Yuen was an assessor of FinTech Award Assessment Team for Hong Kong ICT Awards 2020, 2021 and 2023.

Ms. Yuen obtained a bachelor's degree in English language and literature from Hong Kong Baptist University in 1992.

For the information of the Directors' and chief executive's emoluments, please refer to Note 41 to the consolidated financial statements contained in this report.



BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

SENIOR MANAGEMENT (OTHER THAN EXECUTIVE DIRECTORS)

Mr. Zhao Hao – Chief Technology Officer

Mr. Zhao, aged 45, is the Chief Technology Officer (“CTO”) of the Company and also holds the position of CTO at Macau Pass S.A.. Mr. Zhao has over 20 years of solid experience in financial and technology (FinTech) fields, covering extensive businesses in To C and To B.

Mr. Zhao joined the Group in July 2022. Prior to joining the Group, Mr. Zhao worked at Citicorp Software Technology and Services (Shanghai) Limited and EMC Computer Systems (China) Co., Ltd. and accumulated core capabilities in the fields of technology research and development and industry consulting.

Afterwards, Mr. Zhao also worked as senior technical expert at Ant Group and concurrently held the position of CTO at Touch’n Go in Malaysia in which Ant Group had made investment. During his tenure, he was deeply involved in financial technology and blockchain technology. As the technical director for Ant Group’s technical sites in various countries including India, Thailand, Pakistan, Vietnam, the Philippines, Indonesia and Bangladesh, he was responsible for formulating technical strategies, building and empowering cross-functional teams, and constructing product and technology systems. With profound insights into the market characteristics and maturity in those countries, he led international teams to incubate the core business scenarios from 0 to 1 (especially in FinTech areas such as cross-border payments and digital wallets), promoted the development of local digital ecosystems, and established a leading position in the region.

Mr. Zhao has extensive experience in the operation and management of internet companies, including the establishment and promotion of standards for product technology and its ecosystem. His capabilities have been fully validated through international FinTech practices, particularly through his profound expertise in blockchain, digital banking, and digital wallets. This expertise has effectively driven the implementation of corporate strategies, system optimization, technology upgrades and the achievement of financial goals.



BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

Mr. Chen Ji – Chief Financial Officer

Mr. Chen, aged 43, was appointed as the chief financial officer of the Group on April 3, 2025, responsible for the group's financial strategy planning, capital operations, and investor relations management, etc.. Mr. Chen is also a member of the risk management and internal control committee of the Company. Mr. Chen has more than 20 years working experience in the financial field. Before joining the Group, he served as Corporate Finance and Capital Market Director of Ant Group from April 2020 to March 2025, mainly responsible for offshore capital market transactions, management of overseas assets and funds, and reorganization of overseas business. Prior to joining Ant Group, Mr. Chen worked as an executive director of the investment banking team at Citigroup Global Market Asia Limited from 2011 to 2020. From 2006 to 2011, Mr. Chen served as a senior manager of the China investment banking team at BNP Paribas. From 2003 to 2006, Mr. Chen held an auditing position at KPMG.

Mr. Chen obtained a Bachelor's Degree in Management (majoring in International Accounting) from Shanghai University of Finance and Economics in 2003. In addition, Mr. Chen obtained a Master's Degree in Executive Master of Business Administration from Antai College of Economics and Management at Shanghai Jiao Tong University in 2024.

Ms. Lee Wai Yan Vivian – Legal & Compliance Director and Company Secretary

Ms. Lee, aged 45, is the Legal & Compliance Director and company secretary of the Company. Ms. Lee has more than 17 years of experience in the legal industry. She joined Alibaba Group as a senior legal counsel in January 2019 and joined the Group in 2022. She was a senior legal director at Fosun International Limited (Stock Code: 0656) from December 2015 to December 2018. She also worked at the Hong Kong office of various international law firms from 2008 to 2015. Ms. Lee obtained a Bachelor of Arts degree from the University of British Columbia (Canada) and a Graduate Diploma in Law (Common Professional Examination) and qualified to practice law in England and Wales. She was admitted as a solicitor of the High Court of Hong Kong in 2007 and is currently a member of the Law Society of Hong Kong.

* *The English translation of the Chinese company/institution names in this report are included for reference only and should not be regarded as the official English translation of such Chinese company/institution names.*



DIRECTORS' REPORT

The Directors present the annual report together with the audited consolidated financial statements of the Group for the year ended March 31, 2025.

PRINCIPAL ACTIVITIES AND GEOGRAPHICAL ANALYSIS OF OPERATIONS

The principal activity of the Company is investment holding. The principal activities of the Company's principal subsidiaries are set out in Note 44 to the consolidated financial statements.

An analysis of the Group's performance for the year by operating segment is set out in Note 6 to the consolidated financial statements.

RESULTS AND APPROPRIATIONS

The results of the Group for the year ended March 31, 2025 are set out in the consolidated statement of profit or loss and other comprehensive income on pages 177 and 178.

The Board does not recommend the payment of a final dividend for the year under review (15-Month ended March 31, 2024: Nil).

PROPERTY, PLANT AND EQUIPMENT

Details of movements in the property, plant and equipment of the Group during the year under review are set out in Note 15 to the consolidated financial statements.

SHARE CAPITAL

Details of the share capital of the Company are set out in Note 36 to the consolidated financial statements. The Company did not have any treasury shares as at March 31, 2025 and the date of this report.

DISTRIBUTABLE RESERVES

The Company had no distributable reserves calculated under the laws of Bermuda as at March 31, 2025.

REDEMPTION, PURCHASE OR CANCELLATION OF REDEEMABLE SECURITIES

During the year under review, neither the Company nor any of its subsidiaries redeemed, purchased or cancelled any of its redeemable securities.



DIRECTORS' REPORT

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

During the year under review, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the listed securities (including sale of treasury shares, if any) of the Company.

FINANCIAL SUMMARY

A summary of the results of the Group and of the assets and liabilities of the Group for the last five financial years/reporting period is set out on page 170.

DIRECTORS

The Directors during the year under review and up to the date of this report were:

Executive Directors:

Mr. Sun Ho

Ms. Hu Taoye

Non-executive Directors:

Ms. Qin Yuehong

Mr. Ji Gang

Mr. Tung Peng Hung (resigned on January 10, 2025)

Mr. Zou Liang (retired on September 9, 2024)

Independent non-executive Directors:

Mr. Chow Siu Lui

Mr. Chan Ka Leong (appointed on May 3, 2024)

Ms. Yuen Kit Ming Fanny (appointed on May 14, 2024)

Mr. Feng Qing (resigned on May 3, 2024)

Dr. Gao Jack Qun Yao (resigned on May 3, 2024)

In accordance with bye-law 84 of the Bye-laws, three Directors (namely, Ms. Qin Yuehong, Mr. Ji Gang and Mr. Chow Siu Lui) will retire by rotation, but being eligible, shall offer themselves for re-election, at the forthcoming annual general meeting of the Company (the "2025 AGM").



DIRECTORS' REPORT

DIRECTORS' SERVICE AGREEMENTS

Mr. Sun Ho was appointed as an executive Director and CEO of the Company under a renewed service contract for a term of two years as from August 6, 2024 and automatically renewable for successive terms of one year each commencing from the day next after the expiry of the then current term, unless terminated earlier by the Company for cause.

Ms. Hu Taoye was appointed as an executive Director of the Company under a service agreement with effect from January 30, 2019 for an initial term of one year, and either party thereto may terminate such agreement by giving the other party not less than three months' written notice. Such agreement has been renewed until April 1, 2024 (subject to rotation of directorship according to the bye-laws of the Company) and automatically renewable for successive terms of one year each commencing from the day next after the expiry of the then current term, unless terminated in accordance with the service agreement.

The non-executive Directors, Ms. Qin Yuehong and Mr. Ji Gang, were appointed for a term of one year. Their appointments shall be renewable automatically for successive terms of one year each commencing from the next day after the expiry of the then current term of their respective appointment unless terminated by the Company in accordance with the terms of their appointment letters and the provisions of the Bye-laws.

Each of Mr. Chow Siu Lui, Mr. Chan Ka Leong and Ms. Yuen Kit Ming Fanny was appointed as an independent non-executive Director under a service agreement with an initial term of one year commencing from their respective dates of appointment on January 24, 2022, May 3, 2024 and May 14, 2024 and automatically renewable for successive terms of one year each commencing from the day next after the expiry of the then current term unless terminated by either party thereto giving the other party not less than one calendar month's notice in writing.

Save as disclosed above, none of the Directors proposed for re-election at the forthcoming annual general meeting of the Company has a contract with the Company, which is not determinable by the Company within one year without payment of compensation (other than statutory compensation).



DIRECTORS' REPORT

PERMITTED INDEMNITY PROVISIONS

Pursuant to the Bye-laws, every Director shall be indemnified out of the assets and profits of the Company against all actions, costs, charges, losses, damages and expenses which he/she may incur or sustain in or about the execution of his/her duty, or supposed duty, in his/her office or otherwise in relation thereto, provided that such indemnity shall not extend to any matter in respect of any fraud or dishonesty which may attach to such Director. The relevant provision of the Bye-laws was in force during the year under review and as of the date of this report. The Company has taken out insurance against the liability and costs associated with defending any proceedings which may be brought against directors of the Group.

CONNECTED TRANSACTION

During the year ended March 31, 2025, the Group conducted the following connected transaction (other than continuing connected transactions), details of which had been disclosed in compliance with the requirements of Chapter 20 of the GEM Listing Rules.

On December 24, 2024, mFinance Holdings Limited ("**mFinance**"), being an indirect wholly-owned subsidiary of the Company, entered into a capital increase agreement (the "**Capital Increase Agreement**") with Ant Bank (Macao), Alipay (Macao) Holding Limited ("**Alipay (Macao) Holding**") and Alipay (Macao) Investment Limited ("**Alipay (Macao) Investment**"), pursuant to which each of mFinance, Alipay (Macao) Holding and Alipay (Macao) Investment conditionally agreed to subscribe for, and Ant Bank (Macao) conditionally agreed to issue, 360,500 common shares, 170,100 common shares and 169,400 common shares of Ant Bank (Macao), respectively, at a price of MOP100 per common share. Accordingly, mFinance, Alipay (Macao) Holding and Alipay (Macao) Investment shall pay the consideration of MOP36,050,000, MOP17,010,000 and MOP16,940,000, respectively.

The consideration for the capital increase under the Capital Increase Agreement was determined after arm's length negotiation among the parties to the Capital Increase Agreement, having taken into account various factors, including (i) the working capital currently available to Ant Bank (Macao); (ii) the capital requirements of Ant Bank (Macao) for the existing business development projects and compliance with the minimum own funds requirement for a licensed bank in Macao; and (iii) the maintenance of the respective percentages of equity interest held by mFinance, Alipay (Macao) Holding and Alipay (Macao) Investment in Ant Bank (Macao) following the capital increase.



DIRECTORS' REPORT

Upon the capital increase, the percentage of equity interests held by mFinance, Alipay (Macau) Holding and Alipay (Macau) Investment in Ant Bank (Macao) would remain unchanged at approximately 51.5%, 24.3% and 24.2%, respectively.

The Board believed that the capital increase would enable the Group to maintain its equity interest in Ant Bank (Macao) as well as enable the bank to comply with the minimum own funds requirement for a licensed bank in Macau, thereby ensuring a more robust financial foundation and supporting future business development of Ant Bank (Macao).

As at the date of entering into the Capital Increase Agreement, (i) Ali Fortune, the controlling shareholder of the Company, was indirectly held as to 60% and 40% by Alibaba Holding and Ant Holdco respectively; (ii) Ant Holdco was indirectly held by Alibaba Holding as to approximately 33% of its equity interest; (iii) Ant Bank (Macao) was held by mFinance as to approximately 51.5% and two indirect wholly-owned subsidiaries of Ant Holdco (i.e. Alipay (Macau) Holding and Alipay (Macau) Investment) as to approximately 48.5% in aggregate. Ant Bank (Macao), being a connected subsidiary of the Company, was therefore a connected person of the Company. In addition, each of Alipay (Macau) Holding and Alipay (Macau) Investment, being an associate of Alibaba Holding, was therefore a connected person of the Company. Accordingly, the subscription by mFinance of 360,500 common shares of Ant Bank (Macao) (the “**mFinance Subscription**”) constituted a connected transaction for the Company under Chapter 20 of the GEM Listing Rules.

As one or more of the applicable percentage ratios with respect to the mFinance Subscription exceeded 0.1% but all were below 5%, the mFinance Subscription was subject only to the reporting and announcement requirements but was exempt from the circular and independent shareholders' approval requirements under Chapter 20 of the GEM Listing Rules. Further details of the connected transaction contemplated under the Capital Increase Agreement are set out in the announcement of the Company dated December 24, 2024.



DIRECTORS' REPORT

CONTINUING CONNECTED TRANSACTIONS ("CCTS")

During the year ended March 31, 2025, the Group conducted the following CCTs, details of which had been disclosed in compliance with the requirements of Chapter 20 of the GEM Listing Rules:

CCTs with Alibaba Group:

(a) 2023 LST Cooperation Agreement

On December 21, 2023, CLM and ZCLM entered into a cooperation agreement (the "2023 LST Cooperation Agreement") with Alibaba China and Shanghai Caicai. Pursuant to the 2023 LST Cooperation Agreement, CLM and/or ZCLM shall cooperate with Alibaba China and Shanghai Caicai in relation to the sale of sports and/or welfare lottery products in the PRC via physical retail shops (which mainly refer to: (i) retail shops under the retail network of Lingshoutong (零售通) (a digital sourcing platform for retailers) of Alibaba China and other retail shops installed with Ruyi POS machines (including those retail shops under the retail network of Lingshoutong set up prior to the date of the 2023 LST Cooperation Agreement from the previous cooperation between CLM/ZCLM and Alibaba China); and (ii) physical pickup stores of Taobao Grocery Group (淘寶買菜團點) of Shanghai Caicai (a community E-commerce platform) and its affiliates (including those physical pickup stores under the network of Taobao Grocery Group set up prior to the date of the 2023 LST Cooperation Agreement from the previous cooperation between CLM/ZCLM and Shanghai Caicai)) for a term from January 1, 2024 to March 31, 2026.



DIRECTORS' REPORT

The 2023 LST Cooperation Agreement enables the Group to continue to promote the sales of sports and welfare lottery products to more customers through Alibaba Group's physical retail distribution channel and networks, thereby maintaining a stable source of revenue from the Group's lottery distribution business.

CLM and ZCLM shall be responsible for entering into agreements separately with various provincial China Sports Lottery Administration Centers and/or China Welfare Lottery Issuance and Administration Centers in the PRC (collectively, the **Lottery Centers**), and shall recommend to the Lottery Centers some retail shops, which shall meet the required standards of the Lottery Centers and shall be selected by Alibaba China, Shanghai Caicai and their affiliates to set up as lottery sales outlets, to act as selling agents, or to provide services to CLM and/or ZCLM which act as selling agents, for the sale of sports and/or welfare lottery products in the PRC. Where a retail shop acts as a selling agent, a separate agreement will be entered into between the retail shop and China Sports Lottery Administration Center or China Welfare Lottery Issuance and Administration Center in the PRC.

- (i) Where CLM and/or ZCLM acts as selling agents and receives sales commission from the Lottery Centers, service fees payable to Alibaba China or Shanghai Caicai (as the case may be) = (sales commission receivable by CLM and/or ZCLM from Lottery Centers for the sale of lottery products (exclusive of taxes) with respect to the retail shops under the retail network of Alibaba China or Shanghai Caicai (as the case may be) – service fees payable to such shops + incentive fee payable by Alibaba China or Shanghai Caicai (as the case may be) to its business development personnel – other costs and expenses payable by CLM and/or ZCLM) x 50%
- (ii) Where the retail shops under the retail network of Alibaba China or Shanghai Caicai (as the case may be) act as selling agents and CLM and/or ZCLM receive service fees (including but not limited to sales channel management fees and promotion fees) from the Lottery Centers, service fees payable to Alibaba China or Shanghai Caicai (as the case may be) = (service fees receivable by CLM and/or ZCLM from Lottery Centers (exclusive of taxes) with respect to the retail shops under the retail network of Alibaba China or Shanghai Caicai (as the case may be) + incentive fee payable by Alibaba China or Shanghai Caicai (as the case may be) to its business development personnel – other costs and expenses payable by CLM and/or ZCLM) x 50%



DIRECTORS' REPORT

The Company expected that the maximum aggregate fees payable by the Group to Alibaba China and Shanghai Caicai under the 2023 LST Cooperation Agreement would not be more than HK\$2,000,000 for the three months ended March 31, 2024, HK\$9,000,000 for the year ended March 31, 2025 and HK\$12,000,000 for the year ending March 31, 2026. These annual caps were determined with reference to: (i) the historical aggregate amounts of service fees paid by the Group to Alibaba China with respect to the transactions contemplated under a previous cooperation agreement for the year ended December 31, 2022 and the 11 months ended November 30, 2023; and (ii) the projected aggregate amounts of service fees payable by the Group to Alibaba China and/or Shanghai Caicai for the term of the 2023 LST Cooperation Agreement.

At the time of entering into the 2023 LST Cooperation Agreement, each of Alibaba China and Shanghai Caicai, being an indirect wholly-owned subsidiary of Alibaba Holding, was an associate of Ali Fortune and a connected person of the Company. Therefore, the entering into of the 2023 LST Cooperation Agreement and the transactions contemplated thereunder constituted CCTs for the Company under Chapter 20 of the GEM Listing Rules.

As one or more of the applicable percentage ratios in respect of the highest annual cap for the transactions contemplated under the 2023 LST Cooperation Agreement were more than 0.1% but all of them were less than 5%, the entering into of the 2023 LST Cooperation Agreement and the transactions contemplated thereunder were subject to the reporting, announcement and annual review requirements but were exempt from the circular and independent shareholders' approval requirements under Chapter 20 of the GEM Listing Rules. Further details of the CCTs contemplated under the 2023 LST Cooperation Agreement are set out in the announcement of the Company dated December 21, 2023.

Due to the business restructuring of the Alibaba Group, the lottery sales outlets previously set up within the retail shops under the membership network of Alibaba China's digital sourcing platform for retailers, Lingshoutong, and Shanghai Caicai, have now collaborated directly with CLM or ZCLM starting from March 2024. There will be no more fee split between the Group and each of Lingshoutong and Shanghai Caicai with respect to those lottery sales outlets. The retail shops continue their sales of lottery products pursuant to the service agreements between the retail shops and CLM or ZCLM. As the aforesaid retail shops are not controlled or owned by the Alibaba Group and are third parties independent of the Company or its connected persons, the cooperation between such shops and the Group for the sale of lottery products in the PRC ceased to be CCTs for the Company under Chapter 20 of the GEM Listing Rules for the year under review.



DIRECTORS' REPORT

(b) **2022 Technology Services Framework Agreement and 2024 Technology Services Framework Agreement**

On December 29, 2022, Beijing AGTech, being a wholly-owned subsidiary of the Company, entered into a technology services framework agreement (the "**2022 Technology Services Framework Agreement**") with Alibaba Cloud, pursuant to which Beijing AGTech shall and shall procure the Group to, where applicable, enter into specific agreements with Alibaba Cloud and its subsidiaries and/or affiliates for the provision of technology services and resources (including authorisation for the use of cloud computing technologies and e-commerce technologies, and the provision of other technology services and support based on the business needs and operational requirements of the Group, including the provision of information technology infrastructure and hardware such as servers and data rooms) by Alibaba Cloud and its subsidiaries and/or affiliates to the Group for a term from January 1, 2023 to December 31, 2024.

The Group entered into the 2022 Technology Services Framework Agreement, reflecting its strategy of utilising a range of technology services and resources to enhance its product and service offerings so as to improve the user experiences of its customers.

The fees for the technology services and resources shall be calculated with reference to the pricing policies published by Alibaba Cloud on its official website(s) from time to time. The Group shall enjoy the same discount rates or discount rates no less favourable than the ones, if any, offered by Alibaba Cloud and its subsidiaries and/or affiliates to the independent third parties for technology services and resources under the same conditions from time to time. The Company expected that the maximum aggregate fees payable to Alibaba Cloud and its subsidiaries and/or affiliates by the Group under the 2022 Technology Services Framework Agreement would not be more than HK\$4,200,000 for the year ended December 31, 2023 and HK\$6,500,000 for the year ended December 31, 2024. These annual caps were estimated primarily with reference to: (i) the historical amounts of the aggregate fees paid to Alibaba Cloud and its subsidiaries and/or affiliates by the Group under a previous technology services framework agreement for the year ended December 31, 2020, the year ended December 31, 2021 and the eleven-month period ended November 30, 2022, being approximately HK\$3,160,000, HK\$2,150,000 and HK\$1,508,000, respectively; (ii) the Group's expected demand and rate of usage for the above-mentioned technology services and resources during the term of the 2022 Technology Services Framework Agreement; (iii) the applicable rates of services currently published by Alibaba Cloud on its official website(s); and (iv) the discount rates historically offered by Alibaba Cloud and its subsidiaries and/or affiliates to third parties. It was expected that, as a result of the Group's business growth and launch of new initiatives during the term of the 2022 Technology Services Framework Agreement (especially due to the Group's electronic payment business in Macau), the demand for the aforesaid technology services and resources would increase and would lead to an increase in the annual caps as compared to the historical amounts.



DIRECTORS' REPORT

Due to higher-than-anticipated demand of the Group for technology services and resources, and increased service fees payable to Alibaba Cloud and its subsidiaries and/or affiliates, the Company revised the annual caps for the 2022 Technology Services Framework Agreement twice for the years ended:

- December 31, 2023: Increased from HK\$4.2 million to HK\$5 million, based on projected usage and actual spending from January to October 2023; and
- December 31, 2024: Increased from HK\$6.5 million to HK\$11 million, referencing expected demand and actual usage data from January to September 2024.

At the time of entering into the 2022 Technology Services Framework Agreement, Ali Fortune, the controlling shareholder of the Company, was indirectly held as to 60% by Alibaba Holding; accordingly, Alibaba Cloud, being a consolidated entity of Alibaba Holding, was an associate of Ali Fortune and therefore a connected person of the Company. The transactions contemplated under the 2022 Technology Services Framework Agreement thus constituted CCTS for the Company under Chapter 20 of the GEM Listing Rules.

As one or more applicable percentage ratios with respect to the highest annual cap of fees payable to Alibaba Cloud and its subsidiaries and/or affiliates by the Group under the 2022 Technology Services Framework Agreement were more than 0.1% but all of them were less than 5%, the transactions contemplated under the 2022 Technology Services Framework Agreement were subject to the reporting, announcement and annual review requirements but were exempt from the circular and independent shareholders' approval requirements under Chapter 20 of the GEM Listing Rules. Further details of the CCTs contemplated under the 2022 Technology Services Framework Agreement are set out in the announcements of the Company dated December 29, 2022, December 8, 2023 and October 31, 2024.



DIRECTORS' REPORT

As the Group intended to renew the procurement of the technology services and resources from Alibaba Cloud and its subsidiaries and/or affiliates upon the expiry of the 2022 Technology Services Framework Agreement, on December 5, 2024, Beijing AGTech GOT, being a wholly-owned subsidiary of the Company, entered into a technology services framework agreement (the **"2024 Technology Services Framework Agreement"**) with Alibaba Cloud, pursuant to which Beijing AGTech GOT shall and shall procure the Group to, where applicable, enter into specific agreements with Alibaba Cloud and its subsidiaries and/or affiliates for the provision of technology services and resources (including authorisation for the use of cloud computing technologies and e-commerce technologies, and the provision of other technology services and support based on the business needs and operational requirements of the Group, including the provision of information technology infrastructure and hardware such as servers and data rooms) by Alibaba Cloud and its subsidiaries and/or affiliates to the Group for a term from January 1, 2025 to March 31, 2027.

The fees for the technology services and resources shall be calculated with reference to the pricing policies published by Alibaba Cloud on its official website(s) mentioned above from time to time. The Group shall enjoy the same discount rates or discount rates no less favourable than the ones, if any, offered by Alibaba Cloud and its subsidiaries and/or affiliates to the independent third parties for technology services and resources under the same conditions from time to time.



DIRECTORS' REPORT

The Company expected that the annual caps of fees payable to Alibaba Cloud and its subsidiaries and/or affiliates by the Group under the 2024 Technology Services Framework Agreement would not be more than HK\$5,000,000 for the period from January 1, 2025 to March 31, 2025, HK\$24,000,000 for the year ending March 31, 2026 and HK\$30,000,000 for the year ending March 31, 2027. These annual caps were primarily estimated with reference to: (i) the historical amounts of the aggregate fees paid to Alibaba Cloud and its subsidiaries and/or affiliates by the Group under the 2022 Technology Services Framework Agreement for the 12 months ended December 31, 2023 and the 10 months ended October 31, 2024; (ii) the Group's expected demand and rate of usage for the technology services and resources during the term of the 2024 Technology Services Framework Agreement; (iii) the applicable rates of services currently published by Alibaba Cloud on its official website(s); and (iv) the discount rates historically offered by Alibaba Cloud and its subsidiaries and/or affiliates. It was expected that, as a result of the Group's business growth and launch of new initiatives (including but not limited to the expansion into the banking business in Macau), the demand for the technology services and resources would increase and the Group would therefore require an increase in the annual caps as compared to the historical amounts.

As outlined above, Alibaba Cloud was a connected person of the Company. The transactions contemplated under the 2024 Technology Services Framework Agreement thus constituted continuing connected transactions of the Company under Chapter 20 of the GEM Listing Rules. Further details of the CCTs contemplated under the 2024 Technology Services Framework Agreement are set out in the announcement of the Company dated December 5, 2024.

As one or more applicable percentage ratios with respect to the highest annual cap of fees payable to Alibaba Cloud and its subsidiaries and/or affiliates by the Group under the 2024 Technology Services Framework Agreement were more than 0.1% but all of them were less than 5%, the transactions contemplated thereunder were subject to the reporting, announcement and annual review requirements but were exempt from the circular and independent shareholders' approval requirements under Chapter 20 of the GEM Listing Rules.



DIRECTORS' REPORT

CCTs with Ant Group:

(a) 2023 MP Acquiring Service Framework Agreement

Macau Pass would provide acquiring services to merchants enabling them to accept different payment methods of other payment service providers such as the "Alipay" e-wallet, the "AlipayHK" e-wallet and Ant Bank (Macao)'s "Alipay (Macao)" e-wallet operated by the Alipay Entities and/or their affiliate(s), such that their customers may choose their preferred payment platforms at checkout. Macau Pass receives commission income from the merchants for processing payment of the transactions and pays a portion of such commission as service fees (the "**MP Acquiring Service Fees**") to the other payment service providers such as the Alipay Entities.

On October 27, 2023, the Company entered into a framework agreement (the "**2023 MP Acquiring Service Framework Agreement**") with the Alipay Entities to renew the CCTs under a similar prior agreement which expired on December 31, 2023. Pursuant to the 2023 MP Acquiring Service Framework Agreement, (i) the operating entities of the Alipay Entities and the Group shall carry out their business cooperation in accordance with the specific execution agreements under such cooperation; (ii) Macau Pass shall provide acquiring service to the merchants (the "**MP Merchants**") via Macau Pass' payment terminals, merchant QR code or online payment gateway, enabling the MP Merchants to accept different third party payment platforms, including but not limited to the E-Wallets; and (iii) the Alipay Entities shall provide the services of processing, authorization and settlement of payments made by users via the E-Wallets, for a term from January 1, 2024 to March 31, 2026.

Given the increasing usage of digital payment by customers of the Group in Macau with the E-Wallets operated by the Alipay Entities or the Alipay+ Solution partners being a popular payment option, the entering into of the 2023 MP Acquiring Service Framework Agreement enables the Group to continue its business relationships with the Alipay Entities and the Alipay+ Solution partners' e-wallets.



DIRECTORS' REPORT

It was anticipated that the pricing range for the MP Acquiring Service Fees payable by Macau Pass to the Alipay Entities Group (including their respective affiliates) under the 2023 MP Acquiring Service Framework Agreement shall be within the region from 0.2% to 3% of the transaction value processed. The Company expected that the maximum aggregate fees payable by Macau Pass to the Alipay Entities Group under the 2023 MP Acquiring Service Framework Agreement would not be more than HK\$20,000,000 for the three months ended March 31, 2024, HK\$86,000,000 for the year ended March 31, 2025 and HK\$100,000,000 for the year ending March 31, 2026. These annual caps were estimated primarily with reference to the projected amounts of payment transactions processed through the acquiring service provided by Macau Pass for the Alipay Entities Group which were estimated after taking into account factors including: (i) the historical figures of the number and value of the online and offline transactions processed through the acquiring service provided by Macau Pass to merchants for accepting the E-Wallets during the two years ended December 31, 2021 and 2022 and the nine months ended September 30, 2023; (ii) the service fee rates charged by the Alipay Entities Group to Macau Pass; and (iii) the estimated growth in the number and value of the transactions processed through the acquiring service provided by Macau Pass to merchants for accepting the E-Wallets in light of (a) the resumption of tourists activities in Macau after the release of the control measures for the COVID-19 pandemic; (b) the expansion of its network of merchants by Macau Pass in Macau; (c) the increase in per capita consumption of Chinese Mainland tourists in Macau; (d) the expansion of Macau Pass' payment ecosystem to accept payments via cross-border E-Wallets in Macau; and (e) the competition of acquiring service provided by other acquirers and banks in Macau.

At the time of entering into the 2023 MP Acquiring Service Framework Agreement, (i) Ali Fortune, the controlling shareholder of the Company, was indirectly held as to 60% by Alibaba Holding and as to 40% by Ant Holdco; (ii) Ant Holdco was indirectly held by Alibaba Holding as to approximately 33% of its equity interest; (iii) Alipay was a direct wholly-owned subsidiary, and Alipay Singapore was an indirect wholly-owned subsidiary, of Ant Holdco; (iv) Ant Bank (Macao) was an indirect 66.7%-owned subsidiary of Ant Holdco and its other 33.3% equity interest was held by a 30% indirectly owned associated company of the Company; and (v) Macau Pass was an indirect wholly-owned subsidiary of the Company. Accordingly, Ant Holdco and the Alipay Entities were associates of Alibaba Holding and hence members of the Alipay Entities Group were connected persons of the Company under the GEM Listing Rules. The 2023 MP Acquiring Service Framework Agreement and the transactions contemplated thereunder between the Group and the Alipay Entities Group constituted CCTs for the Company under Chapter 20 of the GEM Listing Rules.



DIRECTORS' REPORT

As one or more of the applicable percentage ratios in respect of the highest annual cap of the MP Acquiring Service Fees payable by Macau Pass to the Alipay Entities Group (including their respective affiliates) under the 2023 MP Acquiring Service Framework Agreement exceeded 5%, the 2023 MP Acquiring Service Framework Agreement and the transactions contemplated thereunder (including the relevant annual caps) were subject to the reporting, annual review, announcement, circular and independent shareholders' approval requirements under Chapter 20 of the GEM Listing Rules. The 2023 MP Acquiring Service Framework Agreement and the transactions contemplated thereunder (including the relevant annual caps) were duly approved by the independent Shareholders at the special general meeting of the Company held on December 18, 2023. Further details of the CCTS contemplated under the 2023 MP Acquiring Service Framework Agreement and a supplemental agreement to the 2023 MP Acquiring Service Framework Agreement are set out in the announcements of the Company dated October 27, 2023 and November 10, 2023 and the circular of the Company dated November 27, 2023.

(b) 2023 MP Payment and Related Services Framework Agreement

On December 21, 2023, the Company entered into a framework agreement (the **"2023 MP Payment and Related Services Framework Agreement"**) with the Alipay Entities to renew the CCTs under a similar prior agreement which expired on December 31, 2023. Pursuant to the 2023 MP Payment and Related Services Framework Agreement, the Company and the Alipay Entities may from time to time enter into or procure their respective subsidiaries and/or affiliated companies to enter into specific execution agreements for the provision to each other of the payment and related services specified in the 2023 MP Payment and Related Services Framework Agreement for a term commencing from January 1, 2024 to March 31, 2026.



DIRECTORS' REPORT

The Board considered that the transactions contemplated under the 2023 MP Payment and Related Services Framework Agreement would foster closer cooperation between the Group (in particular, Macau Pass) and the Alipay Entities in respect of the Group's business in Macau and Macau Pass' cross-border payment business outside Macau or in the Guangdong-Hong Kong-Macau Greater Bay Area, thereby enhancing the source of revenue of the Group.

The Company expected that the maximum aggregate fees payable to the Alipay Entities Group by the Group for payment-related technical services (the "**Alipay Technical Services II**") specified under the 2023 MP Payment and Related Services Framework Agreement would not be more than HK\$1,400,000 for the three months ended March 31, 2024, HK\$6,100,000 for the year ended March 31, 2025 and HK\$7,300,000 for the year ending March 31, 2026. These annual caps were determined primarily with reference to: (i) the expected demand of the Group for the services provided by the Alipay Entities Group under the 2023 MP Payment and Related Services Framework Agreement and the relevant service fees payable by the Group to the Alipay Entities Group during the term of the 2023 MP Payment and Related Services Framework Agreement; (ii) the historical volume of services provided by the Alipay Entities Group purchased by the Group and the service fees paid by the Group to the Alipay Entities Group for such services under a similar prior agreement during the period from July 13, 2022 to November 30, 2023; and (iii) certain buffer for additional services that may be required by the Group. The pricing basis of the service fees for the Alipay Technical Services II payable by the Group to the Alipay Entities Group is determined based on the pricing policy published by the Alipay Entities Group on their official websites from time to time, and may be adjusted downwards by a discount offered by the Alipay Entities Group according to the volume of services to be purchased by the Group. For technical services and support services provided by Alipay+ Solution in relation to Macau Pass being the payment institution partner of Alipay+ Solution, the pricing of the service fees for the relevant Alipay Technical Services II shall be within the range of 0.1% to 0.4% of the transaction amount.

