帝國金融
集團有限公司

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IMPERIUM FINANCIAL GROUP LIMITED

(Incorporated in the Cayman Islands with limited liability) | Stock Code: 8029

Annual Report 2025

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

GEM has been positioned as a market designed to accommodate companies to which a high 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. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

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

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This report, for which the Directors 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 Group. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: (1) the information contained in this report is accurate and complete in all material respects and not misleading; (2) there are no other matters the omission of which would make any statement in this report misleading; and (3) all opinions expressed in this report have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

Contents

Corporate Information

BOARD OF DIRECTORS

Executive Directors

Mr. Cheng Ting Kong *(Chairman)*
Ms. Cheng Mei Ching
Mr. Chim Tak Lai
Mr. Xu Shancheng *(appointed on 21 December 2024)*

Independent Non-Executive Directors

Mr. Chan Tin Lup, Trevor
Mr. Tou Kin Chuen
Mr. Hong Haiji *(resigned on 24 September 2024)*
Ms. Kwong Pui Yin *(appointed on 21 December 2024)*

AUDIT COMMITTEE

Mr. Tou Kin Chuen *(Chairman)*
Mr. Chan Tin Lup, Trevor
Mr. Hong Haiji *(resigned on 24 September 2024)*
Ms. Kwong Pui Yin *(appointed on 21 December 2024)*

REMUNERATION COMMITTEE

Mr. Chan Tin Lup, Trevor *(Chairman)*
Mr. Tou Kin Chuen
Mr. Hong Haiji *(resigned on 24 September 2024)*
Ms. Kwong Pui Yin *(appointed on 21 December 2024)*

NOMINATION COMMITTEE

Mr. Tou Kin Chuen *(Chairman)*
Mr. Chan Tin Lup, Trevor
Mr. Hong Haiji *(resigned on 24 September 2024)*
Ms. Kwong Pui Yin *(appointed on 21 December 2024)*

COMPANY SECRETARY

Ms. Yeung Man Wah

COMPLIANCE OFFICER

Ms. Cheng Mei Ching

AUTHORIZED REPRESENTATIVES

Mr. Cheng Ting Kong
Ms. Cheng Mei Ching

REGISTERED OFFICE

Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS

Room 03, 26/F
One Harbour Square
No. 181 Hoi Bun Road
Kwun Tong
Hong Kong

AUDITOR

Prism Hong Kong Limited
Certified Public Accountants
Registered Public Interest Entity Auditor

PRINCIPAL SHARE REGISTRAR AND OFFICE

Suntera (Cayman) Limited
Suite 3204, Unit 2A, Block 3,
Building D, P.O. Box 1586,
Gardenia Court, Camana Bay,
Grand Cayman, KY1-1100,
Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

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

PRINCIPAL BANKERS

Bank of Communications (Hong Kong) Limited
DBS Bank (Hong Kong) Limited
The Hongkong and Shanghai Banking Corporation Limited

STOCK CODE

8029

WEBSITE

www.8029.hk

Financial Highlights

- The Company and its subsidiaries (the "**Group**") recorded a revenue of approximately HK$32,208,000 for the year ended 31 March 2025.
- Gross profit was approximately HK$4,686,000 for the year ended 31 March 2025.
- Loss attributable to owners of the Company was approximately HK$38,481,000, for the year ended 31 March 2025.
- No final dividend was proposed by the directors of the Company (the "**Director**") for the year ended 31 March 2025.
- As at 31 March 2025, the Group had bank balances and cash amounting to approximately HK$29,527,000.

Chairman's Statement

For the year ended 31 March 2025, the Group recorded a revenue of approximately HK$32,208,000 which was increased by 8.33% compared to the revenue of approximately HK$29,732,000 in the last financial year. The loss attributable to owners of the Company has been increased from approximately HK$13,597,000 recorded in the year ended 31 March 2024 to a loss of approximately HK$38,481,000 for the year ended 31 March 2025.