The Company expected that the maximum aggregate fees payable to the Group by the Alipay Entities Group for the Macau Pass' clearing and settlement services (with the pricing of service fees within the range of 0.1% to 3% of the transaction amount) and foreign exchange settlement services (with the pricing of service fees within the range of 0.1% to 0.6% of the transaction amount) (collectively, the "**MP Payment Related Services II**") specified under the 2023 MP Payment and Related Services Framework Agreement would not be more than HK\$2,800,000 for the three months ended March 31, 2024, HK\$13,800,000 for the year ended March 31, 2025 and HK\$16,600,000 for the year ending March 31, 2026. These annual caps were determined primarily with



DIRECTORS' REPORT

reference to: (i) the expected demand of the Alipay Entities Group for the aforesaid Macau Pass' services during the term of the 2023 MP Payment and Related Services Framework Agreement; (ii) the historical volume of the aforesaid services demanded by the Alipay Entities Group and the service fees paid by the Alipay Entities Group to the Group for such services under a similar prior agreement during the period from March 24, 2022 to November 30, 2023; (iii) the rates of service fees charged by Macau Pass; (iv) certain buffer for additional services that may be required by the Alipay Entities Group; and (v) the expected increase in the revenue of the provision of the aforesaid services due to the recovery of Macau's economy and the Company's optimistic view on the cross-border payment services offered by Macau Pass through the newly launched payment service partnered with Alipay+ Solution that (a) would allow Macau residents, being users of MPay (i.e. the e-wallet operated by Macau Pass) with real name authentication, to use MPay in Chinese Mainland and Hong Kong; and (b) would expand the coverage of the cross-border payment business of MPay to overseas countries and online scenarios.

The Company expected that the maximum aggregate fees payable to the Group by the Alipay Entities Group for Macau Pass' provision of users referral services (the "**Referral Services II**") to the Alipay Entities specified under the 2023 MP Payment and Related Services Framework Agreement (with the pricing of service fees within the range of 0.0005% to 2% of the transaction amount, or within the rate from 10% to 50% of the net profit received by Alipay Entities/Ant Bank (Macao), or with reference to the existing advertising and promotional fees chargeable by Macau Pass to other independent third party banks) would not be more than HK\$200,000 for the three months ended March 31, 2024, HK\$7,400,000 for the year ended March 31, 2025 and HK\$8,900,000 for the year ending March 31, 2026. These annual caps were determined primarily with reference to: (i) the estimated number of users or merchants that may be referred to the Alipay Entities (including Ant Bank (Macao)) by Macau Pass who would successfully open an account with Ant Bank (Macao) or purchase or enter into deposits, loans or other financial products or services provided by the Alipay Entities (including Ant Bank (Macao)) during the term of the 2023 MP Payment and Related Services Framework Agreement; (ii) the historical figures of the transaction amounts in respect of the aforesaid services during the period from July 13, 2022 to November 30, 2023; (iii) the rates of service fees charged by Macau Pass; and (iv) the estimated average amount of deposit that each referred user would place in the account opened at Ant Bank (Macao).



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As outlined in the paragraph titled “(a) 2023 MP Acquiring Service Framework Agreement” above, Ant Holdco and the Alipay Entities were connected persons of the Company under the GEM Listing Rules. The transactions between the Group and the Alipay Entities Group contemplated under the 2023 MP Payment and Related Services Framework Agreement thus constituted CCTs for the Company under Chapter 20 of the GEM Listing Rules.

As one or more applicable percentage ratios with respect to (i) the highest annual cap of the service fees payable by the Group to the Alipay Entities Group for the Alipay Technical Services II under the 2023 MP Payment and Related Services Framework Agreement were more than 0.1% but all of them were less than 5%; and (ii) the highest annual cap of the service fees payable by the Alipay Entities Group to the Group for each of the MP Payment Related Services II and the Referral Services II under the 2023 MP Payment and Related Services Framework Agreement were more than 0.1% but all of them were less than 5%, the transactions contemplated under the 2023 MP Payment and Related Services Framework Agreement (including the relevant annual caps) were subject to the reporting, announcement and annual review requirements but were exempt from the circular and independent shareholders' approval requirements under Chapter 20 of the GEM Listing Rules. Further details of the CCTs contemplated under the 2023 MP Payment and Related Services Framework Agreement are set out in the announcement of the Company dated December 21, 2023.

(c) **ABM Framework Agreement**

To maintain the business cooperation between Ant Bank (Macao) and the Ant Group and ensure that it would comply with the requirements of the GEM Listing Rules upon completion of the attainment of a controlling stake in Ant Bank (Macao) by the Group, on February 8, 2024, the Company (for itself and on behalf of its subsidiaries), Ant Bank (Macao) and Ant International Technologies (for itself and on behalf of the direct or indirect subsidiaries and affiliated companies of Ant Holdco) entered into a framework agreement (the “**ABM Framework Agreement**”) to set out the terms and conditions of the future business cooperation and resources sharing between Ant Bank (Macao) and the Ant Group. Pursuant to the ABM Framework Agreement, Ant International Technologies may from time to time enter into or procure the Ant Group members to enter into specific execution agreements with Ant Bank (Macao) for the provision of the services specified in the ABM Framework Agreement to each other.



DIRECTORS' REPORT

At the time of entering into the ABM Framework Agreement, (i) Ali Fortune, the controlling shareholder of the Company, was indirectly owned as to 60% and 40% by Alibaba Holding and Ant Holdco, respectively; (ii) Ant Holdco was indirectly held by Alibaba Holding as to approximately 33% of its equity interest. Accordingly, the Ant Group (including Ant International Technologies at the time of entering into the ABM Framework Agreement) were associates of Alibaba Holding and hence connected persons of the Company under the GEM Listing Rules.

Upon completion of the attainment of a controlling stake in Ant Bank (Macao) by the Group on September 2, 2024, Ant Bank (Macao) became an indirect non-wholly-owned subsidiary of the Company. Accordingly, any continuing transactions between Ant Bank (Macao) and the Ant Group constituted CCTs for the Company under Chapter 20 of the GEM Listing Rules with effect from September 2, 2024.

The services provided by the Ant Group to Ant Bank (Macao), which are subject to annual review, are as follows:

- (i) resources sharing services: the Ant Group agreed to provide Ant Bank (Macao) with a number of talent sharing/services, including (a) customer service support services, (b) products and operational support services, mid-office system operational and maintenance services, internet information and information related services, (c) legal and corporate secretarial, finance, administrative and product safety related support services, (d) human resources and personnel transfer related arrangements and reimbursements, (e) business intelligence support services, (f) user experience design support services and (g) offline open data processing services (collectively, the “**Shared Services**”).



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The pricing basis of the service fees for the Shared Services is set out below:

Description of the Shared Services	Basis of fee calculation
(a) customer service support services	service fees to be calculated on a Cost-plus Basis
(b) products and operational support services, mid-office system operational and maintenance services, internet information and information related services	service fees to be calculated on a Cost-plus Basis
(c) legal and corporate secretarial, finance, administrative and product safety related support services	service fees to be calculated at cost
(d) human resources and personnel transfer related arrangements and reimbursements	service fees to be calculated at cost
(e) business intelligence support services	service fees to be calculated on a Cost-plus Basis
(f) user experience design support services	service fees to be calculated on a Cost-plus Basis
(g) offline open data processing services	service fees to be calculated on a Cost-plus Basis

"Cost-plus Basis" with respect to the Shared Services means the fees for the relevant Shared Services shall be calculated based on the actual costs for the provision of such services plus certain margin which shall be calculated by an independent professional institution (one of the four largest international professional accounting firms) as designated by the Ant Group with reference to the applicable tax laws and regulations, comparable transactional information, and in accordance with the principles of arm's length transactions.



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The annual caps (the “**Shared Services Annual Caps**”) of the service fees for the Shared Services payable by Ant Bank (Macao) to the Ant Group under the ABM Framework Agreement for the term from the effective date (i.e. September 2, 2024) to March 31, 2026 are set out below:

	For the period from the effective date (i.e. September 2, 2024) to March 31, 2025 HK\$'000	For the period from April 1, 2025 to March 31, 2026 HK\$'000
The service fees for the Shared Services payable by Ant Bank (Macao) to the Ant Group	12,800	16,200

The Shared Services Annual Caps were determined primarily with reference to: (i) the expected demand of Ant Bank (Macao) for the Shared Services under the ABM Framework Agreement during the term of the ABM Framework Agreement; (ii) the historical volume of the Shared Services purchased by Ant Bank (Macao) and the service fees paid by Ant Bank (Macao) to the Ant Group for the Shared Services for the last quarter of 2023; (iii) additional services that may be required by Ant Bank (Macao) due to business expansion; and (iv) labor cost inflation.

- (ii) technical services: the Ant Group agreed to provide Ant Bank (Macao) with technical services and resources in relation to payment and financial and e-banking, including the supply of technical infrastructure and hardware and software resources and other technical services and support required by Ant Bank (Macao) for its business needs and operation (collectively, the “**Technical Services**”).

The service fees for the Technical Services shall be calculated based on a Cost-plus Basis, or based on the specific fees and fee plan charged by the Ant Group or its service providers to the public (including independent third party customers) on their official websites. The pricing of the payment, financial and e-banking related Technical Services newly launched by the Ant Group would make reference to the pricing policy of existing similar services, with discounts offered by the Ant Group according to the estimated total volume of services to be purchased by Ant Bank (Macao) (e.g. a deeper discount for the total service fees for the aforesaid Technical Services may be given by the Ant Group when the volume of services purchased by Ant Bank (Macao) increases). The



DIRECTORS' REPORT

relevant costs and expenses shall be subject to confirmation by both Ant Group and Ant Bank (Macao) and were determined with reference to the relevant tax regulations, comparable transactional information, and in accordance with the principles of arm's length transactions.

"Cost-plus Basis" with respect to the Technical Services means the fees for the relevant Technical Services shall be calculated based on the actual costs for the provision of such services plus certain margin (which was expected to be primarily within the range of 5% to 11%, with the possibility that the margin shall be even lower than 5% for some sundry Technical Services that may be demanded by Ant Bank (Macao) in the future) which shall be calculated by an independent professional institution (one of the four largest international professional accounting firms) as designated by the Ant Group with reference to the applicable tax laws and regulations, comparable transactional information, and in accordance with the principles of arm's length transactions.

The annual caps (the "**Technical Services Annual Caps**") of the service fees for the Technical Services payable by Ant Bank (Macao) to the Ant Group under the ABM Framework Agreement for the term from the effective date (i.e. September 2, 2024) to March 31, 2026 are set out below:

	For the period from the effective date (i.e. September 2, 2024) to March 31, 2025 HK\$'000	For the period from April 1, 2025 to March 31, 2026 HK\$'000
The service fees for the Technical Services payable by Ant Bank (Macao) to the Ant Group	38,100	42,400

The Technical Services Annual Caps were determined primarily with reference to: (i) the expected demand of Ant Bank (Macao) for the Technical Services under the ABM Framework Agreement and the relevant service fees payable by Ant Bank (Macao) to the Ant Group during the term of the ABM Framework Agreement; (ii) the historical volume of the Technical Services purchased by Ant Bank (Macao) and the service fees paid by Ant Bank (Macao) to the Ant Group for the Technical Services for the two years ended December 31, 2023; and (iii) certain buffer for additional services that may be required by Ant Bank (Macao).



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As one or more of the applicable percentage ratios in relation to the highest Shared Services Annual Caps were more than 0.1% but all of them were less than 5%, the Shared Services (including the Shared Services Annual Caps) were subject to the reporting, announcement and annual review requirements but were exempt from the circular and independent shareholders' approval requirements under Chapter 20 of the GEM Listing Rules. As one or more of the applicable percentage ratios in relation to the highest Technical Services Annual Caps (after aggregated with the relevant annual caps in respect of technical services provided by the Ant Group under the 2023 MP Payment and Related Services Framework Agreement mentioned above) exceeded 5%, the Technical Services contemplated under the ABM Framework Agreement (including the Technical Services Annual Caps) were subject to the reporting, annual review, announcement and independent shareholders' approval requirements under Chapter 20 of the GEM Listing Rules.

The Technical Services contemplated under the ABM Framework Agreement (including the Technical Services Annual Caps) were duly approved by the independent Shareholders at the special general meeting of the Company held on March 27, 2024. Further details of the CCTs contemplated under the ABM Framework Agreement are set out in the announcement and the circular of the Company dated February 8, 2024 and March 5, 2024, respectively.

(d) **Deposit Services Framework Agreement**

On December 24, 2024, the Company entered into the a framework agreement (the "**Deposit Services Framework Agreement**") with Ant Bank (Macao), pursuant to which the Group may place and maintain deposits with Ant Bank (Macao) from time to time for a term commencing on the effective date (i.e. February 13, 2025) and ending on March 31, 2027.

Ant Bank (Macao) agreed to provide the Group with various types of deposit services (the "**Deposit Services**"), including but not limited to demand deposits, time deposits and agreement deposits. The Group would be free to place and withdraw deposits with and from Ant Bank (Macao) based on the Group's business needs. The specific terms of deposits shall be subject to the provisions of specific implementation agreements to be entered into by both parties.



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The Group utilizes the Deposit Services of Ant Bank (Macao) on a voluntary and non-exclusive basis and is not obliged to engage Ant Bank (Macao) for any particular services, or at all under the Deposit Services Framework Agreement. Ant Bank (Macao) is merely one of a number of financial institutions which provides Deposit Services to the Group. The Group may engage deposit services from other financial institutions in addition to and other than those provided by Ant Bank (Macao) pursuant to the Deposit Services Framework Agreement.

The main reasons for the Company to enter into the Deposit Services Framework Agreement with Ant Bank (Macao) are as follows:

- (i) the use of Ant Bank (Macao) as one of the Group's available efficient cross-bank clearing platforms to manage the funds of the Group would provide it with more flexibility to transfer and utilize its funds;
- (ii) since the interest rates on the Deposit Services offered will be equal to or more favourable, on a case by case basis, than those offered to the Group by independent third party(ies) in their quotations for providing services of similar nature and of similar term, this potentially represents an increase in interest income to the Group;
- (iii) Ant Bank (Macao) is regulated by AMCM, and it provides its services in accordance with and in satisfaction of the rules and operational requirements of this regulatory authority;
- (iv) with the condition for suspension of the Deposit Services Framework Agreement in the event that the capital adequacy ratio of Ant Bank (Macao) falls below 12%, it reduces the risks which the Group may be exposed to in the event of default of Ant Bank (Macao) under the Deposit Services Framework Agreement; and
- (v) the Company controls Ant Bank (Macao) at both shareholders' and board of directors' levels, thereby ensuring both the security of the deposits placed with Ant Bank (Macao), and that the interest rates offered by it will not be less favourable than those offered by it to other independent third-party customers for deposits of similar nature and similar term.

The deposit interest rates to be offered by Ant Bank (Macao) to the Group shall be determined with reference to the prevailing market interest rates for the same or similar deposit services offered by Ant Bank (Macao) to independent third parties, the type of currency, the term of deposits, the amount of the deposits and the then prevailing market interest rates. The members of the Group would enjoy the same deposits interest rates under the same conditions.



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The maximum daily deposit amount (including interests) to be placed by the Group with Ant Bank (Macao) under the Deposit Services Framework Agreement (the “**Deposit Cap(s)**”) is HK\$500,000,000 for each of the period from the effective date (i.e. February 13, 2025) to March 31, 2025, the financial year ending March 31, 2026 and the financial year ending March 31, 2027. The maximum amounts of annual interest income receivable under the Deposit Services Framework Agreement (the “**Annual Interest Income Caps**”) are HK\$3,000,000 for the period from February 13, 2025 to March 31, 2025, HK\$25,000,000 for the financial year ending March 31, 2026 and HK\$25,000,000 for the financial year ending March 31, 2027.

In setting the Deposit Caps and the Annual Interest Income Caps, the Company took into account (i) the funding requirements and treasury policy of the Group; (ii) the amounts of deposits historically placed by the Group with other independent commercial banks; and (iii) the expected scale of cooperation between the Group and Ant Bank (Macao). The Annual Interest Income Caps for the term of the Deposit Services Framework Agreement were calculated based on the Deposit Cap of HK\$500,000,000, the estimated averaged deposit balance for each period and the prevailing highest term deposit rate which is between 4% and 5% offered by Ant Bank (Macao) and other independent commercial banks.

As outlined in the paragraph titled “Connected Transaction” in this Directors’ Report, Ant Bank (Macao), being a connected subsidiary of the Company, was a connected person of the Company. The transactions contemplated under the Deposit Services Framework Agreement thus constituted CCTs of the Company under Chapter 20 of the GEM Listing Rules.

As one or more of the applicable percentage ratios with respect to the highest Deposit Cap under the Deposit Services Framework Agreement exceeded 5%, the transactions (including the Deposit Caps) contemplated under the Deposit Services Framework Agreement were subject to the reporting, announcement, annual review, circular and independent shareholders’ approval requirements under Chapter 20 of the GEM Listing Rules. As one or more of the applicable percentage ratios with respect to the highest Annual Interest Income Cap exceeded 0.1% but are all below 5%, the Annual Interest Income Caps were subject only to the reporting and announcement requirements but were exempt from the circular and independent shareholders’ approval requirements under Chapter 20 of the GEM Listing Rules. The Deposit Services Framework Agreement and the transaction contemplated thereunder (including the Deposit Caps) were duly approved by the independent Shareholders at the special general meeting of the Company held on February 13, 2025. Further details of the CCTs contemplated under the Deposit Services Framework Agreement are set out in the announcement of the Company dated December 24, 2024 and the circular of the Company dated January 17, 2025.



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Assessment of compliance with the annual caps

During the year ended March 31, 2025, the actual transaction amounts in respect of the CCTs described above were as follows:

CCTs with Alibaba Group:		Annual cap HK\$'000	Transaction amount HK\$'000
(a)	2023 LST Cooperation Agreement		
	Payment of service fees by CLM and/or ZCLM to Alibaba China and Shanghai Caicai	9,000	–
(b)	2022 Technology Services Framework Agreement and 2024 Technology Services Framework Agreement		
	(1) Payment of service fees by the Group (including Beijing AGTech) to Alibaba Cloud and its subsidiaries and/or affiliates under the 2022 Technology Services Framework Agreement	11,000 [^]	7,687*
	(2) Payment of service fees by the Group (including Beijing AGTech GOT) to Alibaba Cloud and its subsidiaries and/or affiliates under the 2024 Technology Services Framework Agreement	5,000 [#]	4,348

[^] The amount represents the annual cap of continuing connected transactions for the period from January 1, 2024 to December 31, 2024 as disclosed in the announcement of the Company dated October 31, 2024 in relation to the 2022 Technology Services Framework Agreement.

[#] The amount represents the annual cap of continuing connected transactions for the period from January 1, 2025 to March 31, 2025 as disclosed in the announcement of the Company dated December 5, 2024 in relation to the 2024 Technology Services Framework Agreement.

^{*} This amount represents the transaction amount under the 2022 Technology Services Framework Agreement for the period from April 1, 2024 to December 31, 2024. Combined with the transaction amount of approximately HK\$1,365,000 for the period from January 1, 2024 to March 31, 2024 (as disclosed on page 194 of the Company's annual report 2023/24), the total transaction amount for the entire year of 2024 amounted to approximately HK\$9,052,000, which was below the annual cap of HK\$11,000,000 for 2024.



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CCTs with Ant Group:		Annual cap HK\$'000	Transaction amount HK\$'000
(a)	2023 MP Acquiring Service Framework Agreement		
	Payment of MP Acquiring Service Fees by Macau Pass to Alipay Entities Group	86,000	37,694
(b)	2023 MP Payment and Related Services Framework Agreement		
	(1) Payment of service fees by the Group to the Alipay Entities Group in respect of Alipay Technical Services II	6,100	2,139
	(2) Payment of service fees by the Alipay Entities Group to the Group in respect of MP Payment Related Services II	13,800	5,735
	(3) Payment of service fees by the Alipay Entities Group to the Group in respect of Referral Services II	7,400	652
(c)	ABM Framework Agreement		
	Payment of service fees for the Shared Services by Ant Bank (Macao) to the Ant Group	12,800	952
	Payment of service fees for the Technical Services by Ant Bank (Macao) to the Ant Group	38,100	11,606
(d)	Deposit Services Framework Agreement		
	Deposit amount (including interests) placed by the Group with Ant Bank (Macao)	500,000	12,415
	Amount of annual interest income received by the Group from Ant Bank (Macao)	3,000	20



DIRECTORS' REPORT

Annual review of CCTs

The independent non-executive Directors reviewed the CCTs set out above, and confirmed that the CCTs set out above have been entered into:

- (i) in the ordinary and usual course of the business of the Group;
- (ii) on normal commercial terms or on terms no less favourable to the Group than terms available to or from (as appropriate) independent third parties; and
- (iii) in accordance with the relevant agreements governing them and are on terms that are fair and reasonable and in the interests of the Shareholders as a whole.

The independent non-executive Directors also considered that the internal control procedures put in place by the Group to monitor the CCTs are adequate and effective. The Directors confirm that the Company has complied with the disclosure requirements in accordance with Chapter 20 of the GEM Listing Rules and has followed the policies and guidelines as set out in the Guidance Letter (HKEX-GL73-14) issued by the Stock Exchange when determining the price and terms of the CCTs during the year ended March 31, 2025.

The Company's auditor was engaged to report on the Group's CCTs in accordance with Hong Kong Standard on Assurance Engagements 3000 (Revised) "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" and with reference to Practice Note 740 "Auditor's Letter on Continuing Connected Transactions under the Hong Kong Listing Rules" issued by the Hong Kong Institute of Certified Public Accountants. The auditor had issued its unqualified letter containing its findings, conclusions and confirmations in respect of the CCTs disclosed above in accordance with Rule 20.54 of the GEM Listing Rules.

During the year ended March 31, 2025, the Company reviewed its related party transactions and confirmed that, save as disclosed above, there was no connected transaction or continuing connected transaction of the Company which was required to be disclosed pursuant to Chapter 20 of the GEM Listing Rules. Save as disclosed above, none of the related party transactions to be set out in the notes to the consolidated financial statements of the Group in the annual report of the Company for the year ended March 31, 2025 were such transactions required to be disclosed pursuant to Chapter 20 of the GEM Listing Rules.



DIRECTORS' REPORT

DIRECTORS' MATERIAL INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS AND CONTROLLING SHAREHOLDER'S INTERESTS IN CONTRACTS

During the year under review, the Group engaged in a connected transaction with Ant Bank (Macao) as set out in the section headed "CONNECTED TRANSACTION" above, and in certain CCTs with Alibaba Group and Ant Group respectively as more fully described in the section headed "CONTINUING CONNECTED TRANSACTIONS ("CCTs")" above or which are otherwise exempt from disclosure under Chapter 20 of the GEM Listing Rules.

Ms. Qin Yuehong and Mr. Tung Pen Hung (resigned on January 10, 2025) are employees of Alibaba Group. Each of these Directors was deemed or may be perceived to have a material interest in the transactions between the Group and Alibaba Group. Accordingly, they abstained from voting on the resolutions passed by the Board in relation to the relevant transactions between the Group and Alibaba Group.

Mr. Sun Ho is a director and the chairman of the board of directors of Ant Bank (Macao) and Mr. Ji Gang is a director of Ant Bank (Macao), and each of these Directors was deemed or may be perceived to have a material interest in the transactions between the Group and Ant Bank (Macao). Accordingly, they abstained from voting on the resolutions passed by the Board in relation to such transactions.

Mr. Ji Gang and Mr. Zou Liang (retired on September 9, 2024) are employees of Ant Group, and each of these Directors was deemed or may be perceived to have a material interest in the transactions between the Group and Ant Group. Accordingly, they abstained from voting on the resolutions passed by the Board in relation to such transactions.

Save as disclosed above and in the sections headed "CONNECTED TRANSACTION" and "CONTINUING CONNECTED TRANSACTIONS ("CCTs")" above in this report, during the year under review, there were no transaction, arrangement or contract of significance (whether for the provision of services to the Group or not) in relation to the Group's business to which the Company or any of its subsidiaries, the controlling shareholder of the Company (as defined in the GEM Listing Rules) or any of its subsidiaries, holding company or fellow subsidiaries was a party and in which a Director or an entity connected with a Director had a material interest, whether directly or indirectly, subsisted at the end of the year under review or at any time during the year under review.



DIRECTORS' REPORT

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at March 31, 2025, the interests and short positions of the Directors and chief executive of the Company in the Shares, underlying Shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO), which were required (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); (b) pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or (c) pursuant to Rules 5.48 to 5.67 of the GEM Listing Rules relating to securities transactions by Directors, to be notified to the Company and the Stock Exchange, were as follows:

a. Interests in Shares and restricted share units of the Company:

Name of Director	Number of Shares/restricted share units held			Approximate percentage held (Note 1)
	Personal interest	Corporate interest	Total	
Mr. Sun Ho	60,158,000 (Note 2)	2,006,250,000 (Note 3)	2,066,408,000	17.70%
Ms. Hu Taoye	5,384,000 (Note 4)	–	5,384,000	0.046%
Ms. Qin Yuehong	–	–	–	0%
Mr. Ji Gang	–	–	–	0%
Mr. Chow Siu Lui	–	–	–	0%
Mr. Chan Ka Leong (Appointed on May 3, 2024)	–	–	–	0%
Ms. Yuen Kit Ming Fanny (Appointed on May 14, 2024)	–	–	–	0%

Notes:

- Based on a total of 11,672,342,235 Shares in issue as at March 31, 2025.
- It represents 48,158,000 Shares and 12,000,000 restricted share units (granted under the Share Award Scheme) beneficially held by Mr. Sun Ho.
- These 2,006,250,000 Shares were held in the name of Maxprofit Global Inc. As Maxprofit Global Inc was beneficially and wholly-owned by Mr. Sun Ho, the chairman, executive Director and CEO of the Company, Mr. Sun was deemed to be interested in such Shares under the SFO.
- It represents 1,634,000 Shares and 3,750,000 restricted share units (granted under the Share Award Scheme) beneficially held by Ms. Hu Taoye.



DIRECTORS' REPORT

b. Long positions in shares and underlying shares of Alibaba Holding, an associated corporation of the Company within the meaning of Part XV of the SFO:

Name of Director	Capacity	Number of shares/underlying shares held (in the number of American Depository Shares ("ADS(s)" of Alibaba Holding) (Note 1)		Approximate percentage of total issued share capital of Alibaba Holding (Note 2)
		(in the number of ordinary shares of Alibaba Holding) (Note 1)		
Ms. Hu Taoye	(Note 3)	18,677	149,416	0.001%
Ms. Qin Yuehong	(Note 4)	41,000	328,000	0.002%
Mr. Ji Gang	(Note 5)	9,983	79,864	negligible

Notes:

1. One ADS of Alibaba Holding represents eight ordinary shares of Alibaba Holding; and one restricted share unit ("RSU(s)") of Alibaba Holding represents one ADS of Alibaba Holding.
2. Based on a total of 18,998,287,724 ordinary shares of Alibaba Holding in issue as at March 31, 2025.
3. The interest comprised 16,952 ADSs of Alibaba Holding and 1,725 RSUs of Alibaba Holding beneficially held by Ms. Hu Taoye.
4. The interest comprised 22,725 ADSs of Alibaba Holding and 18,275 RSUs of Alibaba Holding beneficially held by Ms. Qin Yuehong.
5. The interest comprised 9,566 ADSs of Alibaba Holding and 417 RSUs of Alibaba Holding beneficially held by Mr. Ji Gang.

Save as disclosed above, as at March 31, 2025, none of the Directors or chief executive of the Company had any interests or short positions in the Shares, underlying Shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO), which were required (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); (b) pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or (c) pursuant to Rules 5.48 to 5.67 of the GEM Listing Rules relating to securities transactions by Directors, to be notified to the Company and the Stock Exchange.

ARRANGEMENTS TO PURCHASE SHARES OR DEBENTURES

Save for the fact that certain Directors have been granted award Shares under the Share Award Scheme through on-market acquisition of the Shares by the trustee of such scheme, at no time during the year under review was the Company, any of its holding company, subsidiaries or fellow subsidiaries, a party to any arrangements to enable the Directors to acquire benefits by means of the acquisition of Shares in, or debentures of, the Company or any other body corporate.



DIRECTORS' REPORT

SUBSTANTIAL SHAREHOLDERS' INTERESTS IN SHARES AND UNDERLYING SHARES AND DEBENTURES

As at March 31, 2025, so far as was known to the Directors or chief executive of the Company, the following persons (not being Directors or chief executive of the Company) had, or were deemed to have, interests or short positions in the Shares, underlying Shares and debentures of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register kept by the Company pursuant to section 336 of the SFO:

Name of Shareholder	Capacity	Number of Shares held	Approximate percentage of total issued share capital of the Company (Note 1)
Ali Fortune (Notes 2,7 & 8)	Beneficial owner	6,502,723,993	55.71%
Alibaba Investment Limited (Note 2)	Interest of controlled corporation	6,502,723,993	55.71%
API Holdings Limited (Notes 2 & 7)	Interest of controlled corporation	6,502,723,993	55.71%
Alibaba Holding (Note 3)	Interest of controlled corporation	6,502,723,993	55.71%
API (Hong Kong) Investment Limited (Notes 4 & 7)	Interest of controlled corporation	6,502,723,993	55.71%
Shanghai Yunju Venture Capital Co., Ltd.* (上海雲鉅創業投資有限公司) (Notes 5 & 8)	Interest of controlled corporation	6,502,723,993	55.71%
Ant Holdco (Notes 6 & 8)	Interest of controlled corporation	6,502,723,993	55.71%
Maxprofit Global Inc. (Note 9)	Beneficial owner	2,006,250,000	17.19%
Mr. Cheung Lup Kwan Vitor (Note 10)	Interest of controlled corporation	584,515,224	5.01%
Rainwood Resources Limited (Note 10)	Beneficial owner	584,515,224	5.01%



DIRECTORS' REPORT

Notes:

1. Based on a total of 11,672,342,235 Shares in issue as at March 31, 2025.
2. Alibaba Investment Limited ("**AIL**") and API Holdings Limited ("**API Holdings**") held 60% and 40% of the issued share capital of Ali Fortune, respectively.
3. Alibaba Holding held 100% of the issued share capital of AIL.
4. API (Hong Kong) Investment Limited held 100% of the issued share capital of API Holdings.
5. Shanghai Yunju Venture Capital Co., Ltd.* (上海雲鉅創業投資有限公司) ("**Shanghai Yunju**") held 100% of the issued share capital of API (Hong Kong) Investment Limited.
6. Ant Holdco held 100% of the equity interests in Shanghai Yunju. Hangzhou Junhan Equity Investment Partnership (Limited Partnership)* (杭州君瀚股權投資合夥企業(有限合夥)) ("**Junhan**") and Hangzhou Junao Equity Investment Partnership (Limited Partnership)* (杭州君澳股權投資合夥企業(有限合夥)) ("**Junao**") held approximately 31% and 22% of Ant Holdco's total issued shares, respectively. Hangzhou Xingtao Enterprise Management Consultancy Co., Ltd.* (杭州星滔企業管理諮詢有限公司) ("**Xingtao**") was the executive partner and general partner of Junhan; Hangzhou Yunbo Investment Consultancy Co., Ltd.* (杭州雲鉅投資諮詢有限公司) ("**Yunbo**") was the executive partner and general partner of Junao; and each of Xingtao and Yunbo was held by five individuals as to 20% each. The remaining issued shares in Ant Holdco were held as to approximately 33% by Taobao (China) Software Co., Ltd.* (淘寶(中國)軟件有限公司), an indirect wholly-owned subsidiary of Alibaba Holding, and as to approximately 14% by other minority shareholders.
7. API Holdings and Ant International Technologies (Hong Kong) Holding Limited entered into a conditional securities purchase agreement on December 3, 2024 in respect of the shares in Ali Fortune. Upon closing of that agreement, API Holdings (being wholly-owned by API (Hong Kong) Investment Limited) would cease to be a controlling person of Ali Fortune and would cease to be interested in the 6,502,723,993 Shares held by Ali Fortune. Ant International Technologies (Hong Kong) Holding Limited (being wholly-owned by Ant International (Cayman) Holding Limited) was therefore deemed to be interested in the 6,502,723,993 Shares held by Ali Fortune upon signing of that agreement and would become a controlling person of Ali Fortune upon closing of that agreement. The closing of that agreement took place on May 29, 2025.
8. Subject to closing of the conditional securities purchase agreement dated December 3, 2024 in respect of the shares in Ali Fortune, Shanghai Yunju and Ant Holdco would cease to be a controlling person of Ali Fortune and therefore would cease to be interested in the Shares held by Ali Fortune. The closing of the conditional securities purchase agreement took place on May 29, 2025.
9. As disclosed in the section headed "DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES" above, Mr. Sun Ho was deemed to be interested in these 2,006,250,000 Shares under the SFO by virtue of his interest in Maxprofit Global Inc.
10. Mr. Cheung Lup Kwan Vitor held a 52% equity interest in Rainwood Resources Limited. Therefore, Mr. Cheung Lup Kwan Vitor was deemed to be interested in these 584,515,224 Shares under the SFO.



DIRECTORS' REPORT

Save as disclosed above, as at March 31, 2025, the Directors or chief executive of the Company were not aware of any other persons (not being a Director or chief executive of the Company) who had, or was deemed to have, interests or short positions in the Shares, underlying Shares and debentures of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register kept by the Company pursuant to section 336 of the SFO.

As at March 31, 2025, Ms. Qin Yuehong was an employee of Alibaba Group, and Mr. Ji Gang was an employee of Ant Group. Save as disclosed above, as at March 31, 2025, none of the Directors was a director or employee of a company that had an interest or short position in the Shares, underlying Shares or debentures which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO.

INTERESTS OF OTHER PERSONS

As at March 31, 2025, apart from the interests in the Shares, underlying Shares and/or debentures of the Company and its associated corporations held by the Directors, chief executive and substantial shareholders of the Company stated above, there were no other persons with interests recorded in the register of the Company required to be kept under section 336 of the SFO.

SUFFICIENCY OF PUBLIC FLOAT

As at the latest practicable date prior to the issue of this report, based on information that is publicly available to the Company and within the knowledge of the Directors, the Company maintained sufficient public float of the Shares, representing no less than 25% of the total issued Shares as required under the GEM Listing Rules.

SHARE OPTION SCHEMES

2014 Share Option Scheme

A share option scheme of the Company was approved by the Shareholders at the special general meeting held on December 23, 2014 (the **"2014 Share Option Scheme"**) and was adopted by the Company on the same date in place of the former share option scheme of the Company adopted on November 18, 2004 (which had expired on November 17, 2014 and all options granted under such scheme had lapsed in 2019). Subsequently, the 2024 Share Option Scheme was adopted by the Company at the conclusion of the annual general meeting of the Company held on September 9, 2024 and the 2014 Share Option Scheme was then terminated.



DIRECTORS' REPORT

The primary purpose of the 2014 Share Option Scheme is to provide incentives to Directors and eligible participants (as defined in the 2014 Share Option Scheme). Under the 2014 Share Option Scheme, the Board may at its discretion grant options to eligible employees, including Directors of the Company and its subsidiaries, certain consultants, suppliers or customers of the Group who, in the sole discretion of the Board, have contributed or will contribute or can contribute to the Group, to subscribe for shares in the Company from time to time.

Under the 2014 Share Option Scheme, the total number of Shares which may be issued upon exercise of all options which have been or may be granted (and other share option schemes of the Company, if any) shall not exceed the "scheme mandate limit" of 443,431,786 Shares (being 10% of the Shares in issue on the date of the special general meeting of the Company held on December 23, 2014 for the purpose of, among other things, approving such scheme).

As at the date of this report, the total number of Shares issuable under the options granted under the 2014 Share Option Scheme is nil, representing 0% of the total number of issued Shares (excluding treasury shares of the Company, if any) as at that date.

The number of Shares in respect of which options may be granted under the 2014 Share Option Scheme to any individual in any one year is not permitted to exceed 1% of the Shares in issue at the date of approval of the 2014 Share Option Scheme, without prior approval from the Shareholders.

Options granted to a Director, the chief executive or substantial Shareholder of the Company or any of their associates (as defined in the GEM Listing Rules) require the approval of independent non-executive Directors (excluding an independent non-executive Director who is the prospective grantee in question). Options granted to substantial Shareholders or independent non-executive Directors or their respective associates in excess of 0.1% of the Company's share capital and with a value in excess of HK\$5 million must be approved in advance by the Shareholders.

Options granted must be taken up within 28 days of the date of grant, upon payment of HK\$1 per option. Options may be exercised at any time from the date of grant of the share option to a period to be notified by the Board to each grantee at the time of making such offer, which shall expire in 10 years from the date of grant.

The subscription price of the share option is determined by the Board, and the amount will not be less than the higher of (a) the closing price of Shares on the Stock Exchange on the date of grant; (b) the average closing price of the Shares as stated in the daily quotation sheets issued by the Stock Exchange for the 5 business days immediately preceding the date of grant; and (c) the nominal value of a Share on the date of grant.



DIRECTORS' REPORT

A portion of the option representing 25% of the total underlying shares entitled under such option when it was initially granted shall be vested in the grantee of the option in each year during the exercisable period. If the grantee does not exercise such portion of the option within one year after it has been vested in him/her, such portion of the option will lapse.

During the year under review, no options were granted by the Company and no options were exercised, cancelled or lapsed pursuant to the 2014 Share Option Scheme.

As at each of April 1, 2024 and March 31, 2025, the number of Shares in respect of options which had been granted and remained outstanding under the 2014 Share Option Scheme was nil respectively. As at each of April 1, 2024 and March 31, 2025, the total number of Shares in respect of options that were still available for grant under the 2014 Share Option Scheme (excluding, for the purpose of calculating the "option scheme mandate limit", any options granted under the 2014 Share Option Scheme but forfeited or lapsed in accordance with the terms of such scheme) was 313,309,485 Shares and nil respectively.

2024 Share Option Scheme

The 2024 Share Option Scheme was adopted by the Company at the conclusion of the annual general meeting of the Company held on September 9, 2024. The Stock Exchange granted the approval for the listing of, and the permission to deal in, the shares of the Company to be issued pursuant to the exercise of the options granted under the 2024 Share Option Scheme on September 10, 2024.

The purpose of the 2024 Share Option Scheme is (a) to attract and retain the best quality personnel for the development of the Group's businesses; (b) to provide additional incentives or rewards to selected eligible participants for their contribution to the creation of the Company's value; and (c) to promote the long term financial success of the Group by aligning the interests of the grantees with those of the Shareholders.

The Board may offer to grant an option to any eligible participant as it may at its absolute discretion select, including (a) any person who is employed by or is an executive or non-executive director of any member of the Group; (b) any person who is employed by or is an executive or non-executive director of any of the holding companies, fellow subsidiaries or associated companies of the Company; and (c) any person who provides services to any member of the Group, including: (a) suppliers of services; and (b) advisors (professional or others) or consultants to any area of business or business development (the "**Option Service Provider(s)**").

On and subject to the terms of the 2024 Share Option Scheme and the requirements of the GEM Listing Rules, the Board shall be entitled at any time within 10 years commencing on the adoption date of the 2024 Share Option Scheme (i.e. September 9, 2024) to make an offer for the grant of option to any eligible participant as the Board may in its absolute discretion select. The remaining life of the 2024 Share Option Scheme is about 9 years and 1 month as at the date of this report.



DIRECTORS' REPORT

The total number of Shares which may be allotted and issued or transferred upon exercise of all options to be granted under the 2024 Share Option Scheme would be 350,170,267 Shares, representing 3% of the total number of Shares in issue (excluding treasury shares of the Company, if any) as at the date of adoption of the 2024 Share Option Scheme (the **"Option Scheme Mandate Limit"**).

The total number of Shares which may be allotted and issued or transferred upon exercise of all options to be granted under the 2024 Share Option Scheme to the Option Service Providers would be 35,017,026 Shares, representing 10% of the Option Scheme Mandate Limit (the **"Option Service Provider Sublimit"**) provided always that any utilisation under the Option Service Provider Sublimit shall be regarded as utilisation within the Option Scheme Mandate Limit. In any event, the maximum aggregate number of Shares which may be issued in respect of all options or awards which may be granted pursuant to the 2024 Share Option Scheme, the Share Award Scheme and any other schemes of the Company must not exceed 10% of the Shares in issue as at the date of approval of the scheme limit (excluding treasury shares of the Company, if any).

As at the date of this report, the total number of Shares issuable under the options granted under the 2024 Share Option Scheme is nil, representing 0% of the total number of issued Shares (excluding treasury shares of the Company, if any) as at that date.

The total number of Shares issued and to be issued upon exercise of options (whether exercised or outstanding) together with all other options and awards granted under the 2024 Share Option Scheme and any other schemes of the Company in any 12-month period to each grantee must not exceed 1% of the Shares in issue (excluding treasury shares of the Company, if any).

No option may be granted to any substantial shareholder of the Company or an independent non-executive Director (or any of their respective associates or any person whose associate is a substantial shareholder or an independent non-executive Director) which would result in the Shares issued and to be issued upon exercise of all options and other options and awards already granted (excluding those lapsed in accordance with the terms of the 2024 Share Option Scheme) to such person under the 2024 Share Option Scheme and any other scheme(s) of the Company in the 12-month period up to and including the date of such grant, representing in aggregate over 0.1% of the number of Shares in issue (excluding treasury shares of the Company, if any); unless such further grant is approved by the Shareholders in general meeting.

Options granted must be taken up within 28 days of the date of grant, upon payment of HK\$1 per option. Options may be exercised at any time from the date of grant of the share option to a period to be notified by the Board to each grantee at the time of making such offer, which shall expire in 10 years from the date of grant.



DIRECTORS' REPORT

The vesting period in respect of any options shall not be less than 12 months. The Board may determine a shorter vesting period in respect of the options granted to grantees if the Board and/or the remuneration committee of the Company (as the case may be) deems appropriate under certain scenarios as specified in the 2024 Share Option Scheme.

The subscription price of the share option is determined by the Board, and the amount will not be less than the higher of (a) the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet on the date of grant; (b) the average closing prices of the Shares as stated in the Stock Exchange's daily quotation sheets for the five business days immediately preceding the date of grant; and (c) the nominal value of a Share.

During the year ended March 31, 2025, no options were granted by the Company and no options were exercised, cancelled or lapsed pursuant to the 2024 Share Option Scheme.

As at March 31, 2025, the number of Shares in respect of options which had been granted and remained outstanding under the 2024 Share Option Scheme was nil. As at March 31, 2025, the total number of Shares in respect of options that were still available for grant under each of the option scheme mandate limit and the option service provider sublimit of the 2024 Share Option Scheme was 350,170,267 Shares and 35,017,026 Shares respectively.

SHARE AWARD SCHEME

As disclosed in the announcement of the Company dated March 17, 2017, the Company adopted the Share Award Scheme on March 17, 2017 (the "**Adoption Date**"). The proposed amendments to the Share Award Scheme (including, among others, the refreshment of the award scheme mandate limit for new Shares and the adoption of the Award Service Provider Sublimit (as defined below)) were approved by the Shareholders at the annual general meeting of the Company held on September 9, 2024, details of which are set out in the circular of the Company dated August 16, 2024. The Stock Exchange granted the approval for the listing of, and the permission to deal in, the shares of the Company to be issued pursuant to the amended Share Award Scheme on September 10, 2024.

The Share Award Scheme is aimed to allow the Company to grant award Shares to selected participants so as to (i) to better reward the personnel who have contributed to the success and development of the Group, (ii) attract skilled and experienced personnel for the future development and expansion of the Group by providing them with the opportunity to acquire equity interest in the Company, and/or (iii) incentivize the Group's employees to remain with the Group and motivate the Group's employees to strive for the future development and expansion of the Group.



DIRECTORS' REPORT

The eligible persons of the Share Award Scheme include (a) any person who is employed by or is a director of any member of the Group; (b) any person who is employed by or is an executive or non-executive director of any of the holding companies, fellow subsidiaries or associated companies of the Company; and (c) any person who provides services to any member of the Group, including: (a) suppliers of services; and (b) advisors (professional or others) or consultants to any area of business or business development (the "**Award Service Provider(s)**").

Subject to any early termination pursuant to the scheme rules, the Share Award Scheme shall be valid and effective for the period commencing on the Adoption Date and ending on the business day immediately prior to the tenth (10th) anniversary of the Adoption Date. The remaining life of the Share Award Scheme is less than two years.

Pursuant to the terms of the Share Award Scheme, the award scheme mandate limit (the "**Award Scheme Mandate Limit**") represents 6% of the total number of Shares in issue as at the Adoption Date (excluding treasury shares of the Company, if any) (i.e. 630,852,526 Shares) for the acquisition of existing Shares to satisfy the awards and 3% of the total number of Shares in issue as at the date of approval of the refreshed scheme limit for new Shares to be allotted and issued or transferred in respect of the awards (i.e. 350,170,267 Shares).

The Board has also set the award service provider sublimit (the "**Award Service Provider Sublimit**") in respect of which awards may be granted to the Award Service Providers under the Share Award Scheme, which is 1% of the Award Scheme Mandate Limit. The maximum number of Shares that can be allotted and issued or transferred under the Award Service Provider Sublimit is 6,308,525 Shares (for existing Shares) and 3,501,702 Shares (for new Shares), representing 1% of the Award Scheme Mandate Limit for existing Shares and new Shares respectively.

In any event, the maximum aggregate number of Shares which may be issued in respect of all awards or options which may be granted pursuant to the Share Award Scheme, the 2024 Share Option Scheme and any other schemes of the Company must not exceed 10% of the Shares in issue as at the date of approval of the scheme limit (excluding treasury shares of the Company, if any).

As no award Shares involving new Shares have been granted under the Share Award Scheme, as at the date of this report, the total number of Shares issuable under the awards granted under the Share Award Scheme is nil, representing 0% of the total number of issued Shares (excluding treasury shares of the Company, if any) as at that date.

The total number of Shares issued and to be issued in respect of the awards granted under the Share Award Scheme and options and awards granted under all other share scheme(s) of the Company to each eligible person in any 12-month period must not exceed 1% of the total number of Shares in issue.



DIRECTORS' REPORT

The approval by the Shareholders in general meeting is required for grant of awards to a Director (other than an independent non-executive Director) or chief executive of the Company, or any of their associates, with the relevant selected participant, his/her associates and all core connected persons of the Company abstaining from voting, if the maximum number of Shares issued and to be issued in respect of all the awards granted under the Share Award Scheme and options and awards granted under all other share scheme(s) of the Company to such selected participant in any 12-month period up to and including the date of grant of the award will exceed 0.1% of the Shares in issue (excluding treasury shares of the Company, if any).

The approval by the Shareholders in general meeting is required for grant of awards to an independent non-executive Director or a substantial shareholder of the Company or any of their respective associates, with the relevant selected participant, his/her associates and all core connected persons of the Company abstaining from voting, if the maximum number of Shares issued and to be issued in respect of all the awards granted under the Share Award Scheme and options and awards granted under all other share scheme(s) of the Company to such selected participant in any 12-month period up to and including the date of grant of the award will exceed 0.1% of the Shares in issue (excluding treasury shares of the Company, if any).

No consideration shall be payable by any selected participant on acceptance of any award Shares under the Share Award Scheme.

The vesting period in respect of any award Shares shall not be less than 12 months. The Board or the remuneration committee of the Company (as the case may be) may determine a shorter vesting period in respect of the award Shares if either of them (as the case may be) deems appropriate under certain scenarios as specified in the Share Award Scheme.



DIRECTORS' REPORT

During the year under review, 104,247,421 award Shares were granted by the Company to 104 eligible persons pursuant to the Share Award Scheme, 39,239,020 award Shares were vested in the grantees and 22,400,000 award Shares were forfeited. Details of the award Shares granted are as follows:

Grant of award Shares during the year under review			
Date of grant	Number of award Shares granted	Approximate percentage of total issued share capital of the Company as at the date of this report	Grantees
June 25, 2024	58,950,000	0.51%	85 eligible persons, including Mr. Sun Ho, six directors of subsidiaries of the Company, and 78 employees of the Group who were independent of the Company and its connected persons
November 28, 2024	45,297,421	0.39%	19 employees of the Group who were independent of the Company and its connected persons
Total	104,247,421		

Out of the 104,247,421 award Shares granted, 13,150,000 award Shares granted to 50 employees of the Group are conditional upon such employees having met certain performance target in the financial year ended March 31, 2025, and the relevant award Shares shall lapse if such employees are unable to achieve the aforesaid performance target, while the remaining award Shares granted are not subject to any performance targets. All the 104,247,421 award Shares were subject to clawback mechanism, whereby in the event of any circumstances specified in the Share Award Scheme or award letter including but not limited to cessation of a selected participant's employment or service by the Company for cause, and the selected participant performing any act that may confer a competitive benefit or advantage upon any competitor of the Group, the Company shall have the right to repurchase or procure the purchase of some or all of the vested award from such selected participant or his/her transferee for no consideration and require such selected participant to pay the Company any and all payment in cash or other property in lieu of the vested award which such selected participant has received from the Company pursuant to the award.

As at each of April 1, 2024 and March 31, 2025, the total number of award Shares still available for grant under the Award Scheme Mandate Limit for the acquisition of existing Shares pursuant to the Share Award Scheme was 340,808,526 Shares and 258,961,105 Shares.

From the refreshment of the Award Scheme Mandate Limit for new Shares and the adoption of the Award Service Provider Sublimit of the Share Award Scheme on September 9, 2024 and up to March 31, 2025, no award Shares were granted involving new Shares or to any Award Service Provider pursuant to the Share Award Scheme. As at March 31, 2025, the total number of award Shares still available for grant under the Award Scheme Mandate Limit for new Shares was 350,170,267 Shares. As at March 31, 2025, the total number of award Shares still available for grant under the Award Service Provider Sublimit for existing Shares and new Shares were 6,308,525 Shares and 3,501,702 Shares respectively.



DIRECTORS' REPORT

Set out below is a table summarizing the movements of the award Shares under the Share Award Scheme during the year under review:

Name of grantee/ Categories	Date of grant (DD/MM/YYYY)	Vesting date/period (DD/MM/YYYY – DD/ MM/YYYY)	Purchase price of award Shares (Note 1) (HK\$)	Market price of award Shares (based on closing price of Shares) as at the date of grant (HK\$)	Closing price of Shares immediately before the date of grant (HK\$)	Closing price of Shares immediately before the vesting date (Note 2) (HK\$)	Number of award Shares						
							Unvested at April 1, 2024	Granted during the year	Vested during the year	Lapsed during the year	Forfeited during the year	Cancelled during the year	Unvested at March 31, 2025
Directors of the Company													
Mr. Sun Ho (Note 5)	11/05/2023	01/04/2024–01/04/2027	0.238	0.250	0.243	0.230	8,000,000	–	2,000,000	–	–	–	6,000,000
	25/06/2024	21/06/2025–01/04/2028	0.238	0.195	0.195	–	–	6,000,000	–	–	–	–	6,000,000
Ms. Hu Taoye (Note 5)	22/05/2020	01/04/2021–01/04/2024	0.238	0.480	0.485	0.230	96,000	–	96,000	–	–	–	–
	11/05/2023	01/04/2024–01/04/2027	0.238	0.250	0.243	0.230	5,000,000	–	1,250,000	–	–	–	3,750,000
Directors of subsidiaries of the Company	22/05/2020	01/04/2021–01/04/2024	0.238	0.480	0.485	0.230	800,000	–	800,000	–	–	–	–
	12/08/2022	01/06/2024–01/06/2026	0.238	0.275	0.290	0.184	2,000,000	–	1,000,000	–	–	–	1,000,000
	11/05/2023	01/04/2024–01/04/2027	0.238	0.250	0.243	0.230	2,800,000	–	700,000	–	–	–	2,100,000
	09/11/2023	02/05/2025–02/05/2027	0.238	0.203	0.205	–	4,000,000	–	–	–	–	–	4,000,000
	25/06/2024	21/06/2025–01/04/2028	0.238	0.195	0.195	–	–	3,200,000	–	–	–	–	3,200,000
Three of the five highest paid employees of the Company (excluding two Directors of the Company as disclosed above and including three directors of subsidiaries of the Company)	22/05/2020	01/04/2021–01/04/2024	0.238	0.480	0.485	0.230	375,000	–	375,000	–	–	–	–
	12/08/2022	23/06/2024–28/07/2026	0.238	0.275	0.290	0.184	16,000,000	–	8,000,000	–	–	–	8,000,000
	11/05/2023	01/04/2024–01/04/2027	0.238	0.250	0.243	0.230	5,000,000	–	1,250,000	–	–	–	3,750,000
	06/03/2024	01/12/2024–01/12/2027	0.238	0.225	0.224	0.201	1,200,000	–	300,000	–	–	–	900,000
	25/06/2024	21/06/2025–01/04/2028	0.238	0.195	0.195	–	–	5,800,000	–	–	–	–	5,800,000
Other employees	22/05/2020	01/04/2021–01/04/2024	0.238	0.480	0.485	0.230	2,360,000	–	2,360,000	–	–	–	–
	17/12/2021	27/05/2022–01/12/2025	0.238	0.255	0.250	0.201	3,150,000	–	1,925,000	–	–	–	1,225,000
	12/08/2022	24/03/2024–01/06/2026	0.238	0.275	0.290	0.184	4,384,450	–	2,192,225	–	–	–	2,192,225
	09/11/2022	01/09/2024–02/11/2026	0.238	0.255	0.255	0.195	12,400,000	–	5,700,000	–	1,000,000	–	5,700,000
	29/03/2023	21/11/2024–13/03/2027	0.238	0.255	0.239	0.206	10,100,000	–	3,300,000	–	3,500,000	–	3,300,000
	11/05/2023	01/04/2024–01/04/2027	0.238	0.250	0.243	0.230	7,200,000	–	1,600,000	–	–	–	5,600,000
	09/11/2023	29/05/2025–17/10/2027	0.238	0.203	0.205	0.205	7,200,000	–	–	–	3,000,000	–	4,200,000
	06/03/2024	01/12/2024–04/01/2028	0.238	0.225	0.224	0.230	14,500,000	–	2,275,000	–	3,400,000	–	8,825,000
	25/06/2024	21/06/2025–09/05/2028	0.238	0.195	0.195	–	–	43,950,000	–	–	8,700,000	–	35,250,000
	28/11/2024	01/02/2025–04/11/2028	0.238	0.201	0.204	0.197	–	45,297,421	4,115,795	–	2,800,000	–	38,381,626
Related entities participants	–	–	–	–	–	–	–	–	–	–	–	–	–
Service providers	–	–	–	–	–	–	–	–	–	–	–	–	–
Total							106,565,450	104,247,421	39,239,020	–	22,400,000	–	149,173,851



DIRECTORS' REPORT

Notes:

1. *This represents the average purchase price per Share paid by the Company for award Shares granted. Under the Share Award Scheme, no purchase price is required to be paid by grantees.*
2. *This represents the weighted average closing price of the Shares immediately before the date on which the award Shares were vested.*
3. *The fair value of the award Shares at the date of grant on June 25, 2024 and November 28, 2024 during the year under review was HK\$0.195 per Share and HK\$0.201 per Share, respectively. The award Shares are usually vested over a period of approximately four years and the fair value was determined based on the published closing price of the Shares at the grant date. The expected dividends during the vesting period have been taken into account when assessing the fair values of these award Shares. The Group has adopted the accounting standard in accordance with HKFRS 2 – Share-based Payment.*
4. *Save as disclosed in the table above, no other award Shares were granted to Directors, chief executive or substantial shareholders of the Company, or any of their respective associates (as defined in the GEM Listing Rules).*
5. *One of the five highest paid employees of the Company.*



DIRECTORS' REPORT

EQUITY-LINKED AGREEMENT

Save as disclosed in the sections headed "SHARE OPTION SCHEMES" and "SHARE AWARD SCHEME" in this Directors' Report, no equity-linked agreements were entered into by the Group during the year under review or subsisted at the end of the year.

MANAGEMENT CONTRACTS

No contracts, other than employment contracts, concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed during the year under review.

MAJOR CUSTOMERS AND SUPPLIERS

The percentages of revenue attributable to the Group's major customers were as follows:

	For the year ended March 31, 2025	For the 15 months ended March 31, 2024
– the largest customer	9.7%	7.7%
– five largest customers combined	27.3%	28.9%

The percentages of purchases attributable to the Group's major suppliers were as follows:

	For the year ended March 31, 2025	For the 15 months ended March 31, 2024
– the largest supplier	23.5%	22.2%
– five largest suppliers combined	63.8%	48.2%



DIRECTORS' REPORT

At no time during the year under review did the Directors, their close associates or any Shareholder (which to the knowledge of the Directors owns more than 5% of the total number of issued Shares (excluding treasury shares of the Company, if any) have an interest in any of the Group's five largest customers or suppliers.

No single customer accounted for more than 20% of the Group's total revenue from sales of goods or rendering of services for the year under review and the largest customer is a provincial sports lottery administration centre in the PRC with satisfactory settlement history. The Group continues to expand the customer base and thus we do not consider that the relationships with our customers expose the Group's business to any substantial risks.

INTERESTS IN COMPETING BUSINESS

As of the date hereof, Ali Fortune, the controlling shareholder of the Company, is indirectly owned as to 60% and 40% by Alibaba Holding and Ant International (Cayman) respectively. Ant International (Cayman) is in turn an associated company (for accounting purpose) of both Alibaba Holding and Ant Holdco.

As of the date of this report, Ant Bank (Macao) is a company incorporated under the laws of Macau which is held as to approximately 51.5% by an indirect wholly-owned subsidiary of the Company and as to approximately 48.5% by two indirect wholly-owned subsidiaries of Ant International (Cayman).

Ant Bank (Macao) is engaged in, among other things, the Alipay (Macao) e-wallet payment service in Macau. Two Directors, namely Mr. Sun Ho and Mr. Ji Gang, are also directors of Ant Bank (Macao).

Both Ant Bank (Macao) and Macau Pass (being an indirect wholly-owned subsidiary of the Company which also operates its e-wallet payment service through MPay) are subsidiaries of the Company. Accordingly, the Company remains of the view that these two subsidiaries are not "competing businesses".

As at the date of this report, none of the Directors, controlling shareholders or their respective close associates had interest in any business which competes or is likely to compete, either directly or indirectly, with the businesses of the Group.



DIRECTORS' REPORT

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Bye-laws, or the laws of Bermuda, which would oblige the Company to offer new Shares on a pro-rata basis to existing Shareholders.

INDEPENDENCE OF INDEPENDENT NON-EXECUTIVE DIRECTORS

Each of the independent non-executive Directors has confirmed his/her independence (together with the independence of his/her respective "immediate family members" as defined under Rule 20.10(1)(a) of the GEM Listing Rules). The Company considers all independent non-executive Directors are independent.

TAX RELIEF

The Company is not aware of any relief on taxation available to the Shareholders by reason of their holdings of the Shares. If the Shareholders are unsure about the taxation implications of purchasing, holding, disposing of, dealing in, or exercising of any rights in relation to the Shares, they are advised to consult their professional advisers.

EMOLUMENT POLICY

During the year under review, as incentives for their contributions to the Group, the employees of the Group and all the Directors (including the independent non-executive Directors and non-executive Directors) may be granted share options or award Shares by the Company from time to time pursuant to the share option schemes of the Company or the Share Award Scheme respectively.

The remuneration committee reviews and recommends to the Board for approval of the emoluments of the Directors, having regard to the Group's operating results, individual performance, time commitment and responsibilities, and comparable market remuneration packages for executive and non-executive directors of listed issuers in Hong Kong. The remuneration committee of the Company has delegated the responsibility to the executive Directors to approve specific remuneration packages of senior management since the executive Directors have a better understanding of the level of expertise, experience and performance expected of the senior management in the daily business operations.



DIRECTORS' REPORT

RETIREMENT AND PENSION PLAN

To comply with the statutory requirements of the Mandatory Provident Fund (“**MPF**”) Schemes Ordinance (Chapter 485 of the Laws of Hong Kong), the Group has set up the MPF Scheme. Mandatory contributions to the scheme are made by both the employers and employees at 5% of the employees’ monthly relevant income capped at HK\$30,000. During the year, the Group made contributions to the MPF Scheme in Hong Kong amounted to approximately HK\$0.7 million (15 months ended March 31, 2024: approximately HK\$0.7 million). As at March 31, 2025, there are available forfeited contributions of approximately HK\$0.4 million (15 months ended March 31, 2024: approximately HK\$0.4 million) and no forfeited contributions had been used by employer to reduce the existing level of contributions during the year.

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

The Group also participates in the Macau Private Pension Fund to which all qualified employees of the Group in Macau are entitled. Mandatory contributions to the Macau Private Pension Fund are made by the employers at 5% of the employees’ monthly relevant income. During the year, the Group made contributions to the Macau Private Pension Fund amounted to approximately HK\$2.3 million (15 months ended March 31, 2024: HK\$2.5 million). As at March 31, 2025, there are available forfeited contributions of approximately HK\$0.2 million (15 months ended March 31, 2024: HK\$0.1 million) and forfeited contributions of approximately HK\$0.6 million had been used by employer to reduce the existing level of contributions during the year.

DONATIONS

During the year under review, the Group did not make any donations (15 months ended March 31, 2024: Nil) for charitable or other purposes.



DIRECTORS' REPORT

CONTROL AGREEMENTS ADOPTED BY THE GROUP TO INDIRECTLY CONTROL OPERATING SUBSIDIARIES OF THE COMPANY (NAMELY, SILVERCREEK AND CAIXIAOER) IN CHINA

In respect of Silvercreek

A wholly-owned subsidiary of the Company, AGTech iGaming Limited, completed the acquisition of the entire issued share capital of Fortune Happy Investment Limited ("**Fortune Happy**") in December 2011.

Fortune Happy is a company incorporated in Hong Kong with limited liability and is an investment holding company holding a 100% equity interest in 深圳市福悦信息諮詢有限公司 (Shenzhen Fortune Happy Information Advisory Co., Ltd.) (the "**WFOE**") which is a wholly foreign owned enterprise established under the laws of the PRC. The WFOE, in turn, controls a 100% equity interest in an operating subsidiary, Silvercreek, through a set of control agreements (the "**Silvercreek Control Agreements**") entered into between the WFOE and two individual shareholders of Silvercreek (the "**Silvercreek Nominee Shareholders**") who are PRC nationals acting as nominees to together hold the entire equity interest in Silvercreek on behalf of the WFOE. The WFOE has transferred all of its rights and obligations under the Silvercreek Control Agreements to a wholly-owned subsidiary of the Company, 世紀星彩企業管理有限公司 (China Lottery Management Co., Ltd.) ("**CLMC**"), on May 4, 2017. Thus, CLMC controls 100% equity interest in Silvercreek. During the year under review, the Silvercreek Nominee Shareholders were Mr. Zhang Ting (who held a 95% equity interest in Silvercreek as at March 31, 2025) and Mr. Wang Jian (who held a 5% equity interest in Silvercreek as at March 31, 2025).

Silvercreek is a limited liability company established under the laws of the PRC and its principal scope of business is online games business (referred to as the "**Silvercreek Restricted Business**").

Silvercreek possesses the necessary "Publication Number for Online Games" to operate the Silvercreek Restricted Business in the PRC which is subject to foreign investment restrictions. Accordingly, the Silvercreek Control Agreements were adopted so as to allow CLMC to gain full effective control over the management and financial operation of Silvercreek and enable the economic benefits of Silvercreek to be consolidated into the consolidated financial statements of the Group. The Silvercreek Control Agreements were not adopted for reasons or requirements other than the aforesaid foreign investment restrictions in respect of the Silvercreek Restricted Business in the PRC. The relevant PRC telecom service provider licences expired on August 22, 2021 and September 20, 2021. Up to the date of this report, Silvercreek was not operating any Silvercreek Restricted Business. The Group plans to implement a restructuring on the contractual arrangement structure of Silvercreek and its subsidiary and considers to unwinding the Silvercreek Control Agreements, transferring the shares of Silvercreek held by the Silvercreek Nominee Shareholders to another subsidiary of the Company and re-applying for the necessary PRC value-added telecommunications service license as the requirement of business plan. There will be no material adverse impact on the financial position and business of the Group for the proposed restructuring mentioned above. For the year ended March 31, 2025, net assets totalling approximately HK\$0.2 million and no revenue of Silvercreek were consolidated into the consolidated financial statements of the Group via the Silvercreek Control Agreements.



DIRECTORS' REPORT

Set out below is a summary of the Silvercreek Control Agreements and their key terms which serve to protect the interests of CLMC as the beneficial owner of Silvercreek:

- (i) under a *loan agreement* (貸款協議) between CLMC and the Silvercreek Nominee Shareholders, CLMC (as the lender) agreed to lend a loan amounting to RMB50 million (equivalent to approximately HK\$56.24 million) to the Silvercreek Nominee Shareholders (as the borrowers) for their onward investment in Silvercreek such that they will together have 100% equity interest in Silvercreek. The loan must only be repaid by way of the Silvercreek Nominee Shareholders transferring their equity interests in Silvercreek to CLMC or its nominee and may only be used by the Silvercreek Nominee Shareholders for the purpose of investing in Silvercreek as its increased registered capital. The Silvercreek Nominee Shareholders shall pay any dividends, interests or benefits received from Silvercreek to CLMC. Where permissible under the PRC law, CLMC has the right to acquire from the Silvercreek Nominee Shareholders their entire equity interests in Silvercreek or all the assets of Silvercreek and use the outstanding loan owed by the Silvercreek Nominee Shareholders to CLMC as settlement of the consideration for the acquisition;
- (ii) under an *equity pledge agreement* (股權質押合同) between CLMC and the Silvercreek Nominee Shareholders, the Silvercreek Nominee Shareholders agreed to pledge their respective equity interests in Silvercreek (together with any dividends, interests, investment return or other benefits generated from such equity interests) to CLMC to secure the due performance of their obligations under the loan agreement mentioned in (i) above. The equity pledge agreement ensures that the Silvercreek Nominee Shareholders cannot transfer their respective equity interests in Silvercreek to other parties;
- (iii) under a *call option agreement* (購買選擇權協議) between CLMC, the Silvercreek Nominee Shareholders and Silvercreek, where permissible under the PRC law, CLMC or its nominee shall be entitled to exercise an exclusive and irrevocable option (granted by the Silvercreek Nominee Shareholders) to acquire part or all of the Silvercreek Nominee Shareholders' equity interests in Silvercreek or its assets. The consideration for such acquisition shall be settled with and offset against the outstanding loan owed by the Silvercreek Nominee Shareholders to CLMC under the loan agreement mentioned in (i) above, provided that such consideration shall be adjusted on a pro rata basis if the aforesaid option is partially exercised only. In the event that CLMC exercises the aforesaid option, the Silvercreek Nominee Shareholders and Silvercreek shall unconditionally assist CLMC in respect of all necessary procedures for the equity transfer such as obtaining government approval and consent, and handling registration and filing matters. The call option agreement allows CLMC to directly hold the entire equity interests or assets in Silvercreek when the PRC law lifts the foreign investment restrictions in respect of the Silvercreek Restricted Business in the PRC; and



DIRECTORS' REPORT

- (iv) under a *declaration of trust* (信託承諾及聲明書) between CLMC and the Silvercreek Nominee Shareholders, the Silvercreek Nominee Shareholders declared that they are only holding the equity interests in Silvercreek on trust for CLMC and do not possess any shareholders' rights in respect of such equity interests. The Silvercreek Nominee Shareholders shall vote at shareholders' meetings in accordance with the written instructions of CLMC or shall sign any power of attorney or other document(s) requested by CLMC in order to allow the authorized representative of CLMC to participate and vote at the shareholders' meeting of Silvercreek or exercise all the rights entitled by the board of directors of Silvercreek. In the event of bankruptcy or death of the Silvercreek Nominee Shareholders or that the Silvercreek Nominee Shareholders refuse, are unable or it is otherwise inappropriate for them, to act as nominees to hold the equity interests in Silvercreek, CLMC shall be entitled to, at its sole discretion, authorize other nominees to replace the Silvercreek Nominee Shareholders to hold the equity interests in Silvercreek on trust for CLMC. Under those circumstances, the Silvercreek Nominee Shareholders, the official receiver, the personal representative(s) of the deceased Silvercreek Nominee Shareholder(s) and/or other persons acting in the name or on behalf of the Silvercreek Nominee Shareholders shall immediately transfer the equity interests in Silvercreek to the person(s) designated by CLMC in writing in accordance with the declaration of trust. The declaration of trust grants CLMC voting rights in respect of the equity interests in Silvercreek held on trust by the Silvercreek Nominee Shareholders so that CLMC can have effective control over Silvercreek.

All the above-mentioned Silvercreek Control Agreements provide for dispute resolution via arbitration in China. The PRC counsel of the Company was of the view that the initial Silvercreek Control Agreements did not violate the relevant PRC laws, had proper authorisation for their execution and were valid, legal and enforceable. However, there are substantial uncertainties regarding the interpretation and application of the PRC laws, rules and regulations currently in effect. Accordingly, there remains a possibility that the PRC regulatory authorities and PRC courts may in the future take a view that is contrary to the views of the PRC counsel of the Company concerning the Silvercreek Control Agreements.

While there will be risks associated with this kind of shareholding arrangement which may affect the legal position of the Group as the beneficial owner of Silvercreek (such as in the event of death, bankruptcy or divorce of the Silvercreek Nominee Shareholders involved), the adoption of a combination of the Silvercreek Control Agreements (containing key terms as mentioned above) shall enable the Group to enforce its rights as the beneficial owner of Silvercreek in the event that such risks arise in the future. In addition, the existing director of Silvercreek is indeed a senior management personnel nominated by the Company, who has taken effective control over the day-to-day operations and management of Silvercreek.