During the year, the Group completed a share subscription on a company principally engaged in the production and sales of portable electronic appliances and home appliances. The Board considered that the entering into of the Subscription Agreement and the Facility Agreement will allow the Group to expand into new market segments and diversify its business portfolio, thereby broadening the Group's reach and income streams

The Group is committed to bear its social responsibility and contribute to the weak and poor. The employees of the Group have actively participated in various charity activities involving cultural education, disaster relief, environmental protection, health and hygiene. The Group will continue to promote our corporate culture of dedicating sincerity and love to the community internally and bear our related social responsibility.

Finally, on behalf of the Directors of the Group, I would like to express our sincere appreciation to the management and staff of the company for their dedication and hard work throughout the year as well as to shareholders and business partners for their commitment and continuous support.

Cheng Ting Kong
Chairman

Hong Kong, 30 June 2025

Management Discussion and Analysis

REVIEW OF FINANCIAL PERFORMANCE

Revenue

The Group recorded revenue of approximately HK$32,208,000 for the year ended 31 March 2025, an increase of 8.33% when compared to the corresponding period in the last fiscal year. Revenue generated from financial services and cryptocurrency business has decreased by approximately HK$230,000 and HK$12,499,000 respectively. During the year, the new segment of sales of electronic appliance contributes a revenue of HK$16,410,000 to the Group. In addition, following the disposal of investment properties there is no revenue generated from this segment.

Direct Costs and Gross Profit

Our direct costs mainly comprise of cost of cryptocurrencies and electronic appliance sold. The direct costs increased by approximately HK$6,944,000 to approximately HK$27,522,000 for the year ended 31 March 2025. The increase is mainly due to the direct cost of goods sold from additional segment of electronic appliance.

Other operating income

Other operating income decreased from approximately HK$993,000 for year ended 31 March 2024 to approximately HK$812,000 for year ended 31 March 2025. The other income mainly generated by bank interest income.

Other gains and losses

The Group recorded other gains of approximately HK$12,896,000 for the year ended 31 March 2024 and other losses of approximately HK$4,328,000 for the year ended 31 March 2025.

Administrative Expenses

Administrative expenses made an increase of approximately HK$2,940,000 to approximately HK$29,890,000 for the year ended 31 March 2025, compared to approximately HK$26,950,000 for the year ended 31 March 2024. Such increase was mainly due to the new acquired segment of electronic appliance during the year.

Loss for the Year

The Group recorded a loss of approximately HK$42,222,000 for the year ended 31 March 2025, representing an increase of approximately HK$28,625,000 as compared with the loss of approximately HK$13,597,000 for the year ended 31 March 2024, which is mainly due to (i) the decrease in revenue from cryptocurrency business, (ii) the losses generated from electronic appliance segment due to poor market performance and (iii) the slow recovery of financial services.

Management Discussion and Analysis

GEARING RATIO

The gearing ratio, is calculated as borrowings divided by total equity, was n/a (2024: n/a).

CAPITAL STRUCTURE

As at 31 March 2025, the total number of issued ordinary shares of the Company was 233,401,621 shares (2024: 2,334,016,218 shares).

EMPLOYEE INFORMATION

The total number of employees was 24 as at 31 March 2025 (2024: 31), and the total remuneration for the year ended 31 March 2025 was approximately HK$19,043,000 (2024: HK$14,179,000). The Group's remuneration policy for senior executives is basically performance-linked. Staff benefits, including medical coverage and mandatory provident fund, are also provided to employees where appropriate. Discretionary bonus is linked to performance of the individual on case by case basis. The Group may offer share options to reward employees who make significant contributions, in order to retain key and crucial staff. The remuneration policy of the Group is reviewed and approved by the Remuneration Committee as well as by the Board.

FOREIGN EXCHANGE EXPOSURE

The income and expenditure of the Group are denominated in Hong Kong Dollar, United States Dollar, Renminbi, and Australian Dollar. The Company has not entered into any foreign exchange hedging arrangement. The management is required to monitor the Group's foreign exchange exposure by closely monitoring the movement of foreign currency rates. The Group may use financial tools such as foreign exchange forward contracts, dual currency options etc. to manage the foreign exchange risks.