DIRECTORS' REPORT

During the year under review, there had been no material change in the Silvercreek Control Agreements and/or the circumstances under which they were adopted.

The Group has not unwound any of the Silvercreek Control Agreements as the foreign investment restrictions that led to the adoption of the Silvercreek Control Agreements have not been removed in the PRC.

The Group shall continue to closely monitor the policy development of the PRC government with respect to the online games business.

In respect of Caixiaoer

CLMC, a wholly-owned subsidiary of the Company, and two individual shareholders of Caixiaoer (the **"Caixiaoer Nominee Shareholders"**), who are PRC nationals acting as nominees to jointly hold the entire equity interest in Caixiaoer on behalf of CLMC, entered into a set of control agreements (the **"Caixiaoer Control Agreements"**), pursuant to which CLMC shall control the 100% equity interest in Caixiaoer, an operating subsidiary. Thus, CLMC controls 100% equity interest in Caixiaoer. As at March 31, 2025, the Caixiaoer Nominee Shareholders were Ms. Wang Liying (who held a 75% equity interest in Caixiaoer) and Ms. Hu Taoye (who held a 25% equity interest in Caixiaoer).

Caixiaoer is a limited liability company established under the laws of the PRC and is principally engaged in providing lottery information, such as winning numbers and trend charts, through online channels. In addition, it also researches and develops and operates a number of online casual entertainment to boost users' interest and enhance user loyalty (the **"Caixiaoer Restricted Business"**).

Caixiaoer holds the necessary PRC value-added telecommunications service license and Permit for Production and Operation of Radio and Television Programs to operate the Caixiaoer Restricted Business in the PRC which is subject to foreign investment restrictions. Accordingly, the Caixiaoer Control Agreements were adopted so as to allow CLMC to gain full effective control over the management and financial operation of Caixiaoer and enable the economic benefits of Caixiaoer to be consolidated into the consolidated financial statements of the Group. The Caixiaoer Control Agreements were not adopted for reasons or requirements other than the aforesaid foreign investment restrictions in respect of the Caixiaoer Restricted Business in the PRC. For the year ended March 31, 2025, net liabilities totalling approximately HK\$1.9 million and no revenue of Caixiaoer were consolidated into the consolidated financial statements of the Group via the Caixiaoer Control Agreements.



DIRECTORS' REPORT

Set out below is a summary of the Caixiaoer Control Agreements and their key terms which serve to protect the interests of CLMC as the beneficial owner of Caixiaoer:

- (i) under a loan agreement (借款協議) between CLMC and the Caixiaoer Nominee Shareholders, CLMC (as the lender) agreed to lend a loan amounting to RMB10 million (equivalent to approximately HK\$12 million) to the Caixiaoer Nominee Shareholders (as the borrowers) for their onward investment in Caixiaoer such that they will together hold 100% equity interest in Caixiaoer. The loan may be repaid by way of the Caixiaoer Nominee Shareholders transferring their equity interests in Caixiaoer to CLMC or its nominee and may only be used by the Caixiaoer Nominee Shareholders for the purpose of investing in Caixiaoer as its increased registered capital. The Caixiaoer Nominee Shareholders shall pledge their entire equity interests in Caixiaoer to the lender as security for the loan. Where permissible under the PRC law, CLMC has the right to acquire from the Caixiaoer Nominee Shareholders their entire equity interests in Caixiaoer or all the assets of Caixiaoer and use the outstanding loan owed by the Caixiaoer Nominee Shareholders to CLMC as settlement of the consideration for the acquisition;
- (ii) under an equity pledge agreement (股權質押協議) between CLMC and the Caixiaoer Nominee Shareholders, the Caixiaoer Nominee Shareholders agreed to pledge their respective equity interests in Caixiaoer (including but not limited to any bonus, dividends or other cash and non-cash benefits generated from such pledged equity interests) to CLMC to secure the due performance of their obligations under the loan agreement mentioned in (i) above. This equity pledge agreement ensures that the Caixiaoer Nominee Shareholders cannot transfer their respective equity interests in Caixiaoer to other parties;
- (iii) under an exclusive call option agreement (獨家購買權合同) between CLMC, the Caixiaoer Nominee Shareholders and Caixiaoer, where permissible under the PRC law, CLMC may, according to the call option exercise procedures determined by itself and at the price stated in such agreement, require the Caixiaoer Nominee Shareholders to perform and complete all approval and registration procedures required under PRC law so as to allow the acquisition(s) of all or part of the equity interests in Caixiaoer that are currently held or will be held by the Caixiaoer Nominee Shareholders by CLMC or its designee(s). Caixiaoer Nominee Shareholders and Caixiaoer have also granted CLMC and/or its designee an irrevocable and exclusive right to acquire all or part of the assets of Caixiaoer. The exclusive call option is an exclusive right of CLMC. CLMC may elect to acquire all or part of the equity interests held by any existing shareholders of Caixiaoer, or to acquire all or part of the assets of Caixiaoer, or to exercise both rights at the same time;



DIRECTORS' REPORT

- (iv) under an exclusive business cooperation agreement (獨家業務合作協議) between CLMC and Caixiaoer, CLMC, as the exclusive service provider of Caixiaoer, will provide comprehensive technical support, business support and relevant consulting services to the operation of Caixiaoer during the term of the agreement. Such services include all the necessary services within the main business scope of Caixiaoer as determined by CLMC from time to time, including but not limited to technical services, business consulting, asset and equipment leasing, market consulting, system integration and system maintenance services. Both parties agreed that during the term of the agreement, CLMC will enjoy and bear all the economic benefits and risks arising from any business of Caixiaoer; in the event of any operating loss or difficulties experienced by Caixiaoer, CLMC may provide any form of financial support permitted by the prevailing law; and
- (v) under a voting right entrustment agreement (表決權委托協議) and power of attorney undertaking (授權委托書) between CLMC and Caixiaoer Nominee Shareholders, Caixiaoer Nominee Shareholders unconditionally and irrevocably entrust CLMC and/or its designated third party to exercise the trustee's right as a shareholder of the company as permitted under PRC law, including: convene, attend, and preside the company's general meeting and signing relevant resolutions, meeting minutes and other relevant documents as an agent of Caixiaoer Nominee Shareholders, and sign all documents that required to be signed by the company's shareholders and any documents that will be submitted to company registration authority for approval, registration, and filing purposes on behalf of Caixiaoer Nominee Shareholders; vote on all matters that may be resolved or considered by shareholders under the requirements of PRC law and articles of association on behalf of Caixiaoer Nominee Shareholders; sell, transfer, pledge or dispose of all or part of the equity interests held by Caixiaoer Nominee Shareholders in the company, and sign all necessary documents and perform all necessary procedures to fulfill such purposes on behalf of Caixiaoer Nominee Shareholders; rights to nominate, appoint or elect directors, supervisors, managers and other senior management of the company; authorize or resolve on the disposal of the company's assets on behalf of Caixiaoer Nominee Shareholders; resolve on the dissolution and liquidation of the company on behalf of Caixiaoer Nominee Shareholders and form liquidation group on behalf of Caixiaoer Nominee Shareholders to exercise the power granted to a liquidation group by law during liquidation, including but not limited to resolving on the disposal of the company's assets; and other powers exercised by shareholders as required under PRC law and the articles of association. All assets acquired by Caixiaoer Nominee Shareholders after the company's bankruptcy, liquidation, dissolution or termination, including the company's equity interests, will be transferred to the trustee at nil consideration or at the lowest price permitted by the prevailing PRC law, or the then liquidator will dispose of all assets, including equity interests, of the company to protect the direct or indirect rights of Caixiaoer Nominee Shareholders and/or creditors. In the event of death, incapacity, marriage, divorce, bankruptcy of the Caixiaoer Nominee Shareholders or other circumstances that may affect Caixiaoer Nominee Shareholders' exercise of the equity



DIRECTORS' REPORT

interests held by Caixiaoer Nominee Shareholders, the successor of Caixiaoer Nominee Shareholders or the then shareholder or assignee of the company's equity interests will be deemed to be a party to the agreement and succeed/assume all rights and obligations of Caixiaoer Nominee Shareholders under the agreement. The voting rights entrustment agreement and power of attorney undertakings grant CLMC voting rights in respect of the equity interests in Caixiaoer held on trust by the Caixiaoer Nominee Shareholders so that CLMC can have effective control over Caixiaoer.

All the above-mentioned Caixiaoer Control Agreements provide for dispute resolution via arbitration in China. The PRC counsel of the Company was of the view that the Caixiaoer Control Agreements did not violate the relevant PRC laws; the execution and enforcement of the relevant Caixiaoer Control Agreements by CLMC and Caixiaoer did not violate the provisions of their respective articles of association; the execution and validity of the Caixiaoer Control Agreements do not require and are not conditional upon any prior approval of the PRC government body; and the Caixiaoer Control Agreements were valid, legal and binding on the signing parties. However, the PRC counsel of the Company also advised that there are substantial uncertainties regarding the interpretation and application of the PRC laws, rules and regulations currently in effect. Accordingly, there remains a possibility that the PRC regulatory authorities and PRC courts may, in the future, hold a view contrary to that of the Company's PRC counsel regarding the Caixiaoer Control Agreements.

While there will be risks associated with this kind of shareholding arrangement which may affect the legal position of the Group as the beneficial owner of Caixiaoer (such as in the event of death, bankruptcy or divorce of the Caixiaoer Nominee Shareholders involved), the adoption of a combination of the Caixiaoer Control Agreements (containing key terms as mentioned above) shall enable the Group to enforce its rights as the beneficial owner of Caixiaoer in the event that such risks arise in the future. In addition, the existing director of Caixiaoer is indeed a senior management personnel nominated by the Company, who has taken effective control over the day-to-day operations and management of Caixiaoer.

During the year under review, there had been no material change in the Caixiaoer Control Agreements and/or the circumstances under which they were adopted.

The Group has not unwound any of the Caixiaoer Control Agreements as the foreign investment restrictions that led to the adoption of the Caixiaoer Control Agreements have not been removed in the PRC.



DIRECTORS' REPORT

The Group shall continue to closely monitor the policy development of the PRC government with respect to foreign investment restrictions. Through Caixiaoer, the Group hopes to continue growing its online presence in preparation for any potential approval and authorisation of online distribution of lottery products in the future.

AUDIT COMMITTEE

The audit committee of the Company (the "**Audit Committee**") currently comprises three independent non-executive Directors, namely, Mr. Chow Siu Lui, Mr. Chan Ka Leong (appointed on May 3, 2024) and Ms. Yuen Kit Ming Fanny (appointed on May 14, 2024). The Audit Committee is chaired by Mr. Chow Siu Lui. The Group's audited consolidated financial statements of the Group for the year ended March 31, 2025 have been reviewed and commented on by the Audit Committee.

AUDITOR

PwC was appointed as the auditor of the Company in December 2016. There was no change of auditors of the Company in the past three years. A resolution for the re-appointment of PwC as auditor of the Company will be proposed at the forthcoming annual general meeting of the Company. The consolidated financial statements of the Group for the year ended March 31, 2025 have been audited by PwC.

SIGNIFICANT INVESTMENTS, MATERIAL ACQUISITIONS AND DISPOSALS DURING THE YEAR UNDER REVIEW

There were no significant investments, material acquisitions and disposals of subsidiaries, associates and joint ventures that constituted "notifiable transactions" under Chapter 19 of the GEM Listing Rules during the year ended March 31, 2025, other than (i) the completion of the discloseable and connected transaction in relation to the attainment of the controlling stake in Ant Bank (Macao) and disposal of a 30% equity interest in Star N Cloud Network Intelligence Company Limited on September 2, 2024, as disclosed in the announcement of the Company dated September 2, 2024; and (ii) the discloseable and connected transaction in relation to the capital increase contemplated under the Capital Increase Agreement as disclosed in the section headed "CONNECTED TRANSACTION" in this annual report.



DIRECTORS' REPORT

BUSINESS REVIEW

(a) Review of the Group's business:

Detailed discussion and analysis of the industries in which the Group operates, and the Group's business and performance for the year ended March 31, 2025 are set out in the "Discussion and Analysis of the Group's Results and Business" section on pages 70 to 96 of this annual report.

(b) Principal risks and uncertainties facing the Group:

(i) Risks relating to the Group's digital banking business

- The Group's digital banking business arm, Ant Bank (Macao), is a "bank incorporated in Macau" licensed under AMCM. The sustainability of its business relies on its maintenance of the licence with AMCM and its success depends on its ability to remain competitive among numerous banks in Macau.
- The asset quality of Ant Bank (Macao) may be affected adversely by the repayment ability and willingness of debtors during economic downturns.

(ii) Risks relating to the Group's digital payment business

- The Group's digital payment business arm, Macau Pass, is an "other financial institution" licensed under AMCM. The sustainability of its business relies on its maintenance of the licence with AMCM and its success depends on its ability to remain competitive among numerous digital payment service providers in Macau.
- The profitability of Macau Pass may be affected adversely by the drop of tourist activities in Macau.



DIRECTORS' REPORT

(iii) **Uncertainties for the Group resulting from the PRC regulatory regime**

- Under the current PRC regulatory regime, lottery products offered by provincial lottery administration centers may be discontinued or subject to restriction and regulations by the relevant national lottery administration centers. There is no assurance that the lottery products and the underlying system and technology supplied by the Group will be maintained, and if such lottery products are discontinued or restricted, there may be a material and adverse effect on the revenue, financial condition and results of operations of the Group. Furthermore, there may be risks that the administrative authorities might adjust the percentage of issue fees of sales of lotteries, which may in turn affect the revenue sharing of such sales and the commission income from lottery distribution. In the case of decrease of issue fees, the technology providers and lottery distribution service providers receiving service fees on revenue-sharing basis may be requested to decrease their fees proportionally.
- While the Group believes that the potential of the mobile and internet distribution channels in the PRC lottery markets is substantial, there is uncertainty as to when such channels will be approved by the relevant lottery authorities and whether the Group will obtain the requisite licenses or acquire the right target companies with such license to conduct online sales and distribution of lottery products.
- It is one of the Group's corporate objectives to pursue overseas opportunities and globalize its business. However, geopolitical tensions, protectionist or national security policies in certain countries could, among other things, hinder the Group's ability to fulfill such objective or adversely affect the Group's investment in certain jurisdictions. For example, in 2020, India banned numerous Chinese mobile apps as tensions subsisted along its disputed border with the PRC. While the Group maintains only a minority equity interest in its investment in India with the majority stake thereof being held by a local partner in India, and such investment has not been adversely affected despite the geopolitical tensions between India and the PRC, there is no assurance that India will not further tighten its foreign investment regulation(s) in the future and the Group's investment in India may be adversely affected as a result.



DIRECTORS' REPORT

(c) **Risk management measures and compliance with relevant laws and regulations:**

While the above-mentioned risks and uncertainties facing the Group are often beyond the reasonable control of the Group as they relate to the decisions and policies of the governmental authorities and the regulatory regime of Chinese Mainland and Macau in general, we do have risk management measures in place to somewhat mitigate such risks. In particular, our RMICC will consult and confirm with the Legal and Compliance Department of the Group on a regular basis as to whether:

- there are any new policies, rules and/or regulations in Chinese Mainland and Macau (or in any jurisdiction where the Group has operations) which may have a material impact on the business or trading prospect of the Group;
- the Group has complied with the relevant environmental, gaming or lottery related laws and regulations in the PRC (or in any jurisdiction where the Group has operations); and
- in respect of the Group's lottery business, counterparties of commercial contracts entered into by the Group are customers which are either governmental lottery authorities or operators authorized by such authorities.

We believe that, through ensuring the Group's ongoing legal compliance especially in relation to gaming or lottery related laws and regulations in Chinese Mainland and financial regulations in Macau, it will enhance our chance of winning any governmental contracts or obtaining any regulatory approval in the PRC lottery market, or the Macau financial market, should such business opportunities come along. By keeping posted of the latest development in respect of any new policies, rules and/or regulations in Chinese Mainland and Macau, it will also help the Group adjust its business development initiatives in a timely manner to meet any new requirements of the governmental authorities, thus allowing us to shift our efforts and resources in the right direction and in a more effective manner accordingly.



DIRECTORS' REPORT

During the year under review, the Group has been complying with the Financial System Act of Macau (《金融體系法律制度》) and the lottery related laws and regulations in the PRC (including but not limited to Lottery Management Regulations (彩票管理條例); The Detailed Rules for the Implementation of Lottery Management Regulations (彩票管理條例實施細則); Measures for Lottery Issuance and Sales Management (彩票發行銷售管理辦法); The Interim Measures for the Administration of Internet Sales of Lottery (互聯網銷售彩票管理暫行辦法); The Interim Measures for the Administration of Telephone Sales of Lottery (電話銷售彩票管理暫行辦法)); and there is no incidence of non-compliance with any other relevant laws and regulations affecting the Group (including but not limited to Employment Ordinance of Hong Kong (Chapter 57 of the Laws of Hong Kong); Labour Law of the PRC (中華人民共和國勞動法), The Labour Contract Law of the PRC (中華人民共和國勞動合同法); Regulations of Paid Annual Leave of Employees (職工帶薪年休假條例); PRC Criminal Law (中華人民共和國刑法); PRC Anti-Unfair Competition Law (中華人民共和國反不正當競爭法); Personal Information Protection Law of the People's Republic of China (中華人民共和國個人信息保護法); PRC Interim Provisions on Prohibiting Commercial Bribery (禁止商業賄賂行為的暫行規定); The Company Law of the PRC (中華人民共和國公司法); Hong Kong Prevention of Bribery Ordinance (Chapter 201 of the Laws of Hong Kong); "Regulations on Anti-Money Laundering and Combating the Financing of Terrorism" of Monetary Authority of Macao (澳門金融管理局《反洗錢及反恐融資指引》); The Penal Code of Macao (澳門特別行政區《刑法典》); Macao Special Administrative Region, Law No. 7/2008 "Labour Relations Law" (澳門特別行政區第7/2008號法律《勞動關係法》)) that has come to the knowledge of the Directors.

(d) Significant event after the reporting period:

As of the date hereof, there was no significant event affecting the Group after March 31, 2025.

(e) Business outlook of the Group:

Details of the likely future development in the Group's business are set out in the section headed "Business Outlook" on pages 85 and 86 of this annual report.



DIRECTORS' REPORT

(f) Analysis of financial key performance indicators (“KPIs”):

KPIs	Reasons for selection as KPIs	For the Year ended March 31, 2025 (HK\$'000)	For the 15-Month ended March 31, 2024 (HK\$'000)*	Variance
Revenue	To assess the sales performance and volume of transactions of the Group.	614,968	766,583	↓(19.8%)
Operating loss	To assess the Group's operating performance and cost management.	71,826	44,778	↑60.4%
(Loss)/profit for the year/ period attributable to owners of the Company	To assess the Group's profitability (after expenses).	(90,432)	31,860	↓(383.8%)

* The corresponding comparative amounts shown covered a period of fifteen months from January 1, 2023 to March 31, 2024, and therefore are not directly comparable with the amounts shown for the current period.

(g) Information on environmental matters of the Group:

The Group is committed to minimizing our impact on the environment by implementing policies for the responsible use of resources.

As we do not run any factories but outsource the manufacturing functions to outside suppliers/subcontractors to help produce our lottery and payment-related hardware products, we do not anticipate any material risks in our operations in respect of environmental protection concerns, and the environmental related laws and regulations do not apply to our operations. Having said that, to help minimize the impact of our operations on the environment, the Group has made continuous efforts to (i) support low-carbon offices in that employees are encouraged to observe our policies and business practices on energy and resource savings; (ii) introduce various business initiatives through our fintech business segment in Macau that can help reduce the use of paper in the community; and (iii) formulate carbon reduction targets to lower the Group's Scopes 1 and 2 greenhouse gas emissions, as set out in the Company's ESG Report 2024/25.



DIRECTORS' REPORT

(h) Relationships with our stakeholders:

We believe that the success of our operations depends largely on our long-term relationships with our stakeholders. By engaging with our key stakeholders (including our Shareholders, business partners, employees, suppliers/subcontractors, customers, regulators and the community) on an ongoing basis, it provides an opportunity for the Group to listen to their concerns and build on common goals. This will in turn drive our business development initiatives in the right direction and make our operations sustainable.

Set out below is a table summarizing the Group's relationships with its key stakeholders:

Stakeholders of the Group	Relationships with the Group
Shareholders	<p>The Group strives to not only maximize the Shareholders' return through continuous business development, but also to maintain a high level of transparency and accountability to the Shareholders in various ways, such as:</p> <ul style="list-style-type: none">• maintaining and employing a policy of open and timely disclosure of relevant information to the Shareholders through announcements, circulars, interim and annual reports, and the ESG report;• maintaining effective communications with the Shareholders through annual general meeting and the official website of the Company;• implementing policies of the Group in respect of sustainability management of its operations so as to reduce their impact on the environment but create a positive social impact on the community where the Group operates; and• setting up the RMICC and the ESG Task Force to help detect risks associated with our operations and minimize their impact.



DIRECTORS' REPORT

Stakeholders of the Group	Relationships with the Group
Business partners	<p>Apart from maintaining close working relationships with Alibaba Group and Ant Group, the Group has been pursuing opportunities abroad to globalize its business by strategically working with leading local business partners in selected overseas markets.</p>
Employees	<p>Apart from salaries, the Group offers to its employees other fringe benefits including year-end bonus, discretionary bonus, share option scheme, Share Award Scheme, contributory provident fund, social security fund and medical benefits.</p> <p>In addition, the Group offers valuable opportunities for our employees to enhance their professional knowledge and skills through (i) on-the-job training, and (ii) other training activities sponsored by the Group.</p> <p>(i) On-the-job training: The technical departments of the Group comprise veteran professionals in the PRC lottery, online games and electronic payment industries. Through working with these professionals, employees can share knowledge base and learn state-of-the-art technology and business practices from their superiors.</p> <p>(ii) Other training activities: In-house briefing materials on latest corporate governance and listing rule requirements are provided to Directors and company secretary. Directors and employees also attend in-house and external training seminars on job-related topics, or participate in industry-specific seminars and conferences from time to time.</p> <p>Our digital banking and payment business arms in Macau, Ant Bank (Macao) and Macau Pass, also conduct AML/CFT training at least once a year.</p>



DIRECTORS' REPORT

Stakeholders of the Group	Relationships with the Group
Suppliers/subcontractors	<p>The Group does not run any factories but outsources the manufacturing functions to outside suppliers/subcontractors to help produce our lottery and payment-related hardware products.</p>
<p>Customers (including but not limited to governmental lottery authorities or operators authorized by such authorities, merchants, corporate and individual users of digital banking, digital payment or local consumer services)</p>	<p>During the year under review, the largest customer and the five largest customers (combined) of the Group accounted for approximately 9.7% and approximately 27.3% of the total revenue of the Group respectively. No single customer accounted for more than 20% of the Group's total revenue from sales of goods or rendering of services for the year under review and the largest customer is a provincial sports lottery administration center in the PRC with satisfactory settlement history. The Group continues to expand the customer base and thus we do not consider that the relationships with our customers expose the Group's business to any substantial risks.</p> <p>The Group works closely with its customers in respect of its lottery business to implement responsible lottery measures.</p>



DIRECTORS' REPORT

Stakeholders of the Group	Relationships with the Group
	<p>In respect of our digital banking business in Macau, the Group is committed to providing Macau residents and small and medium-sized enterprises with comprehensive financial services, including cross-border remittances, payment, savings, loans, wealth management, insurance agency, and securities investment, through the fully licensed Ant Bank (Macao). The bank's credit business is divided into two categories: personal and corporate. No single customer's loan balance accounted for more than 20% of the bank's own funds. Credit concentration ratios and non-performing loan ratios remain at reasonable levels. The Group will continue to expand its digital banking customer base, steadily develop related businesses, and establish specialised financial services characterised by inclusivity, convenience, and a seamless user experience.</p> <p>In respect of our digital payment business in Macau, the Group has been striving to build a diversified service platform, integrating digital payment services, e-commerce, multimedia marketing and business networks for individual users and merchants, with a view to taking care of all aspects of life of the Macau residents and tourists.</p>
Regulators (for digital payment and banking businesses, i.e. AMCM in Macau)	<p>Apart from supporting the initiatives of smart city transformation in Macau such as the launch of the "Simple Pay" integrated payment system, we have also assisted the Government of Macau in its relief measures for the merchants and Macau residents during the COVID-19 pandemic (e.g. various rounds of the "Electronic Consumption Benefits Plan" for Macau residents and service fee exemption on the "Simple Pay" system for merchants).</p>



DIRECTORS' REPORT

Stakeholders of the Group	Relationships with the Group
Community	<p>We strive to actively contribute to the development of a responsible lottery gaming industry which will raise important public funds for charity, welfare and sports development projects in China.</p> <p>We strive to support a healthy PRC lottery market for the community, with a view to developing new forms of legal and regulated lottery distribution channels in order to crack down on the illegal gambling market in China.</p> <p>In respect of our digital banking business in Macau, we are constantly innovating and optimising our digital banking services to provide residents with a more convenient and secure financial experience. Online account opening allows residents to open a bank account from the comfort of their homes, while online remittance services ensure fast and secure fund transfers through an efficient payment system and multiple security measures. Additionally, we are actively developing online financing products to help residents to have access to timely funding support, further lowering the barriers to financing and enhancing the inclusiveness of financial services. These efforts not only demonstrate our deep understanding of residents' needs but also highlight our commitment to social responsibility in the digital transformation process. Looking ahead, we will continue to strengthen our connection with the community, enhance residents' financial literacy and quality of life through more innovative services, and contribute to the sustainable development of the community.</p> <p>In respect of our digital payment business in Macau, we aim to assist the city with its smart city transformation and promote the development of the Greater Bay Area. We also integrate our development strategies with technological innovation, common prosperity as well as green and low carbon development strategies, so as to promote the long-term sustainable growth of our business and the businesses of merchants in Macau.</p>



DIRECTORS' REPORT

Stakeholders of the Group

Relationships with the Group

The footprint of our business primarily spans across Chinese Mainland and Macau. We employ around 368 employees and help sustain job opportunities in the communities where we operate.

On behalf of the Board

Sun Ho

Chairman & CEO

June 24, 2025



FINANCIAL SUMMARY

RESULTS

	For the year ended March 31, 2025 HK\$'000	For the fifteen months ended March 31, 2024 HK\$'000	For the year ended December, 31		
			2022 HK\$'000	2021 HK\$'000	2020 HK\$'000
Revenue	614,968	766,583	351,414	253,242	161,649
Operating loss	71,826	44,778	129,715	65,785	131,087
Profit/(Loss) for the period/year attributable to owners of the Company	(90,432)	31,860	(126,700)	(63,633)	(121,372)

ASSETS AND LIABILITIES

	As at March 31, 2025 HK\$'000	As at March 31, 2024 HK\$'000	As at December 31,		
			2022 HK\$'000	2021 HK\$'000	2020 HK\$'000
Total assets	6,244,605	3,729,660	6,422,104	3,081,673	3,148,432
Total liabilities	(3,484,010)	(1,076,846)	(3,759,265)	(195,533)	(205,118)
Net assets	2,760,595	2,652,814	2,662,839	2,886,140	2,943,314
Equity attributable to owners of the Company	2,553,613	2,647,584	2,631,936	2,836,609	2,895,740
Non-controlling interests	206,982	5,230	30,903	49,531	47,574
	2,760,595	2,652,814	2,662,839	2,886,140	2,943,314

2024 - 2025

For The Twelve Months Ended March 31, 2025

Financial Report

 **MPay**  **mCard**  **mCoin**  **mPass**



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INDEPENDENT AUDITOR'S REPORT



羅兵咸永道

TO THE SHAREHOLDERS OF AGTECH HOLDINGS LIMITED

(incorporated in Bermuda with limited liability)

OPINION

What we have audited

The consolidated financial statements of AGTech Holdings Limited (the “Company”) and its subsidiaries (the “Group”), which are set out on pages 177 to 284, comprise:

- the consolidated statement of financial position as at March 31, 2025;
- the consolidated statement of profit or loss and other comprehensive income for the year then ended;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated statement of cash flows for the year then ended; and
- the notes to the consolidated financial statements, comprising material accounting policy information and other explanatory information.

Our opinion

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at March 31, 2025, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with HKFRS Accounting Standards as 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”) as 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

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.



INDEPENDENT AUDITOR'S REPORT

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 identified in our audit is related to impairment assessment of goodwill.

Key Audit Matter	How our audit addressed the Key Audit Matter
Impairment assessment of goodwill	
Refer to notes 2.8 and 18 to the consolidated financial statements.	In response to this key audit matter, our audit work included controls testing and substantive procedures as follows:
As at March 31, 2025, the Group had goodwill amounted to HK\$1,546 million.	<ul style="list-style-type: none"> Obtaining an understanding of management's assessment process of impairment of goodwill and assessing the inherent risk of material misstatement by considering the degree of estimation uncertainty and level of other inherent risk factors such as complexity, subjectivity, changes and susceptibility to management bias; Assessing the competency, capability and objectivity of the independent external valuer engaged by the Group; Assessing the appropriateness of the valuation methodologies used; Assessing the reasonableness of key assumptions used in management's estimate of recoverable amounts based on our knowledge of the relevant businesses and industries, other appropriate supporting evidence, and with the involvement of our valuation experts; Obtaining and testing management's sensitivity analysis on the key assumptions to evaluate the potential impacts on the recoverable amounts including the revenue growth rates and price multiples as these are the key assumptions to which the measurement of recoverable amounts is the most sensitive; Testing the mathematical accuracy of the calculations of the recoverable amounts of the CGUs; and Evaluating the adequacy of the relevant disclosures in the consolidated financial statements.
Goodwill impairment reviews are undertaken annually or more frequently if events or changes in circumstances indicate a potential impairment. The carrying values of the cash generating unit containing the goodwill is compared to the recoverable amount, which is the higher of value in use and the fair value less cost of disposal. Significant judgements are required by management to determine the key assumptions to be adopted in the market approach or discounted cash flows for the impairment assessment.	
Based on the results of the impairment assessments performed, management determined that no impairment of goodwill was necessary as at March 31, 2025. This conclusion is based on the recoverable amounts exceeding the carrying amounts of the CGUs.	
We focused on this area due to the magnitude of the carrying amount of goodwill and the fact that the estimation of the recoverable amounts of the CGUs are subject to high degree of estimation uncertainty.	Based on the above procedures performed, we found that the key judgement and assumptions applied by the management in relation to the impairment assessment of goodwill were supportable by the evidence obtained.



INDEPENDENT AUDITOR'S REPORT

OTHER INFORMATION

The directors of the Company are responsible for the other information. The other information comprises all of 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 THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with HKFRS Accounting Standards as 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.

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



INDEPENDENT AUDITOR'S REPORT

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. We report our opinion solely to you, as a body, in accordance with Section 90 of the Companies Act 1981 of Bermuda, 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 HKSA's 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.

As part of an audit in accordance with HKSA's, we exercise professional judgment 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 purposes of the group audit. We remain solely responsible for our audit opinion.



INDEPENDENT AUDITOR'S REPORT

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

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

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

The engagement partner on the audit resulting in this independent auditor's report is Mr. Li Ching Lap Bernard (practising certificate number: P06773).

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, June 24, 2025



CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the Year Ended March 31, 2025

	Note	For the year ended March 31, 2025 HK\$'000	For the fifteen months ended March 31, 2024 HK\$'000
Revenue	5	614,968	766,583
– Revenue from digital payment and related businesses, digital banking business (other than interest income derived from digital banking business) and lottery business		563,819	766,583
– Interest income derived from digital banking business		51,149	–
Other income	7	6,045	14,434
Net other losses	8	(8,787)	(10,423)
Employee benefits expenses	9	(194,136)	(209,593)
Purchase of and changes in inventories	23	(88,011)	(114,499)
Interest expenses incurred from digital banking business		(32,925)	–
Depreciation and amortization expenses	15,16,19	(58,554)	(83,596)
Other operating expenses	10	(310,426)	(407,684)
Operating loss		(71,826)	(44,778)
(Loss)/gain on fair value changes of financial assets at fair value through profit or loss		(70,924)	1,093
Imputed interest expense on deferred consideration	33	–	(1,675)
Finance income	11	44,328	76,525
Finance cost	11	(2,656)	(2,860)
(Loss)/profit before income tax		(101,078)	28,305
Income tax credit	12	2,511	2,411
(Loss)/profit for the year/period	13	(98,567)	30,716
Other comprehensive loss:			
Item that may be reclassified subsequently to profit or loss			
– Currency translation differences		(10,147)	(19,254)
Other comprehensive loss for the year/period, net of tax		(10,147)	(19,254)
Total comprehensive (loss)/income for the year/period		(108,714)	11,462



CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
For the Year Ended March 31, 2025

	Note	For the year ended March 31, 2025 HK\$'000	For the fifteen months ended March 31, 2024 HK\$'000
(Loss)/profit attributable to:			
Owners of the Company		(90,432)	31,860
Non-controlling interests		(8,135)	(1,144)
		(98,567)	30,716
Total comprehensive (loss)/income attributable to:			
Owners of the Company		(100,542)	12,525
Non-controlling interests		(8,172)	(1,063)
		(108,714)	11,462
(Loss)/earning per share			
Basic	14	(HK0.790 cent)	HK0.279 cent
Diluted	14	(HK0.790 cent)	HK0.278 cent

The notes on pages 186 to 284 are an integral part of these consolidated financial statements.



CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at March 31, 2025

	Note	As at March 31, 2025 HK\$'000	As at March 31, 2024 HK\$'000
Non-current assets			
Property, plant and equipment	15	39,319	30,274
Right-of-use assets	16	68,956	61,481
Investment properties	17	28,622	29,686
Goodwill	18	1,545,713	1,466,568
Other intangible assets	19	304,702	303,908
Deferred income tax assets	20	7,638	8,041
Investments accounted for using equity method	21	–	–
Financial assets at fair value through profit or loss	34	10,986	81,910
Other receivables, deposits and prepayments	22	20,272	16,224
Loans and advances to customers	26	33,501	–
		2,059,709	1,998,092
Current assets			
Inventories	23	21,619	20,786
Trade receivables	24	21,008	20,165
Other receivables, deposits and prepayments	22	260,701	316,643
Cash and bank balances	25	2,539,104	1,373,974
Monetary bills with AMCM	27	996,280	–
Deposits with AMCM	25	71,882	–
Loans and advances to customers	26	274,302	–
		4,184,896	1,731,568
Total assets		6,244,605	3,729,660
Current liabilities			
Trade payables	29	22,643	21,835
Accruals and other payables	30	370,605	433,900
Floats balance due to card or account holders	31	520,212	456,168
Deposits from customers	32	2,398,526	–
Contract liabilities	28	5,086	12,281
Card deposits due to cardholders	31	13,723	14,073
Current income tax liabilities		410	2
Lease liabilities	16	15,693	11,864
		3,346,898	950,123



CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at March 31, 2025

	Note	As at March 31, 2025 HK\$'000	As at March 31, 2024 HK\$'000
Non-current liabilities			
Deferred income tax liabilities	20	40,373	40,156
Provision for warranties	35	34,517	30,765
Lease liabilities	16	58,891	53,269
Accruals and other payables	30	3,331	2,533
		137,112	126,723
Total liabilities		3,484,010	1,076,846
Net assets		2,760,595	2,652,814
Equity			
Share capital	36	23,344	23,344
Reserves attributable to owners of the Company		2,530,269	2,624,240
		2,553,613	2,647,584
Non-controlling interests		206,982	5,230
Total equity		2,760,595	2,652,814

The consolidated financial statements on pages 177 to 284 were approved by the Board of Directors on June 24, 2025 and were signed on its behalf by:

Sun Ho
Director

Hu Taoye
Director

The notes on pages 186 to 284 are an integral part of these consolidated financial statements.



CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the Year Ended March 31, 2025

	Attributable to owners of the Company										Attributable to non-controlling interests	Total
	Share capital HK\$'000 (Note 36)	Share premium HK\$'000	Shares held for share award scheme HK\$'000 (Note (a))	Share awards reserve HK\$'000	Statutory reserve HK\$'000 (Note (b))	Exchange reserve HK\$'000	Contributed surplus HK\$'000 (Note (c))	Property revaluation reserve HK\$'000 (Note (d))	Other reserve HK\$'000 (Note (e))	Accumulated losses HK\$'000	Subtotal HK\$'000	
Balance at April 1, 2024	23,344	3,399,019	(126,102)	13,593	22,382	46,877	47,191	14,402	45,404	(838,526)	2,647,584	2,652,814
Loss for the year	-	-	-	-	-	-	-	-	-	(90,432)	(90,432)	(98,567)
Other comprehensive loss for the year	-	-	-	-	-	(10,110)	-	-	-	-	(10,110)	(10,147)
Total comprehensive loss for the year	-	-	-	-	-	(10,110)	-	-	-	(90,432)	(100,542)	(108,714)
Recognition of equity settled share-based payments	-	-	-	6,751	-	-	-	-	-	-	6,751	6,751
Transfer of shares upon vesting of share awards under share award scheme	-	-	18,675	(10,629)	-	-	-	-	-	(8,046)	-	-
Recognition of non-controlling interests from business combination	-	-	-	-	-	-	-	-	-	-	176,968	176,968
Capital contribution from non-controlling interests	-	-	-	-	-	-	-	-	-	-	32,956	32,956
Transfer from accumulated losses	-	-	-	-	6,506	-	-	-	-	(6,506)	-	-
Value of employee services provided in relation to share-based compensation with ultimate holding company	-	-	-	-	-	-	-	-	554	-	554	554
Settlement of share-based compensation costs with ultimate holding company	-	-	-	-	-	-	-	-	(734)	-	(734)	(734)
Balance at March 31, 2025	223,344	3,399,019	(107,427)	9,715	28,888	36,767	47,191	14,402	45,224	(943,510)	2,553,613	2,760,595



CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the Year Ended March 31, 2025

	Attributable to owners of the Company											Attributable to non-controlling interests	Total
	Share capital	Share premium	Shares held for share award scheme	Share awards reserve	Statutory reserve	Exchange reserve	Contributed surplus	Property revaluation reserve	Other reserve	Accumulated losses	Subtotal		
	HK\$'000 (Note 36)	HK\$'000	HK\$'000 (Note (a))	HK\$'000	HK\$'000 (Note (b))	HK\$'000	HK\$'000 (Note (c))	HK\$'000 (Note (d))	HK\$'000 (Note (e))	HK\$'000	HK\$'000		
Balance at January 1, 2023	23,344	3,398,001	(131,651)	15,862	22,382	66,212	47,191	14,402	44,406	(868,213)	2,631,936	30,903	2,662,839
Profit/(loss) for the period	-	-	-	-	-	-	-	-	-	31,860	31,860	(1,144)	30,716
Other comprehensive (loss)/income for the period	-	-	-	-	-	(19,335)	-	-	-	-	(19,335)	81	(19,254)
Total comprehensive (loss)/income for the period	-	-	-	-	-	(19,335)	-	-	-	31,860	12,525	(1,063)	11,462
Recognition of equity settled share-based payments	-	-	-	3,565	-	-	-	-	-	-	3,565	-	3,565
Purchase of shares under share award scheme	-	-	(1,440)	-	-	-	-	-	-	-	(1,440)	-	(1,440)
Transfer of shares upon vesting of share awards under share award scheme	-	1,018	6,989	(5,834)	-	-	-	-	-	(2,173)	-	-	-
Return of capital to non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	(24,610)	(24,610)
Value of employee services provided in relation to share-based compensation with ultimate holding company	-	-	-	-	-	-	-	-	998	-	998	-	998
Balance at March 31, 2024	23,344	3,399,019	(126,102)	13,593	22,382	46,877	47,191	14,402	45,404	(838,526)	2,647,584	5,230	2,652,814

Notes:

- (a) Shares held for share award scheme represents shares of the Company that are held by the trustee for the purpose of granting award shares under the share award scheme (see Note 38 for further information). Shares vested to selected participants are recognized on a weighted average basis. As at March 31, 2025, 209,658,430 shares were held for share award scheme (as at March 31, 2024: 248,897,450).
- (b) In accordance with the statutory requirements in the PRC and Macau, subsidiaries of the Company registered in the PRC and Macau are required to transfer a certain percentage of their annual net income from retained earnings to statutory reserve. Statutory reserve is not distributable.
- (c) Contributed surplus represents the transfer from the share premium account in prior years.
- (d) Property revaluation reserve represents cumulative gains arising from the revaluation of property, plant and equipment that have been transferred to investment properties. Items included in the property revaluation reserve will not be reclassified subsequently to profit or loss.
- (e) Other reserve mainly represents the equity portion of contingent considerations related to the acquisition of a subsidiary, transactions with a shareholder and transactions with non-controlling interests.

The notes on pages 186 to 284 are an integral part of these consolidated financial statements.



CONSOLIDATED STATEMENT OF CASH FLOWS

For the Year Ended March 31, 2025

	For the year ended March 31, 2025 HK\$'000	For the fifteen months ended March 31, 2024 HK\$'000
Cash flows from operating activities		
(Loss)/profit before income tax	(101,078)	28,305
Adjustments for:		
Share-based payments	7,305	5,399
Depreciation and amortization expenses	58,554	83,596
Provision for warranties charged to profit or loss	11,994	13,998
Gain on disposals of property, plant and equipment	(131)	(1)
Gain on disposal of an associate	(291)	–
Loss on fair value changes of investment properties	723	717
Loss/(gain) on fair value changes of financial assets at fair value through profit or loss	70,924	(1,093)
Imputed interest expense on deferred consideration	–	1,675
Loss allowance on trade and other receivables	10,267	43
Loss allowance/(reversal of loss allowance) on cash and bank balances	487	(183)
Reversal of loss allowance on loan from an associate	(64)	–
(Reversal of loss allowance)/loss allowance on amount due from a joint venture	(3,717)	2,435
Loss allowance on loans and advances to customers	993	–
Reversal of interest income on loan to an associate	–	6,472
Finance income	(44,328)	(76,525)
Finance cost	2,656	2,860
	14,294	67,698
Changes in working capital		
Inventories	(833)	11,565
Trade receivables	(1,045)	5,836
Other receivables, deposits and prepayments	31,886	(64,089)
Loans and advances to customers	(134,879)	–
Monetary bills with AMCM with original maturity over three months	68,418	–
Deposits with AMCM	44	–
Amounts due from/to fellow subsidiaries	(2,168)	(246)
Amounts due from/to related parties	(36,506)	2,529
Amount due from/to a joint venture	14,238	11,180
Trade payables	(1,569)	(8,746)
Contract liabilities	(7,154)	(18,983)
Accruals and other payables	(69,046)	(1,292,985)
Deposits from customers	1,238,885	–
Floats balance due to card or account holders	64,057	(1,288,162)
Card deposits due to cardholders	(350)	(1,064)
Provision for warranties	(8,732)	(8,629)
	1,169,540	(2,584,096)
Cash generated from/(used in) operations	1,169,540	(2,584,096)
Income tax paid	–	(44)
	1,169,540	(2,584,140)



CONSOLIDATED STATEMENT OF CASH FLOWS
For the Year Ended March 31, 2025

	For the year ended March 31, 2025 HK\$'000	For the fifteen months ended March 31, 2024 HK\$'000
Cash flows from investing activities		
Purchases for property, plant and equipment	(23,024)	(11,609)
Purchase for intangible assets	(900)	–
Proceeds from disposal of property, plant and equipment	187	179
Fixed deposits held at bank and placement with banks with original maturity over three months	(641,878)	(201,439)
Pledged bank deposits	(637)	434
Proceeds from disposal of an associate	291	–
Acquisition of Ant Bank (Macao) Limited (Note 42)	123,777	–
Settlement of deferred consideration in relation to acquisition of Macau Pass Group	–	(75,982)
Investment in an entertainment project	–	(2,715)
Return of investment in an entertainment project	–	1,273
Repayment of loan to an associate	38,796	–
Interest received	43,505	75,295
Net cash used in investing activities	(459,883)	(214,564)
Cash flows from financing activities		
Interest element of lease paid	(2,656)	(2,860)
Payment of principal portion of lease liabilities	(13,768)	(20,897)
Return of capital to non-controlling interests	–	(24,610)
Capital contribution from non-controlling interests	32,956	–
Net cash generated from/(used in) financing activities	16,532	(48,367)
Net increase/(decrease) in cash and cash equivalents	726,189	(2,847,071)
Cash and cash equivalents at beginning of year/period	1,165,914	4,015,110
Exchange losses on cash and cash equivalents	(3,685)	(2,125)
Cash and cash equivalents at end of year/period	1,888,418	1,165,914

Note: The principal non-cash transactions included purchases and transfer of shares upon vesting of share awards under share award scheme discussed in Notes 38.



CONSOLIDATED STATEMENT OF CASH FLOWS
For the Year Ended March 31, 2025

(a) Reconciliation of liabilities arising from financing activities:

	Lease liabilities HK\$'000
Balance as at January 1, 2023	70,101
Addition of leases	16,174
Interest expense	2,860
Cash flows	(23,757)
Currency translation difference	(245)
Balance as at March 31, 2024 and April 1, 2024	65,133
Addition of leases	23,615
Interest expense	2,656
Cash flows	(16,424)
Currency translation difference	(396)
Balance as at March 31, 2025	74,584

The notes on pages 186 to 284 are an integral part of these consolidated financial statements.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1 GENERAL INFORMATION

AGTech Holdings Limited (the “Company”) and its subsidiaries (together “the Group”) are principally engaged in digital banking services, digital payment services, lottery services and local consumer services, with a focus on Chinese Mainland and Macau.

The Company was incorporated in Bermuda as an exempted company with limited liability. The address of its registered office is Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda.

The Directors regard Ali Fortune Investment Holding Limited, a private limited company incorporated in the British Virgin Islands (“BVI”), as the immediate holding company of the Company, and Alibaba Group Holding Limited (“Alibaba Holding”), a company incorporated in the Cayman Islands, its share of which are listed on the Main Board of The Stock Exchange of Hong Kong Limited and the American depositary shares of which are listed on the New York Stock Exchange, as the ultimate holding company of the Company.

These consolidated financial statements are presented in Hong Kong dollars (“HK\$”), unless otherwise stated.

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES

The material accounting policies adopted in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years/periods presented, unless otherwise stated.

2.1 Basis of preparation

The consolidated financial statements of the Company have been prepared in accordance with all applicable HKFRS Accounting Standards (“HKFRS”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) and the disclosure requirements of the Hong Kong Companies Ordinance Cap. 622. The consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of investment properties and financial assets at fair value through profit or loss, which are measured at fair value.

The preparation of financial statements in conformity with HKFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas where critical accounting estimates and judgements are significant to the consolidated financial statements are disclosed in Note 4.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

2.1 Basis of preparation (continued)

Change in financial year

On December 7, 2023, the Board announced that the financial year end date of the Company has been changed from December 31 to March 31 commencing from the financial period ended March 31, 2024 in order to coincide with the fiscal year end date of its holding company, Alibaba Holding. Accordingly, the accompanying consolidated financial statements for the current financial period cover twelve months from April 1, 2024 to March 31, 2025. The comparative figures, however, are for the fifteen months from January 1, 2023 to March 31, 2024, and hence are not directly comparable.

New standards and amendments adopted by the Group

The following new standards and amendments have been adopted by the Group for the first time for the financial year beginning on April 1, 2024:

Amendments to HKAS 1	Classification of Liabilities as Current or Non-current
Amendments to HKAS 1	Non-current Liabilities with Covenants
Amendments to HKFRS 16	Lease Liability in a Sale and Leaseback
Revised to Hong Kong Interpretation 5	Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause
Amendments to HKAS 7 and HKFRS 7	Supplier Finance Arrangements

The amendments listed above did not have material impact on the amounts recognized in prior periods and are not expected to significantly affect the current or future periods.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

2.1 Basis of preparation (continued)

Amendments to standards and interpretations that are not yet effective and have not been early adopted by the Group

The following amendments to existing standards and interpretations have been published which are mandatory for the Groups' accounting periods beginning on or after April 1, 2025 but have not been early adopted by the Group.

		Effective for accounting periods beginning on or after
Amendments to HKAS 21 and HKFRS 1	Lack of Exchangeability	January 1, 2025
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined
Amendments to HKFRS 9 and HKFRS 7	Classification and Measurement of Financial Instruments	January 1, 2026
Annual Improvements to HKFRS Accounting Standards	Annual Improvements to HKFRS Accounting Standards – Volume 11	January 1, 2026
HKFRS 18	Presentation and Disclosure in Financial Statements	January 1, 2027
HKFRS 19	Subsidiaries without Public Accountability: Disclosures	January 1, 2027
HK-Int 5 (Amendments)	Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause	January 1, 2027

The Group is in the process of making an assessment of the impact of these amendments to standards and interpretation on its result of operation and financial position. These amendments to standards and interpretation are not expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

2.2 Subsidiaries

2.2.1 Consolidation

A subsidiary is an entity (including a structured entity) over which the Group has control. The Group controls an entity when the Group is exposed to, 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. Subsidiaries are consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

(a) *Business combinations*

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date.

The Group recognizes any non-controlling interest in the acquiree on an acquisition-by-acquisition basis. Non-controlling interests in the acquiree that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation are measured at either fair value or the present ownership interests' proportionate share in the recognized amounts of the acquiree's identifiable net assets. All other components of non-controlling interests are measured at their acquisition date fair value, unless another measurement basis is required by HKFRS.

Acquisition-related costs are expensed as incurred.

Any contingent consideration to be transferred by the Group is recognized at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognized in accordance with HKFRS 9 in profit or loss. Contingent consideration that is classified as equity is not remeasured, and its subsequent settlement is accounted for within equity.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

2.2 Subsidiaries (continued)

2.2.1 Consolidation (continued)

(a) **Business combinations (continued)**

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recorded as goodwill. If the total of consideration transferred, non-controlling interest recognized and previously held interest measured is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognized directly in profit or loss (Note 2.8).

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions. Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognized in profit or loss. If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognized in profit or loss.

Intra-group transactions, balances and unrealized gains on transactions between group companies are eliminated. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. When necessary, amounts reported by subsidiaries have been adjusted to conform with the Group's accounting policies.

(b) **Changes in ownership interests in subsidiaries without change of control**

Transactions with non-controlling interests that do not result in a loss of control are accounted for as equity transactions – that is, as transactions with the owners of the subsidiary in their capacity as owners. The difference between fair value of any consideration paid and the relevant share acquired of the carrying amount of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

2.2 Subsidiaries (continued)

2.2.2 Separate financial statements

Investments in subsidiaries are accounted for at cost less impairment. Cost includes direct attributable costs of investment. The results of subsidiaries are accounted for by the Company on the basis of dividend received and receivable.

Impairment testing of the investments in subsidiaries is required upon receiving a dividend from these investments if the dividend exceeds the total comprehensive income of the subsidiary in the period the dividend is declared or if the carrying amount of the investment in the separate financial statements exceeds the carrying amount in the consolidated financial statements of the investee's net assets including goodwill.

2.3 Investments accounted for using equity method

2.3.1 Joint arrangements

The Group has applied HKFRS 11 "Joint Arrangements" to all joint arrangements. Under HKFRS 11 investments in joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations of each investor. The Group has assessed the nature of its joint arrangements and determined them to be joint ventures. Joint ventures are accounted for using the equity method.

Under the equity method of accounting, interests in joint ventures are initially recognized at cost and adjusted thereafter to recognize the Group's share of the post-acquisition profits or losses and movements in other comprehensive income. When the Group's share of losses in a joint venture equals or exceeds its interests in the joint ventures, including any other long-term unsecured receivables, the Group does not recognize further losses, unless it has incurred obligations or made payments on behalf of the joint ventures.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

2.3 Investments accounted for using equity method (continued)

2.3.1 Joint arrangements (continued)

The Group determines at each reporting date whether there is any objective evidence that the investment in the joint venture is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the joint venture and its carrying value and recognizes the amount adjacent to 'share of results of investments accounted for using equity method' in the consolidated statement of profit or loss and other comprehensive income.

Profits and losses resulting from upstream and downstream transactions between the Group and its joint arrangement are recognized in the Group's consolidated financial statements only to the extent of unrelated investor's interests in the joint arrangement. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of the joint ventures have been changed where necessary to ensure consistency with the policies adopted by the Group.

2.3.2 Associates

An associate is an entity over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting. Under the equity method, the investment is initially recognized at cost, and the carrying amount is increased or decreased to recognize the investor's share of the profit or loss of the investee after the date of acquisition.

The Group's share of post-acquisition profit or loss is recognized in profit or loss, and its share of post-acquisition movements in other comprehensive income is recognized in other comprehensive income with a corresponding adjustment to the carrying amount of the investment. When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other long-term unsecured receivables, the Group does not recognize further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate.

The Group determines at each reporting date whether there is any objective evidence that the investment in the associate is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognizes the amount adjacent to 'share of results of investments accounted for using equity method' in the consolidated statement of profit or loss and other comprehensive income.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

2.3 Investments accounted for using equity method (continued)

2.3.2 Associates (continued)

Profits and losses resulting from upstream and downstream transactions between the Group and its associate are recognized in the Group's consolidated financial statements only to the extent of unrelated investor's interests in the associates. Unrealized losses are eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Group.

2.4 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker ("CODM"). The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the executive Directors.

2.5 Foreign currency translation

(a) 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 dollar ("HK\$") which is the Company's functional and presentation currency.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in profit or loss.

Foreign exchange gains and losses are presented in the consolidated statement of profit or loss and other comprehensive income within 'net other gains or losses'.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are recognized in profit or loss as part of the fair value gain or loss.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

2.5 Foreign currency translation (continued)

(c) Group companies

The results and financial position of all the Group entities (none of which has the currency of a hyper-inflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- 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;
- income and expenses for each statement of profit or loss and other comprehensive income 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 rate on the dates of the transactions); and
- all resulting currency translation differences are recognized in other comprehensive income.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and of borrowings and other financial instruments designated as hedges of such investments, are recognized in other comprehensive income. When a foreign operation is sold or any borrowings forming part of the net investment are repaid, the associated exchange differences are reclassified to profit or loss, as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate. Currency translation differences arising are recognized in other comprehensive income.

(d) Disposal of foreign operation and partial disposal

On the disposal of a foreign operation (that is, a disposal of the group's entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that includes a foreign operation, a disposal involving loss of joint control over a joint venture that includes a foreign operation, or a disposal involving loss of significant influence over an associate that includes a foreign operation), all of the currency translation differences accumulated in equity in respect of that operation attributable to the owners of the company are reclassified to profit or loss.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

2.5 Foreign currency translation (continued)

(d) Disposal of foreign operation and partial disposal (continued)

In the case of a partial disposal that does not result in the group losing control over a subsidiary that includes a foreign operation, the proportionate share of accumulated currency translation differences are re-attributed to non-controlling interests and are not recognized in profit or loss. For all other partial disposals (that is, reductions in the group's ownership interest in associates or joint ventures that do not result in the group losing significant influence or joint control), the proportionate share of the accumulated exchange difference is reclassified to profit or loss.

2.6 Property, plant and equipment

Property, plant and equipment comprise land and buildings held for use in the production or supply of goods or services, or for administrative purposes. Leasehold land classified as finance lease and all other property, plant and equipment are stated at historical cost less depreciation. 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 recognized 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 the replaced part is derecognized. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

Depreciation on assets is calculated using the straight-line method to allocate their cost over their estimated useful lives, as follows:

Buildings	5%
Leasehold improvements	20% or over the relevant lease terms, whichever is shorter
Computer equipment	20% – 33 $\frac{1}{3}$ %
Business server system, card readers and others	33 $\frac{1}{3}$ % – 50%
Furniture, fixtures and equipment	20% – 33 $\frac{1}{3}$ %
Motor vehicles	10% – 25%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (Note 2.9).

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognized in profit or loss.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

2.7 Investment properties

Investment property, principally comprising leasehold land and buildings, is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Group. Investment property is initially measured at cost, including related transaction costs and where applicable borrowing costs. After initial recognition, investment properties are carried at fair value, representing open market value determined at each reporting date by external valuers. Fair value is based on active market prices, adjusted, if necessary, for any difference in the nature, location or condition of the specific asset. If the information is not available, the Group uses alternative valuation methods such as recent prices on less active markets or discounted cash flow projections. Changes in fair values are recorded in profit or loss as part of a valuation gain or loss.

If a property becomes an investment property because its use has changed, any difference resulting between the carrying amount and the fair value of this property at the date of transfer is recognized in equity as a revaluation of property, plant and equipment. However, if the fair value of the property at the date of transfer which results in a reversal of the previous impairment loss, the write-back is recognized in profit or loss.

2.8 Goodwill and intangible assets

(a) Goodwill

Goodwill arises on the acquisition of subsidiaries represents the excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identified net assets acquired.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the cash-generating units ("CGU"), or groups of CGUs, that is expected to benefit from the synergies of the combination. Each unit or group of units to which the goodwill is allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes. Goodwill is monitored at the operating segment level.

Goodwill impairment reviews are undertaken annually or more frequently if events or changes in circumstances indicate a potential impairment. The carrying value of the CGU containing the goodwill is compared to the recoverable amount, which is the higher of value in use and the fair value less costs of disposal. Any impairment is recognized immediately as an expense and is not subsequently reversed.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

2.8 Goodwill and intangible assets (continued)

(b) Intangible assets acquired separately

Intangible assets separately acquired are shown at historical cost. Customer relationship, business relationship and brand name acquired in a business combination are recognized at fair value at the acquisition date.

Intangible assets that have a finite useful life are carried at cost less accumulated amortization and impairment. Amortization is calculated using the straight-line method to allocate the cost of intangible assets over their estimated useful lives, as followed:

Customer relationship – bus companies	6 ² / ₃ %
Business relationship – acquiring services	10%
Brand name	6 ² / ₃ %
Core deposit intangibles	16 ² / ₃ %
Software	33 ¹ / ₃ %

Intangible assets with indefinite useful lives are carried at cost less accumulated impairment.

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains and losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognized in profit or loss when the asset is derecognized.

2.9 Impairment of non-financial assets

Intangible assets that have an indefinite useful life or intangible assets not ready to use are not subject to depreciation or amortization and are tested annually for impairment. Assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

2.10 Financial assets

(a) Classification

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income ("OCI") or through profit or loss), and
- those to be measured at amortized cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income ("FVOCI").

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

(b) Recognition and derecognition

Regular way purchases and sales of financial assets are recognized on trade date, being the date on which the Group commits to purchase or sell the asset. Financial assets are derecognized when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

(c) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss ("FVPL"), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

2.10 Financial assets (continued)

(c) Measurement (continued)

(i) Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

- **Amortized cost:** Assets that are held for collection of contractual cash flows, where those cash flows represent solely payments of principal and interest, are measured at amortized cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognized directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the statement of profit or loss and other comprehensive income.
- **FVOCI:** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses, which are recognized in profit or loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to profit or loss and recognized in other gains/(losses). Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains/(losses), and impairment expenses are presented as separate line item in the statement of profit or loss.
- **FVPL:** Assets that do not meet the criteria for amortized cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognized in profit or loss and presented net within other gains/(losses) in the period in which it arises.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

2.10 Financial assets (continued)

(c) Measurement (continued)

(ii) *Equity instruments*

The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognized in profit or loss as other income when the Group's right to receive payments is established.

Changes in the fair value of financial assets at FVPL are recognized in other gains/(losses) in the statement of profit or loss as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

2.11 Impairment of financial assets

The Group assesses on a forward looking basis the expected credit losses associated with its debt instruments carried at amortized cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables, the Group applies the simplified approach permitted by HKFRS 9, which requires expected lifetime losses to be recognized from initial recognition of the receivables.

Impairment testing of trade receivables is described in Note 3.1(b).

2.12 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the weighted average method. The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs and related production overheads. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

2.13 Trade and other receivables

Trade receivables are amounts due from customers for merchandise sold or services performed in the ordinary course of business. If collection of trade and other receivables is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade and other receivables are recognized initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognized at fair value. The Group holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortized cost using the effective interest method. See Note 2.10 for further information about the Group's accounting for trade receivables and Note 2.11 for a description of the Group's impairment policies.

2.14 Cash and cash equivalents

In the consolidated statement of cash flows, cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, monetary bills and deposits with Autoridade Monetária de Macau (the Monetary Authority of Macao) ("AMCM") and placements with banks with original maturity of three months or less, less minimum deposit balance with AMCM.

2.15 Share capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

2.16 Shares held for share award scheme

Share awards granted under share award scheme are satisfied by shares acquired by the trustee from the market. Where the Company's shares are acquired from the market by the trustee under the share award scheme, the total consideration of shares acquired from the market (including any directly attributable incremental costs) is presented as "shares held for share award scheme" and deducted from total equity. Upon vesting, the related costs of the vested shares for share award scheme purchased from the market are credited to "shares held for share award scheme", with a corresponding adjustment made to equity.

2.17 Trade and other payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade and other payables are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade and other payables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

2.18 Floats balance due to card or account holders

Floats balance due to card or account holders are prepayments from Macau Pass Card or MPay account holders. The balances are repayable on demand and classified as current liabilities. Floats balance due to card or account holders are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method.

2.19 Card deposits due to cardholders

Card deposits due to cardholders are deposits from Macau Pass Card holders. The balances are repayable on demand upon the return of the cards to the Group and classified as current liabilities. Card deposits due to cardholders are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method.

2.20 Current and deferred income tax

The tax expense for the period comprises current and deferred tax. Tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

(a) Current income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the reporting date in the countries where the Company and its subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

(b) Deferred income tax

Inside basis differences

Deferred income tax is recognized, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognized if they arise from the initial recognition of goodwill, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the reporting date and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred income tax assets are recognized only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

2.20 Current and deferred income tax (continued)

(b) Deferred income tax (continued)

Outside basis differences

Deferred income tax liabilities are provided on taxable temporary differences arising from investments in subsidiaries, associates and joint arrangements, except for deferred income tax liability where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future. Generally the Group is unable to control the reversal of the temporary difference for associates. Only when there is an agreement in place that gives the Group the ability to control the reversal of the temporary difference in the foreseeable future, deferred tax liability in relation to taxable temporary differences arising from the associate's undistributed profits is not recognized.

Deferred income tax assets are recognized on deductible temporary differences arising from investments in subsidiaries, associates and joint arrangements only to the extent that it is probable the temporary difference will reverse in the future and there is sufficient taxable profit available against which the temporary difference can be utilized.

(c) Offsetting

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

2.21 Employee benefits

(a) Defined contribution plans

The Group pays contributions to publicly or privately administered funds on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid.

The contributions are recognized as 'employee benefits expense' when they are due. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in the future payments is available.

(b) Bonus plans

The Group recognizes a liability and an expense for bonuses. The Group recognizes a provision where contractually obliged or where there is a past practice that has created a constructive obligation.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

2.21 Employee benefits (continued)

(c) Termination benefits

Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Group recognizes termination benefits at the earlier of the following dates: (a) when the Group can no longer withdraw the offer of those benefits; and (b) when the entity recognizes costs for a restructuring that is within the scope of HKAS 37 and involves the payment of terminations benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

2.22 Share-based payments

The Group operates a number of equity-settled, share-based compensation plans, under which the entity receives services from Directors, eligible employees and other eligible participants as consideration for equity instruments (share options and share awards) of the Group.

The fair value of the services received in exchange for the grant of the share options and share awards is recognized as an expense, with a corresponding increase in 'share options reserve' and 'share awards reserve'. The total amount to be expensed is determined by reference to the fair value of the share options and share awards granted:

- including any market performance conditions;
- excluding the impact of any service and non-market performance vesting conditions; and
- including the impact of any non-vesting conditions.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

2.22 Share-based payments (continued)

For share options and share awards that vest immediately at the date of grant, the fair value of the services received is expensed immediately to profit or loss. For share options and share awards that are conditional upon satisfying specified vesting conditions, the fair value of the services received is expensed on a straight-line basis over the vesting period.

At the end of each reporting period, the Group revises its estimates of the number of share options and share awards that are expected to vest based on the non-market performance and service conditions. It recognizes the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

In addition, in some circumstances services may be provided in advance of the grant date and therefore the grant date fair value is estimated for the purposes of recognizing the expense during the period between service commencement period and grant date.

When the share options are exercised, the Company issues new shares. The proceeds received net of any directly attributable transaction costs are credited to 'share capital' and 'share premium'. The amount previously recognized in 'share options reserve' is reversed.

When the share awards are vested, the Company transfers shares held by the trustee to Directors and eligible employees. The amount previously recognized in 'share awards reserve' is reversed. The difference between the acquisition cost of the vested shares and the fair value of the shares at grant date is recorded in equity.

When the share options are still not exercised at the expiry date, the amount previously recognized in 'share options reserve' is transferred to 'accumulated losses'.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

2.23 Provisions

Provisions are recognized when the Group has a present legal or constructive obligation as a result of a past event; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognized as interest expense.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Provisions for the expected cost of warranty obligations under the relevant sale of goods legislation are recognized at the date of sale of the relevant products, at the Directors' best estimate of the expenditure required to settle the Group's obligation.

2.24 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable, and represents amounts receivable for goods or services supplied, stated net of discounts, returns and value added taxes. The Group recognizes revenue when or as the control of the good or service is transferred to the customer and when specific criteria have been met for each of the Group's activities as described below. Payments received in advance that are related to sales of goods or provision of services not yet delivered to customers are deferred and recognized as contract liabilities.

Where multiple-element arrangement exists, the transaction price is allocated at the inception of the arrangement to each element based on their relative fair values for revenue recognition purposes. The transaction price is allocated to each element using the price charged consistently when each element is sold separately or third party evidence of the stand-alone selling price for each element, or if neither type of evidence is available, using management's best estimate of selling price. Estimates of revenues, costs or extent of progress toward completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues or costs are reflected in profit or loss in the period in which the circumstances that give rise to the revision become known by management. Incentives to customers are recorded as reduction of revenue.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

2.24 Revenue recognition (continued)

The Group does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year, except for some contracts for sales of goods which the payment terms might provide the customers with protection from the Group failing to adequately complete its obligation under the contract. As a consequence, the Group does not adjust any of the transaction prices for the time value of money.

(a) Sales of goods

Lottery sales, payment-related hardware sales and merchant coupon sales are recognized when the Group has delivered products to the customer and there is no unfulfilled obligation that could affect the customer's acceptance of the products.

The Group's obligation to repair or replace faulty products under the standard warranty terms is recognized as a provision (Notes 2.23 and 35).

(b) Provision of services

For provision of payment card services and ancillary services, provision of e-wallet services and provision of acquiring services for merchants, revenue is primarily recognized at the point in time when such payment are made.

Card related other service income is recognized over time when the service is rendered.

Fee and commission income from digital banking services are recognized when the related services are provided at a point in time.

For lottery offline distribution and other integrated services, revenue is primarily recognized over time when the services are rendered according to the terms of service agreements.

For provision of local consumer services, revenue is primarily recognized at the point in time when the services is rendered.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

2.24 Revenue recognition (continued)

(c) Interest income

Interest income for financial assets measured at amortized cost, and interest expense on all financial liabilities measured at amortized cost is recognized in profit or loss using the effective interest method.

The effective interest method is a method of calculating the amortized cost of a financial asset or a financial liability and of allocating the interest income or interest expense over the expected life of the instrument. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to the gross carrying amount of a financial asset or a financial liability.

When calculating the effective interest rate for financial instruments, the Group estimates cash flows considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider expected credit losses. The calculation of effective interest rate includes all fees paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs that are directly attributable to the acquisition, issue or disposal of a financial asset or financial liability and all other premiums or discounts.

Interest income for financial assets that are measured at amortized cost that have become credit impaired subsequent to initial recognition (stage 3) and have had amounts written off, is recognized using the effective interest rate on the amortized cost of the financial asset including expected credit losses. Should the credit risk on a stage 3 financial asset improve such that the financial asset is no longer considered credit impaired, interest income recognition reverts to a computation based on the rehabilitated gross carrying value of the financial asset.

(d) Lease income

Lease income of lottery hardware, payment terminals and equipment are recognized as revenue on a straight-line basis over the term of the lease.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

2.25 Leases

Leases are recognized as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group.

Contracts may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. However, for leases of real estate for which the Group is a lessee, it has elected not to separate lease and non-lease components and instead accounts for these as a single lease component.

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable,
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date,
- amounts expected to be payable by the Group under residual value guarantees,
- the exercise price of a purchase option if the Group is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

2.25 Leases (continued)

To determine the incremental borrowing rate, the Group:

- uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by the Group, which does not have recent third party financing, and
- makes adjustments specific to the lease, e.g. term, country, currency and security.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability,
- any lease payments made at or before the commencement date less any lease incentives received, and
- any initial direct costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases of equipment and all leases of low-value assets are recognized on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less.

Lease income from operating leases where the Group is a lessor is recognized in income on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are recognized as expense over the lease term on the same basis as lease income. The respective leased assets are included in the statement of financial position based on their nature.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

2.26 Contract assets and contract liabilities

Upon entering into a contract with a customer, the Group obtains rights to receive consideration from the customer and assumes performance obligations to transfer goods or provide services to the customer.