REVENUE

Revenue represents the net amounts in respect of securities and future brokerage commission, asset management fee income, loan interest income, sales of electronic appliance and disposal of cryptocurrency assets sales recognised by the Group during the year.

DIVIDEND

No final dividend was proposed by the Directors for the year ended 31 March 2025 (2024: Nil).

SCOPE OF WORK OF PRISM HONG KONG LIMITED

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income, and the related notes thereto for the Year as set out in the preliminary announcement have been agreed by the Group's auditor, Prism Hong Kong Limited, to the amounts set out in the Group's draft consolidated financial statements for the Year. The work performed by Prism Hong Kong Limited in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by Prism Hong Kong Limited on the preliminary announcement.

Management Discussion and Analysis

BUSINESS REVIEW

Equine services

Following the aging of stallions of the group, there was no revenue generated from this segment. The group does not any intention to further invest in this segment at this stage.

Properties investment

After the Group disposed the investment properties during the year, the group did not hold any investment properties. For further information please refer to the Group's announcement dated 5 September 2024.

Financial services

Following fluctuation of capital, interest rate and stock market, the lack of fund-raising activities and low transaction on stock market in Hong Kong, the board was prudent on the financial services segment, especially the money lending business, to avoid any potential risks to the Group. As a result, the revenue and profit from the financial services decreased as compared from the corresponding period in the previous fiscal year. The management of the Group would review and adjust business strategies on a regular basis with a prudent and balanced risk management approach to cope with the current unpredictable economic situation. Following the recovery of the capital market, the Group has been engaged in several corporate finance services after the reporting period, the result will be reflected in the Group's next financial report.

Money lending business of the group

There are two wholly-owned subsidiaries under the Group which operate the money lending segment: (i) Imperium International Credit Limited; and (ii) Imperium Financial Limited.

There are two main categories of target clients, namely, (i) small loans (the "**Small Loans**") to individual clients with focus on domestic helpers with loan amount smaller than HK$50,000; and (ii) large loans (the "**Large Loans**") to individual and corporate clients without specific target client group with loan amount usually larger than HK$1,000,000. Clients are referred by third parties, directors and existing clients. The money lending segment of the Group are financed by loan from the Company and/or its subsidiaries and retained profit.

As at 31 March 2025, before taking into account the allowance for credit losses that has been recognised for loan receivables, the outstanding principal amount in relation to the loans receivable of the Group amounted to approximately HK$14.3 million (2024: HK$14.7 million), among which (i) approximately HK$14.3 million (2024: HK$14.3 million) is the outstanding principal amount in relation to 1 (2024: 1) secured Large Loans; and (ii) approximately Nil (2024: HK$0.4 million) is the outstanding principal amount in relation to Nil (2024: 30) unsecured Small Loans.

Management Discussion and Analysis

Among the outstanding principal amount in relation to 1 secured Large Loans of approximately HK$14.3 million as at 31 March 2025, approximately HK$14.3 million (representing approximately 100% of the total outstanding principal amount owed to the Group) is the outstanding principal amount owed to the Group by the Borrower A, which is secured by share charges, interest bearing at 24% per annual and repayable by monthly installment, until 18 January 2024. During the year ended 31 March 2025, there are loan interests income received of HK$700,000 and no repayment made to the principal from the Borrower A and the loan is overdue as at 31 March 2025. The Company will closely monitor the progress of the Proceedings, continue with its negotiations with Borrower A about other means to and recover the Outstanding Amount.

Based on the relevant audited accounts available before the advancement of the loan, the net assets value (without taking into account of deferred income tax assets) attributable to the shares under the share charge was approximately HK$8.3 million. The loan was advanced to a borrower, which has been a client of the Group since 2012, (the "**Borrower A**") in 2019 to settle the existing loan owed by the Borrower A to the Group having regard to the value of the security, the satisfactory past repayment record of the Borrower and the reputation of the Borrower.