The combination of those rights and performance obligations gives rise to a net contract asset or a net contract liability depending on the relationship between the remaining rights and the performance obligations. The contract is an asset and recognized as contract assets if the cumulative revenue recognized in profit or loss exceeds cumulative payments made by customers. Conversely, the contract is a liability and recognized as contract liabilities if the cumulative payments made by customers exceeds the revenue recognized in profit or loss.

Contract assets are assessed for impairment under the same approach adopted for impairment assessment of financial assets carried at amortized cost. Contract liabilities are recognized as revenue when the Group transfers the goods or services to the customers and therefore satisfied its performance obligation.

The incremental costs of obtaining a contract with a customer are capitalized and presented as contract related assets, if the Group expects to recover those costs, and are subsequently amortized on a systematic basis that is consistent with the transfer to the customers of the goods or services to which the assets relate. The Group recognizes an impairment loss in the consolidated income statement to the extent that the carrying amount of the contract related assets recognized exceeds the remaining amounts of consideration that the Group expects to receive less the costs that relate directly to providing those goods or services that have not been recognized as expenses.

3 FINANCIAL RISK MANAGEMENT

3.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

3 FINANCIAL RISK MANAGEMENT (continued)

3.1 Financial risk factors (continued)

(a) Market risk

(i) Foreign exchange risk

Transactional currency exposures arise from revenue or expenses by operating units in currencies other than the units' functional currency. Substantially all of the Group's revenue and expenses are denominated in the functional currency of the operating units making the revenue, and substantially all the costs of sales and services are denominated in the units' functional currency. Entities within the Group are exposed to foreign exchange risk from future commercial transactions and monetary assets and liabilities that are denominated in a currency that is not the entity's functional currency.

At March 31, 2025, the transactional currency exposures of financial instruments of the Group mainly arises from digital banking business. Such exposures arise from financial instruments denominated in currencies other than the Group's functional currency, such as United States dollar ("US\$"), Macau Patacas ("MOP") and Chinese Yuan ("RMB"). Since MOP is pegged to HK\$ and HK\$ is pegged to US\$ under the Linked Exchange Rate System in Hong Kong, the Directors consider that there is no significant foreign currency risk in respect to US\$ and MOP. The exposure of Ant Bank (Macao)'s financial assets and financial liabilities to foreign currency risk at March 31, 2025 was as follows:

	MOP HK\$'000	RMB HK\$'000	USD HK\$'000	Other HK\$'000	Total HK\$'000
At March 31, 2025					
Spot assets	1,049,084	32,349	869,745	9,012	1,960,190
Spot liabilities	(1,314,806)	(42,841)	(360,054)	(9,041)	(1,726,742)
	(265,722)	(10,492)	509,691	(29)	233,448



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

3 FINANCIAL RISK MANAGEMENT (continued)

3.1 Financial risk factors (continued)

(a) Market risk (continued)

(i) Foreign exchange risk (continued)

The following table demonstrates the sensitivity at the end of the reporting period to a reasonably possible change in the RMB exchange rate, with all other variables held constant, of Group's loss before tax and equity (due to changes in the fair value of monetary assets and liabilities).

	Exchange rate %	Increase/ (decrease) in loss before tax HK\$'000	Increase/ (decrease) in equity excluding accumulated losses HK\$'000
At March 31, 2025			
If HK\$ weakens against RMB	(5.0)	525	–
If HK\$ strengthens against RMB	5.0	(525)	–

Other than digital banking business, majority of the Group's bank deposits were denominated in US\$, HK\$, MOP and RMB. RMB-denominated bank deposits were primarily held by the entities of which functional currency is RMB, MOP-denominated bank deposits were primarily held by the entities of which functional currency is MOP, and US\$ and HK\$ denominated bank deposits were primarily held by the entities of which functional currency is HK\$. The Directors consider that there is no significant foreign exchange risk.

At March 31, 2025, the Group's entities with functional currency of Hong Kong dollar had net monetary assets denominated in Indian Rupee of HK\$10,986,000 (At March 31, 2024: HK\$81,910,000) which the related foreign exchange risk has not been hedged. If Hong Kong dollar had strengthened/weakened by 5% against Indian Rupee with all other variables held constant, the Group's loss for the year would have been HK\$549,000 higher/lower respectively (At March 31, 2024: profit for the period would have been HK\$4,096,000 lower/higher).



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

3 FINANCIAL RISK MANAGEMENT (continued)

3.1 Financial risk factors (continued)

(a) Market risk (continued)

(i) Foreign exchange risk (continued)

This sensitivity analysis ignores any offsetting foreign exchange factors and has been determined assuming that the change in foreign exchange rate had occurred at the end of the reporting period. The stated change represents reasonably next possible changes in foreign exchange rates over the period until the end of the next reporting period.

The Group currently does not have a foreign currency hedging policy. However, the management monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise.

(ii) Interest rate risk

As at the end of the reporting period, the placements with banks, monetary bills and deposits with AMCM, loans and advances to customers and deposits from customers with fixed interest rates and the interest rate risk is considered to be minimal.

The Group is exposed to interest rate risk related primarily to its convertible term loans to a joint venture. Fair value interest rate risk is the risk that the fair value of the future cash flows of the financial instruments will fluctuate because of changes in market interest rates.

The Group does not enter into any derivative financial instruments in order to mitigate its exposure associated with fluctuations relating to fair value of its cash flows of interest receipts. However, the management monitors interest rate exposure and will consider other necessary actions when significant interest rate exposure is anticipated.

The sensitivity analysis of the convertible term loans is disclosed in Note 34. The Directors consider the Group's exposure of fair value interest rate risk on fixed deposits is not significant as the interest bearing fixed deposits are within short maturity period.

(iii) Other price risk

As the Group has no significant investments in equity securities at fair value, the Group is not exposed to significant price risk.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

3 FINANCIAL RISK MANAGEMENT (continued)

3.1 Financial risk factors (continued)

(b) Credit risk

The credit risk of the Group mainly arises from cash and bank balances, loans and advances to customers, other receivables and deposits, trade receivables, monetary bills with AMCM, deposit with AMCM and convertible terms loans to a joint venture that are measured at fair value through profit or loss. The Group's maximum exposure to credit risk which may cause a financial loss to the Group due to failure to discharge an obligation by the counterparties provided by the Group is arising from the carrying amount of the respective recognized financial assets as stated in the consolidated statement of financial position and the contractual amount of bank guarantee issued, as disclosed in Note 39.

In order to minimise the credit risk, the management of the Group has delegated a team responsible for monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverable amount of each individual trade debt at the end of the reporting period to ensure that adequate impairment losses are made for irrecoverable amounts. In this regard, the Directors consider that the Group's credit risk is significantly reduced.

To assess whether there is a significant increase in credit risk, the Group compares the risk of a default occurring on the assets as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forward looking information. Especially the following indicators are incorporated:

- external credit rating (as far as available)
- actual or expected significant adverse changes in business, financial or economic conditions, legal environment that are expected to cause a significant change to the counterparty's ability to meet its obligations
- actual or expected significant change in the operating results of the counterparty
- significant expected changes in the performance and behaviour of the counterparty, including failure to pay principle or interest by contractual due dates.

A default on a financial asset is when the counterparty fails to make contractual payments when they fall due. For loans and advances to customers, the Group considers a default has occurred when a financial asset is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more appropriate default criterion should be applied.

Financial assets are written off when there is no reasonable expectation of recovery.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

3 FINANCIAL RISK MANAGEMENT (continued)

3.1 Financial risk factors (continued)

(b) Credit risk (continued)

Cash and bank balances placed in renowned or high credit-rated financial institutions are considered to be of low credit risk as they have an investment credit rating with at least one major agency. There has been no recent history of default in relation to these banks and financial institutions. The expected credit loss is assessed by incorporates key parameters, including probability of default, loss given default, exposures of default and other adjustment factors. The Group charged HK\$487,000 of loss allowance on cash and bank balances for the year ended March 31, 2025 (for the fifteen months ended March 31, 2024: reversal of HK\$183,000 loss allowance was recognized).

For other receivables and deposits, the balances mainly comprise of amounts due from fellow subsidiaries, amount due from related parties, loan to a former associate, amount due from a joint venture and rental and utilities deposits. For amounts due from fellow subsidiaries and related parties, management consider they do not have significant credit risk due to the past payment history and also taking into account of the sound financial performance and position of their holding companies or significant shareholders to meet contractual cash flow obligations in the near term. As at March 31, 2025, the Group provided HK\$Nil (as at March 31, 2024: HK\$3,717,000) and HK\$Nil (as at March 31, 2024: HK\$64,000) of loss allowance on amount due from a joint venture and loan to an associate respectively using the expected credit loss that incorporates key parameters, including probability of default, loss given default, exposures of default and other adjustment factors. Management considers rental and utilities deposits do not have significant credit risk since the deposits are refundable from landlords and counterparties upon end of lease term or recoverable by the Group through using the leased property and the utilities. For remaining balances, the Group carries out regular review on these balances and follow up action on any overdue amounts to minimise exposures to credit risk. During the year ended March 31, 2025, a loss allowance of approximately HK\$10,302,000 was recognized in respect of a receivable from an independent third party. During the year ended March 31, 2025, no loss allowance was recognized (for the fifteen months ended March 31, 2024: no loss allowance) in profit or loss in relation to the remaining balance of other receivables and deposits.

For trade receivables which primarily arise from sales with customers who are governmental lottery authorities or operators authorized by such authorities, no significant impairment allowance had been provided under lifetime expected credit loss assessment. Management considered there was no history of default of the debtors and also took into account of Group's view of current and forecast economic conditions that may affect the ability of the debtors to settle receivables. For trade receivables from customers other than governmental lottery authorities or operators authorized by such authorities, they are grouped based on shared credit risk characteristics and the days past due. The expected loss rates are based on the payment profiles of sales and the corresponding historical credit losses experienced. As at March 31, 2025, the expected credit loss identified was approximately HK\$25,000 (as at March 31, 2024: HK\$60,000). During the year ended March 31, 2025, HK\$35,000 loss allowance was reversed (for the fifteen months ended March 31, 2024: HK\$43,000 was recognized).



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

3 FINANCIAL RISK MANAGEMENT (continued)

3.1 Financial risk factors (continued)

(b) Credit risk (continued)

For convertible term loans to a joint venture that are measured at fair value through profit or loss, credit risk has been considered in the fair value measurement of the convertible term loans.

For loans and advances to customers, the Group established written credit policy which covers authority of granting facility limits, credit review, maintenance of collaterals and provisioning. All facilities are approved by senior management. Credit review is performed regularly and at least annually. All credit reviews are performed by marketing officer, reviewed by credit risk officer and approved by senior management in accordance with their respective limits.

The Group classifies loans and advances to customers at initial recognition as Stage 1, and recognize expected credit losses within the next 12 months. When there is a significant increase in credit risk since initial recognition, it will be classified as Stage 2, and expected credit losses over the remaining life of the financial assets will be recognized. If one or more adverse events affecting the expected future cash flows of the financial asset have occurred, it will be classified as Stage 3, and expected credit losses for the credit-impaired assets will be recognized over the remaining life of the financial assets. Interest income will then be accrued based on the net carrying amount of Stage 3 financial assets after deducting the impairment allowance.

In the digital banking business, all the Group's balances and placements with other banks and deposits and monetary bills with AMCM are held in major financial institutions located in Macau and Hong Kong, which management believes are of high credit quality. As at reporting period end, they are classified as stage 1.

No significant changes to the estimation techniques or significant assumptions were made during the year.

As at March 31, 2025, the Group is subject to concentration of credit risk as 25% (as at March 31, 2024: 29%) of the Group's trade receivables were due from the Group's largest customer. Further quantitative data in respect of the Group's exposure to credit risk arising from trade receivables are disclosed in Note 24.

Other than concentration of credit risk on liquid funds which are deposited with several banks with high credit ratings or good reputation and on trade receivables, the Group does not have any other significant concentration of credit risk.

The Group does not hold any collateral or other credit enhancements to cover its credit risks associated with its financial assets.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

3 FINANCIAL RISK MANAGEMENT (continued)

3.1 Financial risk factors (continued)

(c) Liquidity risk

In the management of the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents and reserve borrowing facilities deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows.

At March 31, 2025, the Group has nil available unutilized banking facilities (at March 31, 2024: HK\$Nil).

The table below analyses the Group's non-derivative financial liabilities and net-settled derivative financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. Derivative financial liabilities are included in the analysis if their contractual maturities are essential for an understanding of the timing of the cash flows. The amounts disclosed in the table are the contractual undiscounted cash flows.

	On demand or within 1 year HK\$'000	More than 1 year but not more than 5 years HK\$'000	Over 5 years HK\$'000	Total undiscounted cash flows HK\$'000	Carrying amounts HK\$'000
At March 31, 2025					
Trade payables	22,643	–	–	22,643	22,643
Accruals and other payables	370,605	3,331	–	373,936	373,936
Floats balance due to card or account holders	520,212	–	–	520,212	520,212
Deposits from customers	2,408,132	–	–	2,408,132	2,398,526
Card deposits due to cardholders	13,723	–	–	13,723	13,723
Lease liabilities	18,174	51,281	13,250	82,705	74,584
	3,353,489	54,612	13,250	3,421,351	3,403,624
	On demand or within 1 year HK\$'000	More than 1 year but not more than 5 years HK\$'000	Over 5 years HK\$'000	Total undiscounted cash flows HK\$'000	Carrying amounts HK\$'000
At March 31, 2024					
Trade payables	21,835	–	–	21,835	21,835
Accruals and other payables	433,900	2,533	–	436,433	436,433
Floats balance due to card or account holders	456,168	–	–	456,168	456,168
Card deposits due to cardholders	14,073	–	–	14,073	14,073
Lease liabilities	14,149	42,908	14,181	71,238	65,133
	940,125	45,441	14,181	999,747	993,642



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

3 FINANCIAL RISK MANAGEMENT (continued)

3.2 Capital management

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to stakeholders through the optimization of the debt and equity balance. The Group's overall strategy remains unchanged.

For the non-digital banking business segment of the Group, net cash is defined as total cash and cash equivalents plus cash from payment settlement receivable on T+1 basis less total debts, which include trade payables, accruals and other payables (excluding provision for warranty which represents a future obligation that does not directly impact the current cash balance), contract liabilities, floats balance due to card or account holders, card deposits due to cardholders, and lease liabilities.

Net cash for non-digital banking business segment at the end of the reporting period was as follows:

	As at March 31, 2025 HK\$'000	As at March 31, 2024 HK\$'000
Debt	907,471	995,668
Less: cash and cash equivalents	(865,757)	(1,165,914)
Less: cash from payment settlement receivable on T+1 basis (Note)	(123,606)	(205,643)
Net cash	81,892	375,889

Note: Balance represents the receivable from customers for digital payment services performed in the ordinary course of business, which will be settled on T+1 basis.

As at March 31, 2025, the Group's non-digital banking business segment was in net cash position, taking into accounts its debt and cash and cash equivalents.

AMCM sets capital requirements for Macau's credit institutions to maintain a minimum prescribed ratio (currently, 8%) of total capital to total risk-weighted assets of a credit institutions (the "Minimum Capital Adequacy Ratio"). Ant Bank (Macao) Limited ("Ant Bank (Macao)") and Macau Pass S.A. actively and regularly reviews and manages its capital structure to maintain a balance between maximising return on capital with higher borrowing level, and the advantages of a higher capital level, and adjusts the capital level and structure in light of changes in economic conditions and business opportunities. The Asset and Liability Management Committee undertakes capital management function on an on-going basis to manage its capital structure and meet its funding requirements.

The Directors review the capital structure regularly. As part of this review, the Directors consider the cost of capital and the risks associated with each class of capital. Based on recommendations of the Directors, the Group will balance its overall capital structure through the payment of dividends, new share issues and share buybacks as well as the issue of new debt.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

3 FINANCIAL RISK MANAGEMENT (continued)

3.3 Fair value estimation

The table below analyses the Group's financial instruments carried at fair value as at March 31, 2025 by level of the inputs to valuation techniques used to measure fair value. The level of the inputs are categorized into three levels within a fair value hierarchy as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

	Level 1 HK\$'000	Level 2 HK\$'000	Level 3 HK\$'000	Total HK\$'000
Financial assets at fair value through profit or loss				
Convertible term loans	–	–	10,986	10,986

The following table presents the Group's financial instruments that are measured at fair value as at March 31, 2024:

	Level 1 HK\$'000	Level 2 HK\$'000	Level 3 HK\$'000	Total HK\$'000
Financial assets at fair value through profit or loss				
Convertible term loans	–	–	81,910	81,910

See Notes 17 and 34 for disclosures of the measurement of investment properties and convertible term loans that are measured at fair value.

There were no transfers between level 1, level 2 and level 3 during the period.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

3 FINANCIAL RISK MANAGEMENT (continued)

3.3 Fair value estimation (continued)

Valuation processes of the Group

The recoverable amount of lottery operation CGU, recoverable amount of digital payment and related businesses CGU and fair values of the Group's investment properties as at March 31, 2025 and March 31, 2024, the recoverable amount of digital banking business CGU as at March 31, 2025 and the fair value of identifiable net assets of Ant Bank (Macao) as at acquisition date have been arrived at on the basis of valuation carried out on the respective dates by AVISTA Valuation Advisory Limited ("AVISTA"). The fair values of the convertible term loans as at March 31, 2025 and March 31, 2024 have been arrived at on the basis of valuation carried out by GW Financial Advisory Services Limited ("GWFA SL"). See Notes 17 and 34 for disclosures of the basis of valuation of investment properties and convertible term loans that are measured at fair value. AVISTA (member of the Hong Kong Institute of Surveyors) and GWFA SL are independent professional valuers not connected to the Group, and have appropriate qualifications and relevant experience.

The Group's finance team reviewed the valuations performed by the independent valuers for financial reporting purposes. This team reports directly to the management. Discussions of valuation processes and results are held between the management, finance team and valuers at least two times per year, in line with the Group's interim and annual reporting dates.

At each financial year end, the finance team:

- verifies all major inputs to the independent valuation reports;
- assess valuations movements when compared to the prior year valuation reports as applicable; and
- holds discussions with the independent valuers.

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a heightened risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)

(a) Fair value of investment properties

The fair value of investment properties is determined by using valuation technique. Details of the judgement and assumptions have been disclosed in Note 17.

(b) Impairment assessment of goodwill

The Group tests annually whether goodwill has suffered any impairment, in accordance with the accounting policy stated in Note 2.8. Significant judgements were required to determine the cash generating unit or group of cash generating units where the impairment assessment is performed, and to determine the appropriate recoverable amount being higher amount of the fair value less costs of disposal and value in use. Details of the judgement and assumptions have been disclosed in Note 18.

(c) Taxation

Deferred tax assets in relation to temporary differences have been recognized in the consolidated statement of financial position. The recognition of deferred tax assets mainly depends on whether sufficient taxable temporary differences of future assessable profits will be available in the future. In cases where the actual future assessable profits generates are less than expected, a material reversal of deferred tax assets may arise, which would be recognized in profit or loss in the period of the reversal takes place.

The Group's determination as to whether to accrue for withholding taxes from the distribution of dividends from subsidiaries in the People's Republic of China ("PRC") according to the relevant tax jurisdictions is subject to judgement on the timing of the payment of the dividend, where the Group considers that if it is probable that the profits of the subsidiaries in the PRC will not be distributed in the foreseeable future, then no withholding taxes are provided.

(d) Estimated loss allowance of trade and other receivables

The Group estimates the loss allowance of trade and other receivables by assessing their recoverability based on credit history, prevailing market conditions as well as forward looking estimates at the end of each reporting period. This requires the use of estimates and judgements. Provisions are applied to trade and other receivables where events or changes in circumstances indicate that the balances may not be collectible. Where the expectation is different from the original estimate, such difference will affect the carrying amount of trade and other receivables and thus the impairment loss in the period in which such estimate is changed. The Group reassesses the provisions at the end of each reporting period

(e) Valuation of financial assets at fair value through profit or loss

The fair value of financial assets at fair value through profit or loss has been determined based on discounted cash flows. These calculations require the use of estimates, including discount rates and time of liquidation completion. Details of the judgement and assumptions have been disclosed in Note 34.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)

(f) Provision for warranties

The Group generally offers two-to-eight year warranties for its hardware. Management estimates the related provision for future warranty claims based on historical warranty claim information, as well as recent trends that might suggest that past cost information may differ from future claims. Factors that could impact the estimated claim information include the success of the Group's productivity and quality initiatives, as well as parts and labour costs.

(g) Share-based payments

The Group is required to expense its employees' share-based compensation awards in accordance with HKFRS 2 "Share-based payment". The Group measures share-based compensation cost based on the fair value on the grant date of each award. This cost is recognized over the period during which an employee is required to provide service in exchange for the award or the requisite service period, usually the vesting period, and is adjusted for actual forfeitures that occur before vesting. The Group is required to use certain assumptions, including the forfeitures and the service period of each employee, to assess the fair value of share-based compensation. The use of different assumptions and estimates could produce materially different estimated fair values for the share-based compensation awards and related expenses.

(h) Depreciation, amortization and impairment of property, plant and equipment and intangible assets

The Group determines the estimated useful lives and residual values for its property, plant and equipment and intangible assets. The Group will revise the depreciation charge using straight-line method where useful lives are different from previous estimates, or it will write-off or write-down obsolete or non-strategic assets that have been abandoned or sold.

(i) Leases

Discount rate is determined by the rate of interest implicit in the lease or the Group's incremental borrowing rate. Management has considered the lease terms in the lease agreement related to extension and early termination. Details of the judgement and assumptions have been disclosed in Note 16.

(j) Business combination

Accounting for acquisitions requires the Group to allocate the purchase price to specific assets acquired and liabilities assumed based on their estimated fair values at the date of acquisition. The Group has undertaken processes to identify all assets acquired and liabilities assumed, including acquired intangible assets. Judgements made in identifying all acquired assets, determining the estimated fair value assigned to each class of assets acquired and liabilities assumed, as well as asset's useful lives, could materially impact the calculation of goodwill and depreciation and amortization charges in subsequent periods. Estimated fair values are based on information available near the acquisition date and on expectations and assumptions that have been deemed reasonable by management. Determining the estimated useful lives of tangible and intangible assets acquired also requires judgement. Different conclusions around these judgements may materially impact how these investments presented and measured in the consolidated statement of financial position of the Group.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)

(k) Impairment provisions on loans and advances to customers

The measurement of impairment losses under HKFRS 9 across all categories of financial assets in scope requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances.

The Group's expected credit loss calculations in digital banking business are outputs of complex models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. Elements of the expected credit loss models that are considered accounting judgements and estimates include:

- (a) The Group's internal credit grading model, which assigns probability of default ("PD") to the individual grades
- (b) The Group's criteria for assessing if there has been a significant increase in credit risk and so allowances for financial assets should be measured on a lifetime expected credit losses basis and the qualitative assessment
- (c) The segmentation of financial assets when their expected credit loss is assessed on a collective basis
- (d) Development of expected credit loss models, including the various formulas and the choice of inputs
- (e) Determination of associations between macroeconomic scenarios and, economic inputs, such as unemployment levels and collateral values, and the effect on PDs, expected exposure at the time of default and loss given default
- (f) Selection of forward-looking macroeconomic scenarios and their probability weightings, to derive the economic inputs into the expected credit loss models

It has been the Group's policy to regularly review its models in the context of actual loss experience and adjust when necessary.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

5 REVENUE

Revenue represents the amounts received and receivable from digital payment business in Macau (including provision of payment card services and ancillary services, e-wallet services, acquiring services for merchants and payment-related hardware supply), digital banking business in Macau (including provision of digital banking services for individuals and SMEs, internet securities investment services and insurance agency services), lottery business in the Chinese Mainland (including lottery hardware sales and related after-sales services, and offline distribution and other integrated services), local consumer services business in Macau and the Chinese Mainland (including lifestyle, culture and entertainment, marketing technical services and e-commerce) and lease income of lottery hardware, payment terminals and equipment in the Chinese Mainland and Macau and is analysed as follows:

	For the year ended March 31, 2025 HK\$'000	For the fifteen months ended March 31, 2024 HK\$'000
Digital payment services:		
(a) payment card services and ancillary services	56,518	103,235
(b) e-wallet services	117,342	143,635
(c) acquiring services for merchants	109,774	177,880
(d) payment-related hardware sales	4,491	1,530
	288,125	426,280
Digital banking services:		
(a) digital banking services for individuals and SMEs (including deposits, loans, transfers and cross-border remittances, cross-border e-commerce/supply chain financing, wealth management, etc.)	63,213*	—
(b) internet securities investment services	4,337	—
(c) insurance agency services	211	—
	67,761	—
Lottery services:		
(a) Lottery hardware sales	161,137	196,325
(b) offline distribution and other integrated services	78,786	113,496
	239,923	309,821
Local consumer services: Lifestyle, culture and entertainment, marketing technical services and e-commerce	14,937	23,814
Subtotal	610,746	759,915
Lease income of lottery hardware, payment terminals and equipment	4,222	6,668
Total	614,968	766,583

Note *: For the year ended March 31, 2025, digital banking services for individuals and SMEs included interest income derived from digital banking business of approximately HK\$51,149,000.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

6 SEGMENT INFORMATION

The executive Directors have been identified as the chief operating decision maker ("CODM"). The CODM reviews the Group's internal reporting in order to assess performance and allocate resources.

The segment information reported externally is analyzed on the basis of the composition of its reporting segments by line of businesses, which are (i) Digital payment and related businesses; (ii) Digital banking business and (iii) Lottery business; respectively. The CODM is of the view that the revised presentation of the operating segment information better reflects the Group's operations and this is consistent with the internal information regularly reviewed by the CODM for the purposes of resources allocation and assessment of performance.

Principal activities of the Group's reportable segments are as follows:

Digital payment and related businesses – provision of payment card services and ancillary services; provision of e-wallet services; provision of acquiring services for merchants; local consumer services; sale and leasing of payment terminals and equipment primarily in Macau; and other related services.

Digital banking business – provision of digital banking services for individuals and SMEs (including deposits, loans, transfers and cross-border remittances, cross-border e-commerce/supply chain financing, wealth management, etc.); internet securities investment services; and insurance agency services in Macau; and other related services.

Lottery business – sales and leasing of lottery hardware (including provision of related after-sale services), provision of lottery offline distribution and ancillary services in the Chinese Mainland; and other related services.

Segment results represent the profit earned or loss incurred by each segment without allocation of results attributable to finance income, finance cost, income tax, depreciation and amortization expenses, net other gains/losses, gain or loss on fair value changes of financial assets at fair value through profit or loss, imputed interest expense on deferred consideration, unallocated other income and unallocated expenses (the "Segment Results"). Unallocated expenses mainly includes corporate and head office expenses. This is the measure reported to the CODM for the purpose of resource allocation and performance assessment.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

6 SEGMENT INFORMATION (continued)

Information regarding the above reportable segments is reported as below:

(a) Segment revenue and results

For the year ended March 31, 2025 and for the fifteen months ended March 31, 2024

	Digital payment and related businesses		Digital banking business*		Lottery business		Total	
	For the year ended	For the fifteen months ended	For the year ended	For the fifteen months ended	For the year ended	For the fifteen months ended	For the year ended	For the fifteen months ended
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Segment revenue								
Recognized at a point in time	294,798	431,136	16,612	-	161,137	196,393	472,547	627,529
Recognized over time	8,240	18,579	-	-	78,810	113,807	87,050	132,386
Interest income derived from digital banking business	-	-	51,149	-	-	-	51,149	-
Lease income of lottery hardware, payment terminals and equipment	4,222	5,913	-	-	-	755	4,222	6,668
Total Revenue	307,260	455,628	67,761	-	239,947	310,955	614,968	766,583
Segment Results	(14,857)	29,422	(9,455)	-	53,463	55,095	29,151	84,517
Finance income							44,328	76,525
Finance cost							(2,656)	(2,860)
Depreciation and amortization expenses							(58,554)	(83,596)
Net other losses							(8,787)	(10,423)
(Loss)/gain on fair value changes of financial assets							(70,924)	1,093
Imputed interest expense on deferred consideration							-	(1,675)
Unallocated other income							3,432	4,225
Unallocated expenses							(37,068)	(39,501)
(Loss)/profit before income tax							(101,078)	28,305

Note *: For the year ended March 31, 2025, segment results included net interest income for digital banking business of approximately HK\$18,224,000 calculated as interest income derived from digital banking business of approximately HK\$51,149,000 less interest expense incurred from digital banking business of approximately HK\$32,925,000.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

6 SEGMENT INFORMATION (continued)

(b) Segment assets and liabilities

As at March 31, 2025, after the completion of attainment the controlling stake in Ant Bank (Macao) on September 2, 2024, separate assets and segment liabilities information for digital banking business are provided to the CODM. Apart from this, there was no separate segment assets and segment liabilities information provided to the CODM, as CODM does not use this information to allocate resources to or evaluate the performance of those non-digital banking operating segments.

For the year ended March 31, 2025

	Digital banking business HK\$'000	Non-digital banking businesses HK\$'000	Total HK\$'000
Investment in associates and joint ventures accounted for by the equity method	–	–	–
Additions to non-current assets*	170,439	33,273	203,712
Total assets	3,006,298	3,238,307	6,244,605
Total liabilities	2,493,054	990,956	3,484,010

(c) Geographical information

The Group's operations are mainly located in the Chinese Mainland and Macau.

The Group's revenue from external customers by location of operations and information about its non-current assets* by location of assets are detailed below:

	Revenue from external customers		Non-current assets*	
	For the year ended March 31, 2025 HK\$'000	For the fifteen months ended March 31, 2024 HK\$'000	As at March 31, 2025 HK\$'000	As at March 31, 2024 HK\$'000
Chinese Mainland	239,921	296,496	1,095,060	1,106,213
Macau	375,021	455,628	942,374	796,723
Hong Kong	–	–	3,651	5,205
Others	26	14,459	–	–
	614,968	766,583	2,041,085	1,908,141

* Non-current assets represent non-current assets other than financial assets at fair value through profit or loss and deferred income tax assets.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

6 SEGMENT INFORMATION (continued)

Information about major customers

For the year ended March 31, 2025 and the fifteen months ended March 31, 2024, there was no revenue from customers contributing over 10% of total revenue of the Group.

7 OTHER INCOME

	For the year ended March 31, 2025 HK\$'000	For the fifteen months ended March 31, 2024 HK\$'000
Rental income from investment properties	3,432	4,225
Other technical services income	–	5,378
Sundry service income	946	2,417
Others	1,667	2,414
	6,045	14,434



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

8 NET OTHER LOSSES

	For the year ended March 31, 2025 HK\$'000	For the fifteen months ended March 31, 2024 HK\$'000
Loss on fair value changes of investment properties (Note 17)	(723)	(717)
Foreign exchange loss	(520)	(940)
Reversal of interest income on loan to an associate	–	(6,472)
Gain on disposal of an associate	291	–
(Loss allowance)/reversal of loss allowance on		
– trade and other receivables	(10,267)	(43)
– cash and bank balances	(487)	183
– loans and advances to customers	(993)	–
– amount due from a joint venture	3,717	(2,435)
– loans to a former associate	64	–
Gain on disposals of property, plant and equipment	131	1
	(8,787)	(10,423)

9 EMPLOYEE BENEFITS EXPENSES

	For the year ended March 31, 2025 HK\$'000	For the fifteen months ended March 31, 2024 HK\$'000
Fees, salaries, discretionary bonuses and other benefits	156,010	176,398
Termination benefits	10,900	4,227
Share-based payments	7,305	5,399
Defined contributions plans	19,921	23,569
Total employee benefits expenses	194,136	209,593



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

9 EMPLOYEE BENEFITS EXPENSES (continued)

(a) Defined contribution plans

The Group participates in employee social security plans as required by the regulations in the PRC. The Group also participates in the Mandatory Provident Fund scheme in Hong Kong and Macau Private Pension Fund in Macau to which all qualified employees of the Group are entitled. The assets of the retirement benefit schemes are held, separately from those of the Group, in funds under the control of the trustees. The employees of the subsidiaries in the PRC are members of social security schemes operated by the relevant local government authorities. The pension plans are funded by payments from employees and by the relevant group companies. The amounts charged to profit or loss represent contributions payable by the Group at the specified rates according to the respective plans. The only obligation of the Group in respect of the retirement benefit schemes is to make the specified contributions.

Contributions totalling approximately HK\$1,156,000 (for the fifteen months ended March 31, 2024: HK\$2,134,000) were payable to the funds at the year-end.

(b) Five highest paid individuals

The five individuals whose emoluments were the highest in the Group for the year ended March 31, 2025 include two (for the fifteen months ended March 31, 2024: two) Directors whose emoluments are reflected in the analysis shown in Note 41. The emoluments payable to the remaining three (for the fifteen months ended March 31, 2024: three) individuals during the year/period are as follows:

	For the year ended March 31, 2025 HK\$'000	For the fifteen months ended March 31, 2024 HK\$'000
Salaries and other benefits	7,735	7,538
Defined contributions plans	515	509
Discretionary bonus	1,635	1,462
Share-based payments	1,523	3,258
	11,408	12,767



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

9 EMPLOYEE BENEFITS EXPENSES (continued)

(b) Five highest paid individuals (continued)

Their emoluments fell within the following bands:

	For the year ended March 31, 2025 Number of individuals	For the fifteen months ended March 31, 2024 Number of individuals
HK\$2,500,001 to HK\$3,000,000	1	1
HK\$3,000,001 to HK\$3,500,000	1	–
HK\$3,500,001 to HK\$4,000,000	–	1
HK\$5,000,001 to HK\$5,500,000	1	–
HK\$6,000,001 to HK\$6,500,000	–	1
	3	3

No emoluments were paid by the Group to any of the above three (for the fifteen months ended March 31, 2024: three) individuals as an inducement to join or upon joining the Group or as compensation for loss of office.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

10 OTHER OPERATING EXPENSES

	For the year ended March 31, 2025 HK\$'000	For the fifteen months ended March 31, 2024 HK\$'000
Transaction service fees	87,233	133,426
Handling fees (for stored value payment card top-up services)	30,742	36,684
Distribution expenses	59,036	85,452
Marketing expenses	8,617	15,010
Customer loyalty programme related expenses	18,784	42,253
Technology service fees	15,880	11,168
Provision for warranties (Note 35)	11,994	13,998
Fee and commission expense for digital banking services	5,473	–
Legal and professional fees	10,891	13,534
Outsource expenses	13,706	695
Management and administrative service fees to fellow subsidiaries	2,578	5,462
Information service fee	1,406	–
Rent, rates and property management fees	4,745	5,068
Telecommunication and postage	4,519	5,342
Repair and maintenance	2,641	3,194
Office expenses	6,369	7,753
Travel and transportation expenses	5,611	7,573
Auditor's remuneration	3,300	2,500
Others	16,901	18,572
	310,426	407,684



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

11 FINANCE INCOME AND FINANCE COST

	For the year ended March 31, 2025 HK\$'000	For the fifteen months ended March 31, 2024 HK\$'000
Finance income		
– Interest income on bank deposits	43,505	75,295
– Interest income on loan to an associate	–	1,230
– Interest income on loan to a third party	823	–
	44,328	76,525
Finance cost		
– Interest expense on lease liabilities	(2,656)	(2,860)

12 INCOME TAX CREDIT

Taxation has been calculated on the estimated assessable profit for the year/period at the rates prevailing in the countries in which the members of the Group operate.