Among the outstanding principal amount in relation to 30 unsecured Small Loans of approximately HK$0.4 million as at 31 March 2024, each of them was unsecured and interest bearing in the range of 42% to 48%. During the year ended 31 March 2025, the Small Loan of approximately HK$197,000 has been settled and the other has been written off.

The Group recorded interest income from loans receivable in relation to the secured loan of approximately HK$0.7 million (2024: HK$0.8 million) for the year ended 31 March 2025.

During the preparation of the consolidated financial statements of the Group for the year ended 31 March 2025, the Directors have engaged an independent qualified valuer to determine the expected credit losses on the loans receivable. During assessing the expected credit loss, including but not limited to the following factors are considered by the Company: (i) credit rating of borrower; (ii) default risk having considered that the Borrower A has defaulted in repayment since October 2021; (iii) forward-looking adjustment; (iv) publications and research reports regarding the macro economy outlook; and (v) Bloomberg, the Stock Exchange and other reliable sources of market data.

Credit management

Regarding credit management, the Company will arrange for reminder calls and reminder letters and conduct visits to follow up on the customers' payments. Legal demand letters or deployment to external collection agencies will be arranged if the customer cannot be contacted or if their repayment is overdue for more than 60 days. If a customer has financial difficulties in meeting the minimum monthly repayment, the Company may enter into a restructuring arrangement with the customer to reduce their debt burden, depending on the circumstances.

The Group sent payment reminder to Borrower A before maturity date of each installment and further payment reminders were sent following the one month overdue. The Group also sent legal demand letter to Borrower A.

Management Discussion and Analysis

CRYPTOCURRENCY MINING

The Group started its Bitcoin mining business in April 2021. Following the halving of new bitcoins entering the market in April 2024, which means the Bitcoin mined would be reduced to 50% with the same direct cost. The Group was taking a prudent approach on the segment. Some of the old models of mining machines was disposed after the reporting period.

SALES OF ELECTRONIC APPLIANCE

During the year, the Group subscripted approximately 51% of total shares of Infinity Technology International Limited, which commenced its current business operation since September 2014, to enter the electronic appliance market. Over the years, the Target Company has built up a network of supply chains consisting of various original equipment manufacturers and original design manufacturers in the PRC. For further details, please further to the listing documents on 22 April 2024.

FINANCIAL REVIEW

Liquidity, Financial Resources and Capital Structure

As at 31 March 2025, the Group had current assets of approximately HK$87,279,000 (2024: HK$105,267,000). The Group's current ratio, calculated on the basis of current assets over current liabilities of approximately HK$171,001,000 (2024: HK$185,917,000) was at level of approximately 0.51:1 (2024: 0.57:1). The bank balances as at 31 March 2025 was approximately HK$29,527,000 as compared to the balance of approximately HK$47,600,000 as at 31 March 2024.

With the amount of liquid assets on hand, the management is of the view that the Group has sufficient financial resources to meet its ongoing operational requirements. The main component of current liabilities is the Promissory notes. Pursuant to the extension letter dated 24 June 2025, the maturity date for the promissory note was agreed to extend to 31 December 2026.

Results Analysis

During the financial year ended 31 March 2025, we continued our business on different categories such as development of financial services businesses including securities, assets management and money lending services, sales of electronic appliance, operating leases and cryptocurrency mining business.

The finance costs

The Group recorded finance costs of approximately HK$14,965,000 (2024: HK$17,221,000) for the year ended 31 March 2025, representing a decrease of 13.10% compared to that in the last financial year. The finance costs was mainly for effective interest expense on promissory notes.

Loss attributable to owners of the Company

For the current financial year, the Group recorded a loss attributable to owners of the Company of approximately HK$38,481,000 (2024: HK$13,597,000).

Prospects

The Group has been engaged as placing agents for several placing activities after reporting period. The Group will focus on the development of financial services with the recovery of the capital market of Hong Kong.