No provision for Hong Kong profits tax has been made as there was no assessable profit arising in or derived from Hong Kong for the year/period. No provision for Macau complementary tax has been made as there was utilization of tax loss brought forward during the current period.

北京亞博高騰科技有限公司 (Beijing AGTech GOT Technology Co., Ltd.*) ("GOT"), 北京思德泰科技發展有限公司 (Beijing Systek Science & Technology Development Co., Ltd.*) ("Beijing Systek") and 珠海橫琴中澳通電子支付技術有限公司 (Zhuhai Hengqin Zhonggaotong Electronic Payment Technology Co., Ltd.*) ("ZAT") are subject to PRC Enterprise Income Tax ("EIT") at 15% for the year ended March 31, 2025 and fifteen months ended March 31, 2024, as GOT, Beijing Systek and ZAT are recognized as High and New Technology Enterprise under the PRC EIT Law. 北京亞博科技有限公司 (Beijing AGTech Co., Ltd.*) ("Beijing AGTech") is subject to EIT of 15% for the fifteen months ended March 31, 2024, as Beijing AGTech is recognized as High and New Technology Enterprise under the PRC EIT Law for the fifteen months ended March 31, 2024. Other PRC subsidiaries of the Group are subject to PRC EIT at 25% for the year ended March 31, 2025 and for the fifteen months ended March 31, 2024.

According to applicable tax regulations prevailing in the PRC, dividends distributed by a company established in the PRC to a foreign investor are generally subject to a 10% withholding tax.

* For identification purpose only



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

12 INCOME TAX CREDIT (continued)

	For the year ended March 31, 2025 HK\$'000	For the fifteen months ended March 31, 2024 HK\$'000
Current tax:		
– PRC EIT on assessable profit for the year/period	408	–
– Adjustments in respect of prior years	–	19
Deferred tax (Note 20):		
– Origination and reversal of temporary differences	(2,919)	(2,430)
Income tax credit	(2,511)	(2,411)

The tax on the Group's (loss)/profit before income tax differs from the theoretical amount that would arise using the weighted average tax rate applicable to (loss)/profit of the consolidated entities as follows:

	For the year ended March 31, 2025 HK\$'000	For the fifteen months ended March 31, 2024 HK\$'000
(Loss)/profit before income tax	(101,078)	28,305
Tax calculated at domestic income tax rates	(8,083)	2,168
Income not subject to tax	(2,845)	(12,025)
Expenses not deductible for tax purposes	22,305	21,350
Utilization of previously unrecognized tax losses	(18,481)	(26,174)
Tax losses and other temporary differences for which no deferred income tax asset was recognized	4,593	12,251
Adjustments in respect of prior years	–	19
Income tax credit	(2,511)	(2,411)



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

13 (LOSS)/PROFIT FOR THE YEAR/PERIOD

(Loss)/profit for the year/period has been arrived at after charging:

	For the year ended March 31, 2025 HK\$'000	For the fifteen months ended March 31, 2024 HK\$'000
Share-based payments		
– Directors and eligible employees (Note 9)	7,305	5,399
Auditor's remuneration		
– Audit services	3,146	2,478
– Audit-related services	154	22

14 (LOSS)/EARNING PER SHARE

(a) Basic

Basic earning or loss per share is calculated by dividing the loss attributable to owners of the Company for the year ended March 31, 2025 of approximately HK\$90,432,000 (for the fifteen months ended March 31, 2024: profit of approximately HK\$31,860,000) by the weighted average number of ordinary shares outstanding during the year ended March 31, 2025 of approximately 11,672,342,000 (for the fifteen months ended March 31, 2024: approximately 11,672,342,000) shares and excluding the weighted average number of shares held for share award scheme of approximately 225,651,000 (for the fifteen months ended March 31, 2024: approximately 253,847,000) shares.

(b) Diluted

Diluted earning or loss per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The Company has one category of dilutive potential ordinary shares: share awards. For the share awards, a calculation is done to determine the number of shares that could have been acquired at fair value (determined as the average market share price of the Company's shares) based on the monetary value of the subscription rights attached to outstanding share awards.

For the year ended March 31, 2025, the computation of the diluted loss per share does not assume the vesting of the outstanding share awards, as they would decrease the diluted loss per share.

For the fifteen months ended March 31, 2024, diluted earning per share is calculated by dividing the profit attributable to owners of the Company of approximately HK\$31,860,000 by the adjusted weighted average number of ordinary shares of approximately 11,468,722,000 shares.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

15 PROPERTY, PLANT AND EQUIPMENT

	Leasehold land and buildings HK\$'000	Leasehold improvements HK\$'000	Computer equipment HK\$'000	Business server system, card readers and others HK\$'000	Furniture, fixtures and equipment HK\$'000	Motor vehicles HK\$'000	Total HK\$'000
Cost							
Balance at January 1, 2023	828	28,685	8,747	14,817	7,477	7,029	67,583
Additions	–	1,523	3,547	4,128	482	1,929	11,609
Disposals	–	(98)	(1,830)	(579)	(306)	(483)	(3,296)
Currency translation differences	(27)	(270)	(104)	(1)	(207)	(75)	(684)
Balance at March 31, 2024 and April 1, 2024	801	29,840	10,360	18,365	7,446	8,400	75,212
Acquisition through business combination (Note 42)	–	58	264	–	21	–	343
Additions	–	7,985	4,866	9,833	340	–	23,024
Disposals	–	–	(143)	(555)	(11)	–	(709)
Currency translation differences	(9)	(100)	(37)	(1)	(73)	(23)	(243)
Balance at March 31, 2025	792	37,783	15,310	27,642	7,723	8,377	97,627
Accumulated depreciation and impairment							
Balance at January 1, 2023	600	9,202	4,599	7,444	6,242	5,201	33,288
Depreciation charge	51	5,383	2,584	5,375	1,102	852	15,347
Disposals	–	(116)	(1,683)	(530)	(306)	(483)	(3,118)
Currency translation differences	(20)	(255)	(40)	–	(191)	(73)	(579)
Balance at March 31, 2024 and April 1, 2024	631	14,214	5,460	12,289	6,847	5,497	44,938
Depreciation charge	40	4,735	3,331	5,088	259	796	14,249
Disposals	–	–	(94)	(549)	(10)	–	(653)
Currency translation differences	(8)	(92)	(30)	(1)	(72)	(23)	(226)
Balance at March 31, 2025	663	18,857	8,667	16,827	7,024	6,270	58,308
Net book amount							
Balance at March 31, 2025	129	18,926	6,643	10,815	699	2,107	39,319
Balance at March 31, 2024	170	15,626	4,900	6,076	599	2,903	30,274



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

16 LEASES

This note provides information for leases where the Group is a lessee

(i) Amounts recognized in the consolidated statement of financial position

The consolidated statement of financial position shows the following amounts relating to leases:

	As at March 31, 2025 HK\$'000	As at March 31, 2024 HK\$'000
Right-of-use assets		
Buildings	68,956	61,481
	68,956	61,481
Lease liabilities		
Current	15,693	11,864
Non-current	58,891	53,269
	74,584	65,133

Additions to the right-of-use assets during the year ended March 31, 2025 was HK\$23,615,000 (for the fifteen months ended March 31, 2024: HK\$16,174,000).



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

16 LEASES (continued)

(i) Amounts recognized in the consolidated statement of financial position (continued)

The future lease payment relating to leases:

	As at March 31, 2025 HK\$'000	As at March 31, 2024 HK\$'000
Lease payables as follow:		
Within 1 year	18,174	14,149
Between 1 and 2 years	14,475	14,073
Between 2 and 5 years	36,806	28,835
Over 5 years	13,250	14,181
Total lease payments	82,705	71,238
Less: future finance charges	(8,121)	(6,105)
Total lease liabilities	74,584	65,133
Less: portion classified as current liabilities	(15,693)	(11,864)
Non-current liabilities	58,891	53,269



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

16 LEASES (continued)

(ii) Amounts recognized in the consolidated statement of profit or loss and other comprehensive income

The consolidated statement of profit or loss and other comprehensive income shows the following amounts relating to leases:

	For the year ended March 31, 2025 HK\$'000	For the fifteen months ended March 31, 2024 HK\$'000
Depreciation charge of right-of-use assets		
Buildings	15,842	23,955
	15,842	23,955
Interest expense (included in finance cost)	2,656	2,860
Expense relating to short-term leases (included in other operating expenses)	1,866	1,393

The total cash outflow for leases for the year ended March 31, 2025 was HK\$16,424,000 (for the fifteen months ended March 31, 2024: HK\$23,757,000).

(iii) The Group's leasing activities and how these are accounted for

The Group leases various offices and staff quarters. Rental contracts are typically made for a fixed periods of one year to ten years, but may have extension options as described in (iv) below.

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

(iv) Extension and termination options

Extension and termination options are included in the leases of the Group. These are used to maximize operational flexibility in terms of managing the assets used in the Group's operations. The majority of extension and termination options held are exercisable only by the Group and not by the respective lessor.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

17 INVESTMENT PROPERTIES

	As at March 31, 2025 HK\$'000	As at March 31, 2024 HK\$'000
At fair value		
Balance at beginning of year/period	29,686	31,399
Loss on fair value changes	(723)	(717)
Currency translation differences	(341)	(996)
Balance at end of year/period	28,622	29,686

	For the year ended March 31, 2025 HK\$'000	For the fifteen months ended March 31, 2024 HK\$'000
Amounts recognized in profit or loss		
Rental income (Note 7)	3,432	4,225
Direct operating expenses from properties that generated rental income	(851)	(1,135)
	2,581	3,090

The Group's properties interests held under operating leases to earn rentals or for capital appreciation purposes are measured using the fair value model and are classified and accounted for as investment properties.

As at March 31, 2025, no investment properties of the Group (as at March 31, 2024: HK\$Nil) were pledged to secure bank borrowings and banking facilities granted to the Group.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

17 INVESTMENT PROPERTIES (continued)

Details of the Group's investment properties and information about the fair value hierarchy as at March 31, 2025 and 2024 are as follows:

	Quoted prices in active markets for identical assets (Level 1) HK\$'000	Significant other observable inputs (Level 2) HK\$'000	Significant unobservable inputs (Level 3) HK\$'000	Total HK\$'000
Office units in the Chinese Mainland				
March 31, 2025	–	–	28,622	28,622
March 31, 2024	–	–	29,686	29,686

There were no transfers between level 1, level 2 and level 3 during the year ended March 31, 2025.

Valuation techniques

The fair value was determined using the market comparable approach based on recent market prices without any significant adjustments being made to the market observable data. In estimating the fair value of the properties, the highest and best use of the properties is their current use. As at March 31, 2025, the most significant input into this valuation approach is unit rate per square meter ranged from approximately HK\$24,600 to HK\$29,500 (as at March 31, 2024: approximately HK\$25,833 to HK\$29,957).

There were no changes to the valuation techniques during the year ended March 31, 2025.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

18 GOODWILL

	As at March 31, 2025 HK\$'000	As at March 31, 2024 HK\$'000
Cost		
Balance at beginning of year/period	1,469,425	1,491,939
Arising from acquisition of Ant Bank (Macao)	87,036	–
Currency translation differences	(7,891)	(22,514)
Balance at end of year/period	1,548,570	1,469,425
Accumulated impairment		
Balance at beginning and end of year/period	2,857	2,857
Net book amount		
Balance at end of year/period	1,545,713	1,466,568

Goodwill of the Group arose from the acquisition of subsidiaries which was attributable to the synergies expected from the combined operations of the Group, the assembled workforce and their knowledge and experience surrounding lottery and games related businesses in the Chinese Mainland, digital payment and related businesses in Macau and digital banking business in Macau.

After the completion of acquisition of Ant Bank (Macao) in September 2024, the Group reorganized its internal reporting structure which resulted in changes in the composition of its reporting segments. Goodwill is allocated to the Group's cash generating units identified according to the operating segments as follows:

	As at March 31, 2025 HK\$'000	As at March 31, 2024 HK\$'000
Lottery operation	1,040,424	1,048,314
Digital payment and related business	418,253	418,254
Digital banking business	87,036	–
	1,545,713	1,466,568



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

18 GOODWILL (continued)

As at March 31, 2025

As at March 31, 2025, the recoverable amounts of lottery operation CGU and digital payment and related businesses CGU were determined using fair value less costs of disposal ("FVLCD") where the fair value was determined as Level 3 according to accounting principle set out in Note 3.3. FVLCD was primarily determined based on the enterprise value ("EV") divided by sales ("S") ratio ("EV/S ratio") of several comparable public companies multiplied by the forecasted revenue of the related CGU. In performing the impairment testing, the Directors have made reference to a valuation performed by an independent external valuer.

Key assumptions used for FVLCD calculations for lottery operation CGU and digital payment and related business CGU are as follows:

	Lottery operation CGU	Digital payment and related businesses CGU
Forecasted revenue (HK\$'000)	343,886	328,485
EV/S ratio	1.7 – 7.7	1.0 – 5.1

As at March 31, 2025, based on the impairment test performed, the recoverable amounts of lottery operation CGU and digital payment and related business CGU calculated based on FVLCD exceeded their carrying amounts by approximately HK\$135 million and approximately HK\$306 million, respectively, and no impairment of goodwill was recognized.

The following table indicates how the amounts of headroom would have decreased if certain key assumptions used in the forecast had changed, assuming all other assumptions remained constant:

Lottery operation CGU	2025 Headroom decreased by HK\$'000
If forecasted revenue decreases by approximately 5%	(80,238)
If EV/S ratio decreases by approximately 5%	(47,504)
Digital payment and related businesses CGU	2025 Headroom decreased by HK\$'000
If forecasted revenue decreases by approximately 3%	(25,347)
If EV/S ratio decreases by approximately 6%	(56,125)



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

18 GOODWILL (continued)

As at March 31, 2025 (continued)

As at March 31, 2025, the recoverable amount of digital banking business CGU was determined based on value-in-use ("VIU") calculation. The calculation uses pre-tax cash flow projections based on financial forecasts approved by management covering a five-year period. Cash flows beyond the five-year period are extrapolated using the estimated growth rates. In performing the impairment testing, the Directors have made reference to a valuation performed by an independent external valuer.

The key assumptions used for VIU calculations of digital banking business CGU are as follows:

Annual revenue growth rates for next five years	18%-30%
Terminal growth rate	2%
Discount rate	17%

The directors of the Company were of the view that any reasonably possible change in key assumptions used in the VIU calculation of digital banking business CGU would not cause the carrying amount to exceed the recoverable amount.

As at March 31, 2024

As at March 31, 2024, the fair value less costs of disposal of the lottery operation CGU was primarily determined based on an adjusted ratio of enterprise value divided by revenue (the "adjusted EV/Revenue ratio") of 5.3, multiplied by the revenue of the CGU. The adjusted EV/Revenue ratio was determined by comparable public companies chosen based on factors such as industry similarity and company size etc. In performing the impairment test, the Directors have engaged an independent external valuer to assist them with the valuation.

As at March 31, 2024, the management determined that there was no impairment of goodwill related to lottery operation CGU based on the fair value less costs of disposal calculation.

As at March 31, 2024, the fair value less costs of disposal of the digital payment and related business CGU was primarily determined based on adjusted EV/Revenue ratio of 2.3, multiplied by the revenue of the CGU. The adjusted EV/Revenue ratio was determined by comparable public companies chosen based on factors such as industry similarity and company size etc. In performing the impairment test, the Directors have engaged an independent external valuer to assist them with the valuation.

As at March 31, 2024, the management determined that there was no impairment of goodwill related to digital payment and related business CGU based on the fair value less costs of disposal calculation.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

19 OTHER INTANGIBLE ASSETS

	Customer relationship HK\$'000	Business relationship HK\$'000	Brand name HK\$'000	Core deposit intangibles HK\$'000	Club membership HK\$'000	Software HK\$'000	Total HK\$'000
Cost							
Balance at January 1, 2023	106,604	7,476	232,915	–	1,742	32,980	381,717
Currency translation differences	2	–	7	–	–	–	9
Balance at March 31, 2024 and April 1, 2024	106,606	7,476	232,922	–	1,742	32,980	381,726
Addition	–	–	–	–	900	–	900
Acquisition through business combination (Note 42)	–	–	–	28,350	–	–	28,350
Currency translation differences	2	–	5	–	–	–	7
Balance at March 31, 2025	106,608	7,476	232,927	28,350	2,642	32,980	410,983
Accumulated amortization and impairment							
Balance at January 1, 2023	5,468	575	11,946	–	–	15,534	33,523
Amortization charge	8,886	935	19,415	–	–	15,058	44,294
Currency translation differences	–	–	–	–	–	1	1
Balance at March 31, 2024 and April 1, 2024	14,354	1,510	31,361	–	–	30,593	77,818
Amortization charge	7,109	748	15,532	2,779	–	2,295	28,463
Balance at March 31, 2025	21,463	2,258	46,893	2,779	–	32,888	106,281
Net book amount							
Balance at March 31, 2025	85,145	5,218	186,034	25,571	2,642	92	304,702
Balance at March 31, 2024	92,252	5,966	201,561	–	1,742	2,387	303,908



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

19 OTHER INTANGIBLE ASSETS (continued)

Core deposit intangibles was identified as part of the acquisition of Ant Bank (Macao). They are recognized at fair value at the date of acquisition and subsequently amortized on a straight-line based on their estimated useful lives.

Customer relationship, business relationship and brand name were identified as part of the acquisition of Macau Pass Group. They are recognized at fair value at the date of acquisition and subsequently amortized on a straight-line based on their estimated useful lives.

The other intangible asset comprised club membership and the Directors consider that it has indefinite useful life.

Amortization charges of HK\$28,463,000 (for the fifteen months ended March 31, 2024 HK\$44,294,000) had been included in depreciation and amortization expenses in the consolidated statement of profit or loss and other comprehensive income.

20 DEFERRED INCOME TAX

The analysis of deferred income tax assets and deferred income tax liabilities as presented in the consolidated statement of financial position is as follows:

	As at March 31, 2025 HK\$'000	As at March 31, 2024 HK\$'000
Deferred income tax assets	7,638	8,041
Deferred income tax liabilities	40,373	40,156



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

20 DEFERRED INCOME TAX (continued)

The movement in deferred income tax assets and liabilities during the year/period, without consideration of the offsetting of balances within the same tax jurisdiction, is as follows:

Deferred tax assets

	Provision for warranties HK\$'000	Tax losses HK\$'000	Lease liabilities HK\$'000	Total HK\$'000
At January 1, 2023	5,538	3,835	–	9,373
Currency translation differences	(190)	–	–	(190)
Credited/(charged) to profit or loss	805	(2,453)	9,620	7,972
At March 31, 2024 and April 1, 2024	6,153	1,382	9,620	17,155
Currency translation differences	(76)	–	(26)	(102)
Credited/(charged) to profit or loss	789	(1,382)	489	(104)
At March 31, 2025	6,866	–	10,083	16,949



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

20 DEFERRED INCOME TAX (continued)

Deferred tax liabilities

	Investment properties HK\$'000	Intangible assets HK\$'000	Right-of-use assets HK\$'000	Total HK\$'000
At January 1, 2023	4,278	39,481	–	43,759
Currency translation differences	(31)	–	–	(31)
Charged/(credited) to profit or loss	(64)	(3,508)	9,114	5,542
At March 31, 2024 and April 1, 2024	4,183	35,973	9,114	49,270
Currency translation differences	60	1	(26)	35
Acquisition through business combination (Note 42)	–	3,402	–	3,402
(Credited)/charged to profit or loss	(106)	(3,140)	223	(3,023)
At March 31, 2025	4,137	36,236	9,311	49,684

Under the EIT Law of the PRC, withholding tax is imposed on dividends declared in respect of profits earned by the PRC subsidiaries from January 1, 2008 onwards. As at March 31, 2025, no withholding tax had been provided for the earnings of approximately HK\$129,070,000 (as at March 31, 2024: HK\$119,089,000) expected to be retained by the PRC subsidiaries and not to be remitted to a foreign investor in the foreseeable future based on management's estimation of overseas funding requirements.

At the end of the reporting period, the Group has estimated unused tax losses of approximately HK\$1,211,638,000 (as at March 31, 2024: HK\$1,158,285,000) available for offsetting against future profits of the companies in which the losses arose. Included in the estimated unused tax losses are losses of (i) approximately HK\$657,944,000 (as at March 31, 2024: HK\$727,132,000) that will expire within 5 years generally or 10 years for High and New Technology Enterprises and Small Low-Profit Enterprise under the EIT Law of the PRC; and (ii) approximately HK\$139,935,000 (as at March 31, 2024: HK\$46,081,000) that will expire within 3 years under the Macau Complementary Tax Law in Macau. Other estimated unused tax losses of approximately HK\$413,759,000 (as at March 31, 2024: HK\$385,072,000) may be carried forward indefinitely. Some of the tax loss brought forward amounts are subject to review by the tax authority later on once the subsidiaries commence to earn assessable profits.

At the end of the reporting period, the Group has not recognized deferred tax assets in respect of estimated unused tax losses of approximately HK\$1,211,638,000 (as at March 31, 2024: HK\$1,146,769,000) due to unpredictability of future profit streams.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

21 INVESTMENTS ACCOUNTED FOR USING EQUITY METHOD

Associate

The amounts recognized in the consolidated statement of financial position are as follows:

	As at March 31, 2025 HK\$'000	As at March 31, 2024 HK\$'000
Unlisted investment, at cost	–	291
Share of post-acquisition profit or loss and other comprehensive income, net of dividends received	–	(291)
	–	–

The Group's 30% stake in Star N Cloud Network Intelligence Company Limited ("Star N Cloud") was disposed on September 2, 2024. There is no associate held by the Group as at March 31, 2025.

The amounts recognized in the consolidated statement of profit or loss and other comprehensive income are as follows:

	For the year ended March 31, 2025 HK\$'000	For the fifteen months ended March 31, 2024 HK\$'000
The Group's share of:		
Loss from continuing operation	–	–
Post-tax profit or loss from discontinued operations	–	–
Other comprehensive income	–	–
	–	–

The amount of unrecognized share of loss of an associate was approximately HK\$441,000 and cumulative unrecognized loss was approximately HK\$21,205,000 for the fifteen months ended March 31, 2024.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

21 INVESTMENTS ACCOUNTED FOR USING EQUITY METHOD (continued)

Associate (continued)

Details of the Group's associate are as follows:

Name of entity	Place of incorporation	Class of shares held	% of ownership interest		Principal activities	Measurement method
			As at March 31, 2025	As at March 31, 2024		
Star N Cloud Network Intelligence Company Limited	Macau	Ordinary	Nil	30%	I.T. Investment and business consulting	Equity

The associate is a private company and there is no quoted market price available for its shares.

Joint venture

The amounts recognized in the consolidated statement of financial position are as follows:

	As at March 31, 2025 HK\$'000	As at March 31, 2024 HK\$'000
Unlisted investment, at cost	125,845	125,845
Share of post-acquisition profit or loss and other comprehensive income, net of dividends received	(122,922)	(122,922)
Exchange difference	(2,923)	(2,923)
	—	—



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

21 INVESTMENTS ACCOUNTED FOR USING EQUITY METHOD (continued)

Joint venture (continued)

There is no joint venture that is individually material to the Group. The amounts recognized in the consolidated statement of profit or loss and other comprehensive income are as follows:

	For the year ended March 31, 2025 HK\$'000	For the fifteen months ended March 31, 2024 HK\$'000
The Group's share of:		
Loss from continuing operation	—	—
Post-tax profit or loss from discontinued operations	—	—
Other comprehensive income	—	—
	—	—

The amount of unrecognized share of loss and other comprehensive income of a joint venture for the year ended March 31, 2025 was approximately HK\$24,201,000 (for the fifteen months ended March 31, 2024: profit of HK\$1,841,000) and cumulative unrecognized loss was approximately HK\$132,686,000 (for the fifteen months ended March 31, 2024: HK\$108,485,000).

Details of the Group's joint venture are as follows:

Name of entity	Place of incorporation	% of ownership interest		Principal activities	Measurement method
		As at March 31, 2025	As at March 31, 2024		
First Games Technology Private Limited	India	45%	45%	Development and operating platforms for users to participate in and play various games	Equity

The joint venture is a private company and there is no quoted market price available for its shares.

There are no contingent liabilities relating to the Group's interest in the joint venture.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

22 OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	As at March 31, 2025 HK\$'000	As at March 31, 2024 HK\$'000
Other receivables, net of loss allowance	228,438	291,496
Rental, utility and other deposits	33,811	30,363
Prepayments	18,724	11,008
	280,973	332,867
Less non-current portion	(20,272)	(16,224)
	260,701	316,643

As at March 31, 2025, other receivables included amounts due from fellow subsidiaries of approximately HK\$1,697,000 (as at March 31, 2024: HK\$1,706,000), amounts due from related parties of approximately HK\$66,563,000 (as at March 31, 2024: HK\$57,395,000), amount due from a joint venture less loss allowance of HK\$Nil (as at March 31, 2024: HK\$10,521,000) and loan to a former associate less loss allowance of HK\$Nil (as at March 31, 2024: HK\$38,732,000).

The loan to a former associate, Star N Cloud, had been repaid in full by Star N Cloud upon completion of the disposal of a 30% stake in Star N Cloud by the Group on September 2, 2024. As at March 31, 2024, the loan to Star N Cloud amounted to approximately HK\$38,796,000 and was unsecured, interest-free and repayable on demand. Provision for loss allowance of HK\$64,000 was made on this loan as at March 31, 2024.

Except for the above balances, other balances were unsecured, interest-free and repayable on demand.

The fair value of other receivables and deposits approximated to their carrying amount.

The carrying amounts of the other receivables and deposits were mainly denominated in RMB, MOP, US\$ and HK\$.

The maximum exposure to credit risk at the reporting date was the carrying value of each class of receivables mentioned above. The Group did not hold any collateral as security.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

23 INVENTORIES

	As at March 31, 2025 HK\$'000	As at March 31, 2024 HK\$'000
Raw materials	9,652	10,795
Finished goods	11,967	9,991
	21,619	20,786

The cost of inventories recognized as expense and included in 'purchase of and changes in inventories' amounted to approximately HK\$88,011,000 (for the fifteen months ended March 31, 2024: HK\$114,499,000). The amount of inventory write-downs for the year ended March 31, 2025 was approximately HK\$Nil (for the fifteen months ended March 31, 2024: HK\$Nil).

24 TRADE RECEIVABLES

	As at March 31, 2025 HK\$'000	As at March 31, 2024 HK\$'000
Trade receivables	21,033	20,225
Loss allowance	(25)	(60)
	21,008	20,165

The credit terms granted to customers normally not more than 90 days and are generally the result of negotiations between individual customers and the Group. No interest is charged on trade receivables.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

24 TRADE RECEIVABLES (continued)

Ageing analysis of trade receivables based on the date of the relevant invoice or demand note before loss allowance was as follows:

	As at March 31, 2025 HK\$'000	As at March 31, 2024 HK\$'000
0 to 30 days	19,021	17,993
31 to 60 days	417	784
61 to 90 days	363	218
91 to 120 days	538	602
121 to 365 days	694	416
Over 365 days	—	212
	21,033	20,225

As at March 31, 2025, trade receivables of approximately HK\$19,801,000 (as at March 31, 2024: HK\$18,995,000) were full performing.

As at March 31, 2025, trade receivables of approximately HK\$1,232,000 (as at March 31, 2024: HK\$1,230,000) were past due. These relate to a number of independent customers for whom there is no recent history of default.

As at March 31, 2025, the expected credit loss identified was approximately HK\$25,000 (as at March 31, 2024: HK\$60,000). During the year ended March 31, 2025, HK\$35,000 loss allowance was reversed (for the fifteen months ended March 31, 2024: loss allowance of HK\$43,000 was recognized).

The fair value of trade receivables approximated to their carrying amount. The carrying amounts of trade receivables were mainly denominated in RMB and MOP.

The maximum exposure to credit risk at the reporting date was the carrying value of trade receivables. The Group did not hold any collateral as security.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

25 CASH AND BANK BALANCES

	As at March 31, 2025 HK\$'000	As at March 31, 2024 HK\$'000
Cash and balances with banks (Note)	1,055,891	1,165,914
Placement with banks		
– with original maturity of three months or less	577,877	–
– with original maturity over three months	673,571	–
Fixed deposits held at bank with original maturity over three months	224,529	201,439
Pledged bank deposits	2,175	1,560
Restricted cash	5,061	5,061
	2,539,104	1,373,974

Note: Cash and balances with banks comprised cash in hand, deposits held at call with bank, other short-term liquid investments with original maturities of three months or less.

	As at March 31, 2025 HK\$'000	As at March 31, 2024 HK\$'000
Cash and cash equivalents comprise:		
– Cash and balances with banks	1,055,891	1,165,914
– Placement with banks with original maturity of three months or less	577,877	–
– Monetary bills with AMCM with original maturity of three months or less	219,240	–
– Deposits with AMCM	71,882	–
– Less: minimum deposit balance with AMCM*	(36,472)	–
	1,888,418	1,165,914

* According to the statutory requirement in Macau, Ant Bank (Macao) is required to maintain minimum balance in its current accounts in MOP with AMCM in compliance with liquidity rules.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

25 CASH AND BANK BALANCES (continued)

Cash and cash equivalents comprised cash in hand, deposits held at call with bank, other short-term highly liquid investments with original maturities of three months or less, monetary bills and deposits with AMCM and placements with banks with original maturity within three months, less minimum deposit balance with AMCM, carrying effective interest ranging from 0.001% to 3.94% (as at March 31, 2024: 0.001% to 4.7%) per annum.

As at March 31, 2025, fixed deposits held at bank with original maturity over three months carried effective interest ranging from 4.28% to 4.41% per annum (as at March 31, 2024: ranging from 4.25% to 5.55% per annum).

As at March 31, 2025, placement with banks with original maturity over three months by Ant Bank (Macao) carried effective interest ranging from 3.63% to 4.25% per annum (as at March 31, 2024: Nil).

Pledged bank deposits represented deposits pledged with banks to secure letters of guarantee granted to the Group carrying effective interest at Nil (as at March 31, 2024: Nil) per annum. The pledged bank deposits will be released upon expiry of the relevant letters of guarantee.

Cash and bank balance above included approximately HK\$5,042,000 (as at March 31, 2024: approximately HK\$5,042,000) which are held by trustees of the Company for purchases of shares under share award scheme. These deposits are not available for general use by the Group. In addition, a restricted bank deposit was held for performance guarantees provided by a Macau bank in favor of the Macau government for service projects of Macau Pass S.A. to the extent of approximately HK\$19,000 (as at March 31, 2024: approximately HK\$19,000). The bank guarantees are secured by the restricted bank deposit provided by the Group amounting to approximately HK\$19,000 (as at March 31, 2024: approximately HK\$19,000).

Cash and bank balance included prepayments and deposit from Macau Pass Card or MPay account holders. For details, please refer to Note 31.

As at March 31, 2025, a loss allowance of approximately HK\$608,000 (as at March 31, 2024: HK\$121,000) is provided for cash and bank balances.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

25 CASH AND BANK BALANCES (continued)

As at March 31, 2024 and 2025, cash and bank balances were denominated in the following currencies:

	As at March 31, 2025 HK\$'000	As at March 31, 2024 HK\$'000
HK\$	1,267,922	400,033
RMB	126,127	122,466
MOP	241,030	336,379
United States dollars	894,724	514,854
Others	9,301	242
	2,539,104	1,373,974

RMB is currently not a freely convertible currency in the international market. The conversion of RMB into foreign currencies and remittance of RMB out of the PRC are subject to the rules and regulations of the foreign exchange control promulgated by the PRC government.

26 LOANS AND ADVANCES TO CUSTOMERS

	As at March 31, 2025 HK\$'000	As at March 31, 2024 HK\$'000
Loans and advances to customers	311,909	–
Less: Allowances for impairment losses		
– Stage 1	(3,008)	–
– Stage 2	(48)	–
– Stage 3	(1,050)	–
Allowances for impairment losses	(4,106)	–
	307,803	–
Less non-current portion	(33,501)	–
	274,302	–

At March 31, 2025, the accrued interest of loans and advances to customers was HK\$12,685,000 (as at March 31, 2024: Nil).



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

26 LOANS AND ADVANCES TO CUSTOMERS (continued)

An analysis of changes in the gross carrying amount of loans and advances to customers and corresponding impairment allowances is as follows:

March 31, 2025	Gross carrying amount			Total HK\$'000
	Stage 1 HK\$'000	Stage 2 HK\$'000	Stage 3 HK\$'000	
Balance at beginning of year	–	–	–	–
Acquisition of Ant Bank (Macao)	175,857	176	997	177,030
New exposures originated	203,408	30	16	203,454
Payments and assets derecognized	(68,372)	–	(203)	(68,575)
Transfer	(443)	(119)	562	–
Balance at end of year	310,450	87	1,372	311,909

March 31, 2025	Impairment allowances			Total HK\$'000
	Stage 1 HK\$'000	Stage 2 HK\$'000	Stage 3 HK\$'000	
Balance at beginning of year	–	–	–	–
Acquisition of Ant Bank (Macao)	2,310	55	748	3,113
New exposures originated	1,689	17	7	1,713
Transfer	(9)	(24)	33	–
(Reversal)/charge for the year	(982)	–	262	(720)
Balance at end of year	3,008	48	1,050	4,106

27 MONETARY BILLS WITH AMCM

	As at March 31, 2025 HK\$'000	As at March 31, 2024 HK\$'000
Monetary bills with AMCM with original maturity of three months or less	219,240	–
Monetary bills with AMCM with original maturity over three months	777,040	–
	996,280	–



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

28 CONTRACT LIABILITIES

	As at March 31, 2025 HK\$'000	As at March 31, 2024 HK\$'000
Contract liabilities in relation to lottery hardware sales	94	7,224
Contract liabilities in relation to provision of e-wallet services	4,483	4,662
Contract liabilities in relation to provision of payment card services and ancillary services	456	391
Contract liabilities in relation to payment-related hardware sales	53	4
Total current contract liabilities	5,086	12,281

The following table shows how much of the revenue recognized in the current reporting period relates to carried-forward contract liabilities.