Furthermore, the Group was previously engaged in the investment immigration business until the suspension of the investment immigration scheme in January 2015. As announced by the Financial Secretary of the Hong Kong government in the 2023-2024 Budget, a new Capital Investment Entrant Scheme will be introduced. With the borders opening up across the world and the prevalence of investment immigration, the Group intends to resume its operations in this market and will leverage on its previous experience in order to diversify its income stream. This will allow the Group to widen its financial services business into advising potential clients on investment immigration schemes and broaden its customer base.

The Group would continue to use its best endeavor to improve the efficiency and effectiveness of the operation. Moreover, the Board would seek opportunities to establish strategic alliance to accelerate the growth of its businesses, to rebalance its business portfolio and to strengthen its financial position so as to create value for shareholders.

RISK FACTORS

Uncertainty on Volatility of Stock Market

Global stock market is still facing with various uncertainties of different political and economic circumstances. The expected return on the services of the securities trading and assets management will be greatly influenced by the volatility of the stock market which tends to be highly unpredictable.

Uncertainty on Volatility of cryptocurrency asset value

The group has entered the cryptocurrency business. However, the volatility of cryptocurrency asset value is huge and dominant by the market.

Outlook and Development

The Board has always tried its best to improve the efficiency and effectiveness of the operation so as to enhance the Group's value.

Looking ahead to 2025, the difficult external environment will continue to pose pressures on Hong Kong's economy in the view of (i) the unexpected delay of interest rates cut, (ii) the change in consuming pattern of Chinese tourists, and (iii) the poor performance of Hong Kong property and consumption market. The Group will pay close attention to the uncertainties in the economic environment, and stay alert to formulate strategies to pursue steady development and strive for generous returns to our shareholders.

Directors and Staff

EXECUTIVE DIRECTORS

Mr. Cheng Ting Kong, aged 50, was appointed as the Chairman and Executive Director on 5 July 2013. Mr. Cheng is also the chairman and Executive Director of Imperium Technology Group Limited (Stock code: 776), a company listed on the main board of the Stock Exchange. Mr. Cheng has extensive experience in corporate management and investment. Prior to his appointment as the Chairman and the Executive Director, Mr. Cheng was the senior manager of the Company.

Ms. Cheng Mei Ching, aged 43, holds a bachelors degree in commerce (marketing and advertising) from Curtin University of Technology in Perth, Western Australia. Ms. Cheng has over the past adopted a pragmatic and proactive management approach; and delivered solid performance in various areas, in particular corporate management and internal control.

Mr. Chim Tak Lai, aged 42, obtained a Bachelor of Art degree of in Business Economics from the University of Hertfordshire in 2006. Mr. Chim joined the Group as senior accountant in March 2016. Since September 2020, Mr. Chim is the financial controller of the Group and his primary responsibilities is to oversee all financial accounting operations, including group reporting, budgeting, audit, treasury function, consolidation and financial reporting.

Mr. Xu Shancheng, aged 31, graduated with a Master degree of Science in Marketing and International Business from Lingnan University of Hong Kong in 2019. In 2017, Mr. Xu graduated with a Bachelor degree of Commerce at the University of Toronto, Canada, with a specialization in Marketing and a major in Economics.

Directors and Staff

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Tou Kin Chuen, aged 48, is the Independent Non-executive Director of the Company and Suncity Group Holdings Limited (Stock code: 1383), is the principal of Roger K.C. Tou & Co., Mr. Tou graduated from the Hong Kong Shue Yan University with a Honours Diploma in Accounting in 2001. He is experienced in audit, taxation, company secretarial, insolvency and finance for over 21 years. Mr. Tou is a member of the Hong Kong Institute of Certified Public Accountants and an associate of the Taxation Institute of Hong Kong.

Mr. Chan Tin Lup, Trevor, aged 65, has been in the legal field for over 27 years. He received his law degree from the University of London and his Postgraduate Diploma in Legal Practice from the University of Wolverhampton with commendation. Mr. Chan has been an Independent Non-executive Director of National Arts Group Holdings Limited (Stock Code: 8228), a company registered in Bermuda and the shares of which are listed on the GEM of The Stock Exchange of Hong Kong Limited, from 13 May 2009 to 1 July 2018.

Ms. Kwong Pui Yin, aged 44, graduated with a Bachelor degree in Business Administration from Flinders University in 2002. Ms. Kwong has over 20 years of experience in corporate mergers and acquisitions, asset management, internal control management and business operation management. Ms. Kwong is currently a non-executive director of Grand Ocean Advanced Resources Company Limited (Hong Kong Stock Code: 65).

Directors' Report

The Directors would like to present the annual report and the audited financial statements of the Company and its subsidiaries for the year ended 31 March 2025.

PRINCIPAL ACTIVITIES

The Company acts as an investment holding company. The principal activities and other details of its subsidiaries are set out in Note 49 to the consolidated financial statements.

Detail of the analysis of the Group's performance for the year by operating segments are set out in Note 8 to the consolidated financial statements.

RESULTS AND APPROPRIATIONS

The financial performance of the Group for the year ended 31 March 2025 are set out in the consolidated statement of profit or loss and other comprehensive income on pages 42 and 43.

The financial position of the Group and the Company as at 31 March 2025 is set out in the consolidated statement of financial position on pages 44 to 45 of this annual report and the Company statement of financial position in Note 48 to the consolidated financial statement respectively.

No final dividends was proposed by the Directors for the reporting year (2024: Nil).

FINANCIAL SUMMARY

A summary of the results and of the assets and liabilities of the Group for the last five financial years is set out on page 142.

BUSINESS REVIEW

The business review of the Group for the year ended 31 March 2025 are provided in the Chairman's Statements, Management discussion and analysis of this annual report.

PROPERTY, PLANT AND EQUIPMENT

Details of movements in property, plant and equipment of the Group are set out in Note 20 to the consolidated financial statements.

DONATIONS

No charitable and other donations were made by the Group during the year (2024: Nil).

SHARE CAPITAL

Details of the authorised and issued share capital of the Company are set out in Note 40 respectively to the consolidated financial statements.

Directors' Report

RESERVES

Details of movements in reserves of the Group and of the Company during the year are set out in the consolidated statement of changes in equity on page 46 and in Note 48 to the consolidated financial statements respectively.

DISTRIBUTABLE RESERVES OF THE COMPANY

The Company's reserves available for distribution comprise share premium, capital reserves and accumulated losses. No reserve of the Company is available for distribution to shareholders as at 31 March 2025 (2024: Nil).

DIRECTORS AND DIRECTORS' SERVICE CONTRACTS

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

Executive directors:

Mr. Cheng Ting Kong *(Chairman)*
Ms. Cheng Mei Ching
Mr. Chim Tak Lai
Mr. Xu Shancheng *(appointed on 21 December 2024)*

Independent non-executive directors:

Mr. Chan Tin Lup, Trevor
Mr. Tou Kin Chuen
Mr. Hong Haiji *(resigned on 24 September 2024)*
Ms. Kwong Pui Yin *(appointed on 21 December 2024)*

The biographical details of current Directors are set out on pages 13 to 14 of this annual report.

In accordance with Article 108 of the Company's Article of Association, Mr. Cheng Ting King and Ms. Cheng Mei Ching will retire by rotation. All of these retiring directors, being eligible, offer themselves for re-election. According to Article 112, any director so appointed shall hold office only until the first annual general meeting of the company after his appointment and shall then be eligible for re-election. Accordingly, Mr. Xu Shancheng, the executive director and Ms. Kwong Pui Yin, the independent non-executive director, will retire from office at the AGM and, being eligible, will offer themselves for re-election.

Each executive director has entered into a service contract with the Company with effect from the date of appointment and will continue thereafter unless and until terminated by either party by giving not less than one-month prior written notice to the other.