	For the year ended March 31, 2025 HK\$'000	For the fifteen months ended March 31, 2024 HK\$'000
Revenue recognized that was included in the contract liability balance at the beginning of year/period		
Lottery hardware sales	7,130	13,748
Provision of e-wallet services	4,662	16,065
Provision of payment card services and ancillary services	66	262
Provision of lottery offline distribution and other integrated services	–	247
Payment-related hardware sales	–	223
	11,858	30,545



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

29 TRADE PAYABLES

Ageing analysis of the trade payables based on invoice date was as follows:

	As at March 31, 2025 HK\$'000	As at March 31, 2024 HK\$'000
0 to 30 days	21,310	17,532
31 to 60 days	180	563
61 to 90 days	—	—
91 to 120 days	111	167
121 to 365 days	86	1,368
Over 365 days	956	2,205
	22,643	21,835

The average credit period is 30 days.

The Group has financial risk management policies in place to ensure that all payables are paid within the credit timeframe. Trade payables were non-interest bearing. The carrying amount of trade payables is approximated to its fair value.

30 ACCRUALS AND OTHER PAYABLES

	As at March 31, 2025 HK\$'000	As at March 31, 2024 HK\$'000
Accrued expenses	32,302	24,777
Other payables	341,634	411,656
	373,936	436,433
Less non-current portion	(3,331)	(2,533)
	370,605	433,900



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

30 ACCRUALS AND OTHER PAYABLES (continued)

As at March 31, 2025, other payables included amounts due to fellow subsidiaries of approximately HK\$47,594,000 (as at March 31, 2024: HK\$45,962,000) and amounts due to related parties of approximately HK\$56,353,000 (as at March 31, 2024: HK\$10,674,000), which were unsecured, interest-free and repayable on demand.

The Group has financial risk management policies in place to ensure that all payables are paid within the credit time frame. Other payables were non-interest-bearing.

The other payables were mainly denominated in RMB and MOP.

The fair value of other payables approximated to their carrying amounts.

31 FLOATS BALANCE DUE TO CARD OR ACCOUNT HOLDERS AND CARD DEPOSITS DUE TO CARDHOLDERS

Floats balance due to card or account holders represent the balances of prepayment from Macau Pass Card or MPay account holders in relation to the digital payment business in Macau. The balances are repayable on demand and management expects the majority of the floats balance will be utilized in the coming 12 months.

Card deposits due to cardholders represent the deposits from Macau Pass Card holders in relation to the digital payment business in Macau. The balances are repayable on demand upon the return of the cards to the Company, management expects the majority of the deposits will not be redeemable in the coming 12 months.

Under the regulations of AMCM, the total amount of cash and bank deposits and net receivables from participating service providers of Macau Pass S.A. should not be less than the aggregate amount of floats balance due to card or account holders, card deposits and net payables to participating service providers at all times.

32 DEPOSITS FROM CUSTOMERS

	As at March 31, 2025 HK\$'000	As at March 31, 2024 HK\$'000
By type:		
– current and saving accounts	955,591	–
– time and other deposits	1,442,935	–
	2,398,526	–



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

33 DEFERRED CONSIDERATION PAYABLE

	As at March 31, 2025 HK\$'000	As at March 31, 2024 HK\$'000
Balance at beginning of year/period	–	74,307
Imputed interest expense	–	1,675
Payment of deferred consideration	–	(75,982)
Balance at end of year/period	–	–

According to the terms of the sale and purchase agreement for the acquisition of Macau Pass Group, the deferred consideration payable subject to the downward adjustment mechanism and the fulfillment of the payment conditions, an amount equal to HK\$77,800,000 (or the balance thereof after the adjustment(s), if any) shall be paid to the sellers on the date falling on the first anniversary after March 24, 2022 (or the next Business day if such anniversary falls on a non-business day). For details, please refer to the circular of the Company dated October 29, 2021. The deferred consideration payable from acquisition of Macau Pass Group as at March 24, 2022 was estimated to be approximately HK\$70,159,000.

During the fifteen months ended March 31, 2024, the respective deferred consideration payable of approximately HK\$75,982,000 was paid.

34 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	As at March 31, 2025 HK\$'000	As at March 31, 2024 HK\$'000
Convertible term loans	10,986	81,910

As at March 31, 2025, financial assets at fair value through profit or loss in the sum of approximately HK\$11.0 million represents the convertible term loan facilities in the maximum amount of INR1,319.4 million (or approximately HK\$137.3 million) which had been provided by the Group to, and fully utilized by, its joint venture company in India, First Games Technology Private Limited (the "JV"). A fair value loss of such financial assets of approximately HK\$70.9 million was recognized for the year ended March 31, 2025 (for the fifteen months ended March 31, 2024: fair value gain of approximately HK\$3.1 million).



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

34 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (continued)

The convertible term loans are unsecured and are repayable on the dates falling after 60 months from the respective dates of their utilization (the "Final Repayment Dates") or can be converted into fully paid up shares of the JV either at the option of the Group (upon the occurrence of an event of default by the JV under the facility) or otherwise by mutual agreement among the JV, One97 Communications Limited ("One97") and the Group. The conversion price per share of the JV shall be equal to or higher than the fair market value per share of the JV subject to applicable law and to be determined by a qualified merchant banker, chartered accountant or practicing cost accountant mutually appointed by the JV and the Group in accordance with internationally acceptable pricing methodology for valuation on arm's length basis.

Valuation techniques

The convertible term loans are treated as financial assets at fair value through profit or loss of the Group and are subject to fair value measurement (determined by recovery method to estimate the fair value) at discount rates with reference to the government bond benchmark yield curve as at the valuation date.

Information about fair value measurement using significant unobservable inputs (level 3) – convertible term loans

As at March 31, 2025

Description	Fair value (HK\$'000)	Valuation technique	Unobservable inputs	Rate	Relationship of unobservable inputs to fair value
Convertible term loans	10,986	Recovery method	Discount rate	6.44%	The higher the discount rate, the lower the fair value

As at March 31, 2024

Description	Fair value (HK\$'000)	Valuation technique	Unobservable inputs	Range (Weighted average)	Relationship of unobservable inputs to fair value
Convertible term loans	81,910	Discounted cash flow	Discount rate	35.26% to 35.46%	The higher the discount rate, the lower the fair value

If the discount rate has increased/decreased by 0.5%, with all other variables held constant, the fair values of the convertible term loans would change by approximately –HK\$165,000/+HK\$168,000 (as at March 31, 2024: approximately –HK\$755,000/+HK\$745,000).



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

34 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (continued)

There has been a change in valuation techniques, from the discounted cash flow method used for the valuation as of March 31, 2024, to the recovery method for the valuation as of March 31, 2025, after taking into account the likelihood of recoverability of those convertible term loans which are due in 2026 onwards.

As the convertible term loans are accounted for as financial assets at fair value through profit or loss of the Group and are subject to fair value measurement by way of the valuation technique mentioned above, no interests on the convertible term loans will be accrued or recognized by the Group during their tenure. However, in the event that the Group does not elect to exercise its right to convert all or any part of the convertible term loans into shares of the JV on or before the Final Repayment Dates, the JV shall repay the unpaid interests (calculated at the rate of 8% per annum) and the outstanding principal amounts of the convertible term loans on the respective Final Repayment Dates.

35 PROVISION FOR WARRANTIES

	As at March 31, 2025 HK\$'000	As at March 31, 2024 HK\$'000
Balance at beginning of year/period	41,020	36,921
Amount charged to profit or loss (Note 10)	11,994	13,998
Amounts utilized	(6,734)	(8,629)
Currency translation differences	(509)	(1,270)
Balance at end of year/period	45,771	41,020
Less non-current portion	(34,517)	(30,765)
	11,254	10,255

The Group provides warranties to its customers on certain of its products, under which faulty products are repaired or replaced. The amount of provision for the warranties was estimated based on sales volumes and past experience of the level of repairs and returns. The estimation basis is reviewed on an ongoing basis and revised where appropriate.

At the end of the reporting period, the Group estimated that provision for warranties are expected to be utilized in six years (as at March 31, 2024: six years).

Provision for warranties of approximately HK\$11,994,000 (for the fifteen months ended March 31, 2024: HK\$13,998,000) was included in 'other operating expenses'.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

36 SHARE CAPITAL

	Number of shares (in thousand)	HK\$'000
Authorized:		
Ordinary shares of HK\$0.002 each	20,000,000	40,000
Issued and fully paid:		
At March 31, 2024 and 2025	11,672,342	23,344

37 DIVIDEND

The Board does not recommend the payment of a final dividend for the year ended March 31, 2025 (for the fifteen months ended March 31, 2024: Nil).

38 SHARE-BASED PAYMENT TRANSACTIONS

Share option scheme prior to November 17, 2014 (“2004 Share Option Scheme”)

The 2004 Share Option Scheme was adopted pursuant to a resolution passed on November 18, 2004 for the primary purpose of providing incentives to Directors and eligible participants (as defined in the 2004 Share Option Scheme). Under the 2004 Share Option Scheme, the Board may at its discretion grant options to eligible employees, including Directors of the Company and its subsidiaries, certain consultants, suppliers or customers of the Group who, in the sole discretion of the Board, have contributed or will contribute or can contribute to the Group, to subscribe for shares in the Company from time to time.

The 2004 Share Option Scheme is valid for a period of 10 years commencing on the adoption date of November 18, 2004 and was expired in 2014. Thereafter, no further options would be granted under the 2004 Share Option Scheme but the subsisting options granted thereunder prior to the expiry date will continue to be valid and exercisable in accordance with the terms of the 2004 Share Option Scheme.

All options granted under the share option scheme adopted by the Company on November 18, 2004 had lapsed in 2019.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

38 SHARE-BASED PAYMENT TRANSACTIONS (continued)

Share option scheme on or after December 23, 2014 ("2014 Share Option Scheme")

The 2014 Share Option Scheme was adopted pursuant to a resolution passed on December 23, 2014 for the primary purpose of providing incentives to Directors and eligible participants (as defined in the 2014 Share Option Scheme). Under the 2014 Share Option Scheme, the Board may at its discretion grant options to eligible employees, including Directors of the Company and its subsidiaries, certain consultants, suppliers or customers of the Group who, in the sole discretion of the Board, have contributed or will contribute or can contribute to the Group, to subscribe for shares in the Company from time to time.

The 2014 Share Option Scheme is valid for a period of 10 years commencing on the adoption date of December 23, 2014, subject to early termination by the Company by ordinary resolution in a general meeting. The 2014 Share Option Scheme was terminated at the conclusion of the annual general meeting of the Company held on September 9, 2024.

During the year ended March 31, 2025 and fifteen months ended March 31, 2024, no share options were granted by the Company pursuant to the 2014 Share Option Scheme and no options were exercised. All options granted under the 2014 Share Option Scheme had expired during 2020. As at March 31, 2025, there were no outstanding options granted by the Company pursuant to any share option scheme.

Share option scheme of the Company adopted on September 9, 2024 ("2024 Share Option Scheme")

The 2024 Share Option Scheme was adopted by the Company at the conclusion of the annual general meeting of the Company held on September 9, 2024 and the 2014 Share Option Scheme was then terminated. The Stock Exchange granted the approval for the listing of, and the permission to deal in, the shares of the Company to be issued pursuant to the exercise of the options granted under the 2024 Share Option Scheme on September 10, 2024.

From the effective date of the 2024 Share Option Scheme up to March 31, 2025, no options were granted by the Company and no options were exercised, cancelled or lapsed pursuant to the 2024 Share Option Scheme. As at March 31, 2025, the number of Shares in respect of options which had been granted and remained outstanding under the 2024 Share Option Scheme was nil.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

38 SHARE-BASED PAYMENT TRANSACTIONS (continued)

Share award scheme ("Share Award Scheme")

The Company has adopted the Share Award Scheme on March 17, 2017 (the "Adoption Date") which allows the Company to grant award Shares to selected participants as incentives and/or rewards for their contribution to the Group.

Set out below are a summary of all the grants of award Shares under the Share Award Scheme since the Adoption Date up to and including March 31, 2025:

Date of grant	Grantees	Number of award Shares granted	Approximate% of issued share capital of the Company as at the relevant financial year end date	Closing market price per Share at the relevant date of grant HK\$	Aggregate market value of the relevant award Shares granted (based on closing market price at the relevant date of grant) HK\$
May 15, 2017	Directors and eligible employees	100,618,500	0.9% as at December 31, 2017	1.33	133,822,605
January 10, 2018	Certain eligible persons	28,800,000	0.26% as at December 31, 2018	1.26	36,288,000
September 11, 2018	Director and certain eligible persons	75,690,000	0.67% as at December 31, 2018	0.58	43,900,200
May 17, 2019	Certain eligible persons	55,200,000	0.47% as at December 31, 2019	0.45	24,840,000
December 9, 2019	Director and certain eligible persons	16,100,000	0.14% as at December 31, 2019	0.315	5,071,500
May 20, 2020	Director and certain eligible persons	52,744,000	0.45% as at December 31, 2020	0.48	25,317,120
December 17, 2021	Certain eligible persons	8,500,000	0.07% as at December 31, 2021	0.255	2,167,500
August 12, 2022	Director and certain eligible persons	46,568,900	0.40% as at December 31, 2022	0.275	12,806,448
November 9, 2022	Certain eligible persons	18,000,000	0.15% as at December 31, 2022	0.255	4,590,000
March 29, 2023	Certain eligible persons	11,300,000	0.10% as at March 31, 2024	0.255	2,881,500
May 11, 2023	Directors and certain eligible persons	30,800,000	0.26% as at March 31, 2024	0.25	7,700,000
November 9, 2023	Certain eligible persons	16,800,000	0.14% as at March 31, 2024	0.203	3,410,400
March 6, 2024	Certain eligible persons	15,900,000	0.14% as at March 31, 2024	0.225	3,577,500
June 25, 2024	Director and certain eligible persons	58,950,000	0.51% as at March 31, 2025	0.195	11,495,250
November 28, 2024	Certain eligible persons	45,297,421	0.39% as at March 31, 2025	0.201	9,104,782
Total:		581,268,821			



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

38 SHARE-BASED PAYMENT TRANSACTIONS (continued)

Share award scheme ("Share Award Scheme") (continued)

All of the 581,268,821 award Shares shall be granted by way of acquisition of existing Shares from the market by the trustee of the Share Award Scheme (the "Trustee"). The Board shall cause to pay the Trustee the purchase price and the related expenses from the Company's cash resources. The Trustee shall purchase from the market the relevant number of award Shares and shall hold the award Shares on trust for the relevant selected participants until they are vested in such selected participants and delivered in accordance with the terms of the Share Award Scheme. There is no condition, performance target or lock up restriction attached to the award Shares.

In the event that the Board elects to issue new Shares to satisfy any award Shares to be granted under the Share Award Scheme in the future, the maximum number of new Shares so issued shall be limited to 3% of the total issued Shares as at the Adoption Date (i.e. 315,426,263 Shares). The total number of issued Shares as at the Adoption Date was 10,514,208,770.

	Directors	Eligible employees	Total
Outstanding at January 1, 2023	1,692,000	77,863,900	79,555,900
Granted during the period	13,000,000	61,800,000	74,800,000
Vested during the period	(1,596,000)	(13,669,450)	(15,265,450)
Forfeited during the period	–	(32,525,000)	(32,525,000)
Outstanding at March 31, 2024 and April 1, 2024	13,096,000	93,469,450	106,565,450
Granted during the year	6,000,000	98,247,421	104,247,421
Vested during the year	(3,346,000)	(35,893,020)	(39,239,020)
Forfeited during the year	–	(22,400,000)	(22,400,000)
Outstanding at March 31, 2025	15,750,000	133,423,851	149,173,851

The award Shares shall be vested over four years period and the fair value was determined based on the published closing price of the Company's shares at the respective grant dates. The expected dividends during the vesting period have been taken into account when assessing the fair value of these awarded shares. The weighted average fair value of award Shares granted during the year ended March 31, 2025 was HK\$0.198 per share (for the fifteen months ended March 31, 2024: HK\$0.235 per share).



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

39 COMMITMENTS

(a) Commitments under operating leases

The Group as lessor

Property rental income earned during the year ended March 31, 2025 was approximately HK\$3,432,000 (for the fifteen months ended March 31, 2024: HK\$4,225,000). All of the Group's investment properties are held for rental purposes. The properties held have committed tenants within one year.

At the end of the reporting period, the Group had contracted with tenants for the following future minimum lease payments:

	As at March 31, 2025 HK\$'000	As at March 31, 2024 HK\$'000
Within one year	3,763	1,058
In the second to fifth years inclusive	1,098	–
	4,861	1,058

(b) Credit commitment

The following is a summary of contractual amount of credit commitment from the digital banking business at the end of the reporting period.

	As at March 31, 2025 HK\$'000	As at March 31, 2024 HK\$'000
Bank guarantee issued	2,427	–



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

40 RELATED PARTY TRANSACTIONS

In addition to those disclosed elsewhere in these consolidated financial statements, the following transactions were carried out with related parties:

(a) Sales of services

	Note	For the year ended March 31, 2025 HK\$'000	For the fifteen months ended March 31, 2024 HK\$'000
Revenue of digital payment business from related parties	(i)	7,251	14,598
Revenue of digital payment business from fellow subsidiaries	(i)	144	–
Revenue of lifestyle, culture and entertainment and e-commerce business from fellow subsidiaries	(ii)	124	454



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

40 RELATED PARTY TRANSACTIONS (continued)

(a) Sales of services (continued)

Notes:

- (i) This represents the revenue received from fellow subsidiaries and related parties for digital payment business which is based on pre-determined fee basis as stipulated in the agreement.
- (ii) This represents the revenue received from fellow subsidiaries for lifestyle, culture and entertainment and e-commerce business which is based on pre-determined fee basis as stipulated in the agreement.

(b) Purchases of goods and services

		For the year ended March 31, 2025 HK\$'000	For the fifteen months ended March 31, 2024 HK\$'000
	Note		
Recharge for service fees for digital payment business from related parties	(i)	39,746	69,483
Recharge for lottery operation from fellow subsidiaries	(ii)	138	6,491
Purchase of technology services (including outsourced resources) from fellow subsidiaries	(iii)	12,035	6,108
Purchase of technology services (including outsourced resources) from related parties	(iii)	14,370	3,336
Recharge for management and administrative services from fellow subsidiaries	(iv)	2,578	5,462
Purchase of marketing services for lottery distribution business from a fellow subsidiary	(v)	–	102
Purchase of marketing services for digital payment business from a related party	(vi)	–	1,228
Recharge for rental services from fellow subsidiaries	(vii)	554	660
Recharge for rental services from related parties	(vii)	62	–
Recharge of resources sharing services from related parties	(viii)	952	–



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

40 RELATED PARTY TRANSACTIONS (continued)

(b) Purchases of goods and services (continued)

Notes:

- (i) This represents the recharge for service fees for digital payment business from related parties which are based on pre-determined fee basis as stipulated in the agreement.
- (ii) This represents the recharge for lottery operation from fellow subsidiaries which is based on pre-determined fee basis as stipulated in the agreement.
- (iii) This represents the service fee on technology services (including outsourced resources) provided by fellow subsidiaries and related parties which is charged based on the actual usage of those services.
- (iv) This represents the recharge of management and administrative services from fellow subsidiaries which is fully exempted from the connected transaction requirements under Rule 20.96 of the GEM Listing Rules.
- (v) This represents the marketing fees paid/payable to a fellow subsidiary for supply of products for lottery distribution business based on prices that would be available to independent third parties. This transaction is fully exempted from the connected transaction requirements under Rule 20.74 of the GEM Listing Rules.
- (vi) This represents the marketing fees paid/payable to a related party for digital payment business based on prices that would be available to independent third parties. This transaction is fully exempted from the connected transaction requirements under Rule 20.74 of the GEM Listing Rules.
- (vii) This represents the recharge of rental services from fellow subsidiaries and related parties which is fully exempted from the connected transaction requirements under Rule 20.74 of the GEM Listing Rules.
- (viii) This represents the recharge for resources sharing services from related parties which is based on pre-determined fee basis as stipulated in the agreement.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

40 RELATED PARTY TRANSACTIONS (continued)

(c) Key management compensation

The remuneration of the Directors (who are the key management personnel of the Group) during the year was as follows:

	For the year ended March 31, 2025 HK\$'000	For the fifteen months ended March 31, 2024 HK\$'000
Short-term employee benefits	8,012	9,830
Share-based payments	1,526	3,399
Post-employment benefits	415	445
	9,953	13,674

(d) Loan to related parties

	As at March 31, 2025 HK\$'000	As at March 31, 2024 HK\$'000
Loan to an associate, net of loss allowance	–	38,732
Convertible term loans to a joint venture (Note 34)	10,986	81,910



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

41 DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS

The remuneration of every Director and the chief executive is set out below:

For the year ended March 31, 2025

	Fees HK\$'000	Salaries and other benefits in kind HK\$'000	Discretionary bonuses HK\$'000	Share-based payments (Note (i)) HK\$'000	Contributions to retirement benefit schemes HK\$'000	Total emoluments HK\$'000
Executive Directors:						
Mr. Sun Ho	2,156	3,044	400	720	240	6,560
Ms. Hu Taoye	–	1,686	130	806	175	2,797
Non-executive Directors:						
Mr. Tung Pen Hung (iii) (viii)	–	–	–	–	–	–
Ms. Qin Yuehong (iii)	–	–	–	–	–	–
Mr. Ji Gang	–	–	–	–	–	–
Mr. Zou Liang (vii)	–	–	–	–	–	–
Independent non-executive Directors:						
Mr. Chow Siu Lui	200	–	–	–	–	200
Mr. Chan Ka Leong (v)	182	–	–	–	–	182
Ms. Yuen Kit Ming Fanny (vi)	176	–	–	–	–	176
Mr. Feng Qing (iv)	19	–	–	–	–	19
Dr. Gao Jack Qunyao (iv)	19	–	–	–	–	19
Total emoluments	2,752	4,730	530	1,526	415	9,953



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

41 DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS (continued)

For the fifteen months ended March 31, 2024

	Fees HK\$'000	Salaries and other benefits in kind HK\$'000	Discretionary bonuses HK\$'000	Share-based payments (Note (i)) HK\$'000	Contributions to retirement benefit schemes HK\$'000	Total emoluments HK\$'000
Executive Directors:						
Mr. Sun Ho	2,496	3,426	858	1,173	286	8,239
Ms. Hu Taoye	–	1,968	332	2,226	159	4,685
Non-executive Directors:						
Mr. Tung Pen Hung (iii) (viii)	–	–	–	–	–	–
Ms. Qin Yuehong (iii)	–	–	–	–	–	–
Mr. Liu Zheng (ii)	–	–	–	–	–	–
Mr. Li Jie (ii)	–	–	–	–	–	–
Mr. Ji Gang	–	–	–	–	–	–
Mr. Zou Liang (vii)	–	–	–	–	–	–
Independent non-executive Directors:						
Mr. Chow Siu Lui	250	–	–	–	–	250
Mr. Feng Qing (iv)	250	–	–	–	–	250
Dr. Gao Jack Qunyao (iv)	250	–	–	–	–	250
Total emoluments	3,246	5,394	1,190	3,399	445	13,674



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

41 DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS (continued)

Notes:

- (i) Share-based payments represent estimated money value of the share options and share awards granted to the Directors and chief executive, for details of which, please refer to Note 38 above.
- (ii) Resigned on May 12, 2023.
- (iii) Appointed on May 12, 2023.
- (iv) Resigned on May 3, 2024.
- (v) Appointed on May 3, 2024.
- (vi) Appointed on May 14, 2024.
- (vii) Retired on September 9, 2024.
- (viii) Resigned on January 10, 2025.

Mr. Sun Ho is also the chief executive and his emoluments disclosed above include those for services rendered by him as the chief executive.

No emoluments were paid by the Group to any of the Directors as an inducement to join or upon joining the Group or as compensation for loss of office (whether in the capacity as Director or any other capacity while Director) during the year ended March 31, 2025 (for the fifteen months ended March 31, 2024: Nil). None of the Directors waived or agreed to waive their emoluments during the year ended March 31, 2025 (for the fifteen months ended March 31, 2024: Nil).

There are no loans, quasi-loans or other dealings in favour of Directors, their controlled bodies corporate and connected entities with such Directors during the year ended March 31, 2025 (for the fifteen months ended March 31, 2024: Nil).

Save as disclosed under the section headed "DIRECTORS' MATERIAL INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS" in the Directors' Report of this annual report, 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 had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year ended March 31, 2025 (for the fifteen months ended March 31, 2024: None).



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

42 BUSINESS COMBINATION

On September 2, 2024, the Group completed the attainment of the controlling stake in Ant Bank (Macao) and holds approximately 51.5% of the issued share capital of Ant Bank (Macao), which has become an indirect non-wholly owned subsidiary of the Company. The results of Ant Bank (Macao) have been consolidated into the Group's since then. Ant Bank (Macao) is principally engaged in digital banking services in Macau, including (i) the provision of digital banking services for individuals and SMEs (including deposits, loans, transfers and cross-border remittances, cross-border e-commerce/supply chain financing, wealth management, etc.); (ii) the provision of internet securities investment services; and (iii) the provision of insurance agency services.

Acquisition-related costs amounting to approximately HK\$2,294,000 have been excluded from the consideration transferred and have been recognized directly as an expense for the year ended March 31, 2025 within the "other operating expenses" line item in the consolidated statement of profit or loss and other comprehensive income of the Group.

Total considerations transferred:

	HK\$'000
Consideration:	
– Cash consideration	129,320
– Capital contribution	145,631
Fair value of the consideration	274,951



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

42 BUSINESS COMBINATION (continued)

The assets and liabilities recognized as a result of the acquisition are as follows:

	HK\$'000
Property, plant and equipment	343
Right-of-use assets	14,268
Intangible assets	28,350
Trade and other receivables	46,854
Loans and advances to customers	173,917
Cash and bank balances	453,488
Monetary bills with AMCM	845,458
Deposits with AMCM	36,516
Trade and other payables	(57,000)
Deposits from customers	(1,159,641)
Lease liabilities	(14,268)
Deferred tax liabilities	(3,402)
Fair value of identifiable net assets of Ant Bank (Macao)	364,883
Goodwill arising on acquisition:	
Fair value of the consideration	274,951
Less: Net identifiable assets acquired	
Fair value of identifiable net assets of Ant Bank (Macao) held by the Group (approximately 51.5% of issued share capital of Ant Bank (Macao))	(187,915)
Goodwill	87,036
Net cash outflow/(inflow) arising on acquisition:	
Consideration paid in cash	129,320
Capital contribution	145,631
Less: cash and cash equivalents acquired	(398,728)
	(123,777)



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

42 BUSINESS COMBINATION (continued)

The goodwill is attributable to (i) the synergy between the digital payment business of the Group in Macau with the digital banking businesses (e.g. deposits, credit loans and cross-border remittance) of Ant Bank (Macao) to connect scenarios and resources of the ecosystem with payment plus inclusive finance to meet the consumption and financing needs of Macau residents and small and medium-sized merchants; and (ii) synergy with different business units of the Group such as lifestyle, cultural and entertainment and e-commerce businesses with the resources of the ecosystems of the Alibaba Group and the Ant Group. None of the goodwill is expected to be deductible for tax purpose.

The cash and bank balances of Ant Bank (Macao) acquired included portion of capital injection owned by the Group.

The acquired Ant Bank (Macao) contributed revenue of approximately HK\$67,761,000 and loss of approximately HK\$17,402,000 to the Group for the period from September 2, 2024 to March 31, 2025.

If the acquisition had been effected on April 1, 2024, the consolidated pro-forma revenue and loss for the year of the Group would have been approximately HK\$642,129,000 and approximately HK\$121,309,000 respectively. The aforesaid pro forma information is for illustrative purposes only and is not necessarily an indication of revenue and results of operations of the Group that actually would have been achieved had the acquisition been completed on April 1, 2024, nor is it intended to be a projection of future results.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

43 STATEMENT OF FINANCIAL POSITION OF THE COMPANY

	As at March 31, 2025 HK\$'000	As at March 31, 2024 HK\$'000
Non-current assets		
Investments in subsidiaries	8,022	2,153
Current assets		
Amounts due from subsidiaries	3,189,546	3,208,841
Other receivables, deposits and prepayments	427	537
Cash and bank balances	6,135	5,410
	3,196,108	3,214,788
Total assets	3,204,130	3,216,941
Current liabilities		
Accruals and other payables	8,403	9,142
Amounts due to subsidiaries	42,678	33,228
	51,081	42,370
Total liabilities	51,081	42,370
Net assets	3,153,049	3,174,571
Equity		
Share capital	23,344	23,344
Reserves	3,129,705	3,151,227
Total equity	3,153,049	3,174,571

The statement of financial position of the Company was approved by the Board of Directors on June 24, 2025 and was signed on its behalf by:

Sun Ho
Director

Hu Taoye
Director



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

43 STATEMENT OF FINANCIAL POSITION OF THE COMPANY (continued)

Reserve movement

	Share premium HK\$'000	Shares held for share award scheme HK\$'000	Share awards reserve HK\$'000	Contributed surplus HK\$'000	Other reserve HK\$'000	Accumulated losses HK\$'000	Total HK\$'000
Balance at January 1, 2023	3,398,001	(131,651)	15,862	47,191	(824)	(175,953)	3,152,626
Loss for the period	-	-	-	-	-	(3,524)	(3,524)
Recognition of equity settled share-based payments	-	-	3,565	-	-	-	3,565
Purchase of shares under share award scheme	-	(1,440)	-	-	-	-	(1,440)
Transfer of shares upon vesting of share awards under share award scheme	1,018	6,989	(5,834)	-	-	(2,173)	-
Balance at March 31, 2024	3,399,019	(126,102)	13,593	47,191	(824)	(181,650)	3,151,227
Loss for the year	-	-	-	-	-	(28,273)	(28,273)
Recognition of equity settled share-based payments	-	-	6,751	-	-	-	6,751
Transfer of shares upon vesting of share awards under share award scheme	-	18,675	(10,629)	-	-	(8,046)	-
Balance at March 31, 2025	3,399,019	(107,427)	9,715	47,191	(824)	(217,969)	3,129,705



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

44 PRINCIPAL SUBSIDIARIES

Details of the Company's principal subsidiaries at March 31, 2025 and March 31, 2024 are set out as follows:

Name of subsidiary	Form of business structure	Place of incorporation/ registration and kind of legal entity	Principal place of operations	Issued and fully paid share capital/ registered capital/ paid-up capital	Proportion of nominal value of issued capital/ registered capital held by the Company	Principal activities
Maxprofit Management Limited	Incorporated	Hong Kong, limited liability company	Hong Kong	Ordinary shares of HK\$600,000	100% (held indirectly)	Provision of management services for the Group
Beijing Systek	Wholly-foreign owned Enterprise	PRC, limited liability company	PRC	Paid-up capital of HK\$135.6 million	100% (held indirectly)	Research and development
世紀星彩企業管理有限公司 (China Lottery Management Co., Ltd.*)	Wholly-foreign owned Enterprise	PRC, limited liability company	PRC	Paid-up capital of HK\$150 million	100% (held indirectly)	Provision of sports lottery management and marketing consultancy services and distribution through offline channels
Fortune Happy Investment Limited	Incorporated	Hong Kong, limited liability company	Hong Kong	Ordinary shares of HK\$10,000	100% (held indirectly)	Investment holding
Exequus Co. Ltd.	Incorporated	BVI, limited liability company	PRC	50,000 ordinary shares of US\$1 each	100% (held indirectly)	Investment holding
Beijing AGTech	Wholly-foreign owned Enterprise	PRC, limited liability company	PRC	Paid-up capital of RMB150 million	100% (held indirectly)	Investment holding
GOT	Domestic enterprise	PRC, limited liability company	PRC	Registered capital of RMB100 million	100% (held indirectly)	Research, development and sales of sports lottery terminals and systems
AGTech MPass Investment Limited	Incorporated	BVI, limited liability company	Macau	1 ordinary share of US\$1	100% (held indirectly)	Investment holding
AGTech MPass Services Limited	Incorporated	BVI, limited liability company	Macau	100 ordinary share of US\$1 each	100% (held indirectly)	Investment holding
Macau Pass Holding Ltd.	Incorporated	Macau, limited liability company	Macau	Paid-up capital of MOP200,000	100% (held indirectly)	Investment holding



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

44 PRINCIPAL SUBSIDIARIES (continued)

Name of subsidiary	Form of business structure	Place of incorporation/ registration and kind of legal entity	Principal place of operations	Issued and fully paid share capital/ registered capital/ paid-up capital	Proportion of nominal value of issued capital/ registered capital held by the Company	Principal activities
Macau Pass S.A.	Incorporated	Macau, limited liability company	Macau	Paid-up capital of MOP100 million	100% (held indirectly)	Provision of payment card services via "Macau Pass Cards" and ancillary card services, the provision of e-wallet services known as "MPay", provision of acquiring services for other payment service providers, and sales and leasing of payment terminals and equipment in Macau
Macau MPASS Digital Life Services Limited	Incorporated	Macau, limited liability company	Macau	Registered capital of MOP100,000	100% (held indirectly)	Provision of marketing platform
Macau Pass Travel Agency Limited	Incorporated	Macau, limited liability company	Macau	Registered capital of MOP1,500,000	100% (held indirectly)	Travel agency business and related business
ZAT	Wholly-owned by a legal person from Hong Kong, Macau or Taiwan	PRC, limited liability company	PRC	Paid-up capital of RMB300,000	100% (held indirectly)	Research and development
Ant Bank (Macao)	Incorporated	Macau, limited liability company	Macau	Paid-up capital of MOP620 million	51.5% (held indirectly) [#]	Provision of banking and other related financial services in Macau

* For identification purpose only

[#] On September 2, 2024, the Group completed the attainment of the controlling stake in Ant Bank (Macao)

The above table lists out the principal subsidiaries of the Company which, in the opinion of the Directors, principally affected the results or assets of the Group. To give details of other subsidiaries would, in the opinion of the Directors, result in particulars of excessive length.

None of the subsidiaries had issued any debt securities during the period and at the end of the reporting period.

The amounts due from/to subsidiaries are unsecured, interest-free and repayable on demand.

Saved as the disclosed recognition of non-controlling interests from acquisition of Ant Bank (Macao), the Group had no subsidiaries which have material non-controlling interests for the year ended March 31, 2025 and for the fifteen months ended March 31, 2024.