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 31 March 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 meanings of Part XV of the Securities and Futures Ordinance (the "**SFO**")) as recorded in the register required to be kept by the Company under section 352 of the SFO, or as required, pursuant to Rules 5.46 to 5.66 of the GEM Listing Rules, to be notified to the Company and the Stock Exchange were as follows:

Long positions in the shares of the Company

Ordinary share of HK$0.4 each of the Company

Name of Director	Nature of interests	Number of ordinary shares held	Capacity	Percentage of issued shares
Mr. Cheng Ting Kong	Corporate *(Note)*	143,791,404	Interest of a controlled corporation	61.61%

Note: These ordinary shares are held by Fresh Success Investments Limited. Fresh Success Investments Limited is beneficially owned as to 90% by Mr. Cheng Ting Kong.

During the year ended 31 March 2025, the Company grant no new share option for the Directors or their respective associates to subscribe for shares of the Company and had not been exercised such rights.

Save as disclosed above, during the year ended 31 March 2025, none of the Directors or Chief Executive of the Company has 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) as recorded in the register required to be kept under section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to Rules 5.46 to 5.66 of the GEM Listing Rules.

DIRECTORS' INTERESTS IN CONTRACTS

Save as disclosed in the section headed "Material Related Party Transactions" in this report and in Note 45 to the consolidated financial statements, no other contracts of significance to which the Company, its holding companies or any of its subsidiaries was a party and in which a director of the Company or any of its subsidiaries had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

Directors' Report

RELATED PARTY TRANSACTIONS AND CONNECTED TRANSACTIONS

Details of the material related party transactions undertaken by the Group are set out in Note 45 to the consolidated financial statements. These related party transactions are fully exempted from the independent shareholders' approval, annual review and all disclosure requirements and have complied with the requirements under Chapter 20 of the GEM Listing Rules.

Confirmation of independent non-executive Directors

The independent non-executive Directors have reviewed the above continuing connected transactions and confirmed that these transactions have been entered into: (i) in the ordinary and usual course of business of the Group; (ii) on normal commercial terms or on terms no less favourable to the Group than terms available to independent third parties (as defined under the GEM Listing Rules); and (iii) in accordance with the relevant agreements governing them on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole.

SUBSTANTIAL SHAREHOLDERS' INTERESTS IN SHARES AND UNDERLYING SHARES

So far as is known to any Directors or Chief Executives of the Company, as at 31 March 2025, the following person or corporations had equity interests or short positions in the shares or underlying shares of the Company as recorded in the register required to be kept under section 336 of Part XV of the SFO and/ or were directly or indirectly interested in 5% or more of the issued share capital carrying rights to vote in all circumstances at general meetings of the Company:

Long positions in the shares of the Company

Ordinary share of HK$0.4 each of the Company

Name of Shareholders	Nature of interests	Number of ordinary shares held	Capacity	Percentage of issued shares
Fresh Success Investments Limited *(Note 1)*	Corporate	143,791,404	Beneficial owner	61.61%
Mr. Cheng Ting Kong *(Note 1)*	Corporate	143,791,404	Interest of a controlled corporation	61.61%
Raywell Holdings Limited *(Note 2)*	Corporate	13,543,000	Beneficial owner	5.80%
Mr. Yeung Hak Kan *(Note 2)*	Corporate	13,543,000	Interest of a controlled corporation	5.80%

Notes:

1. *Fresh Success Investments Limited is beneficially owned as to 90% by Mr. Cheng Ting Kong. Accordingly, Mr. Cheng Ting Kong is deemed under the SFO to be interested in the 143,791,404 shares beneficial owned by Fresh Success Investments Limited.*

2. *Raywell Holdings Limited is wholly and beneficially owned by Mr. Yeung Hak Kan. Accordingly, Mr. Yeung Hak Kan is deemed under the SFO to be interested in the 13,543,000 shares beneficially owned by Raywell Holdings Limited.*

Save as disclosed above, as at 31 March 2025, the Company was not notified of any other relevant interests or short positions in the shares or underlying shares in the Company as recorded in the register required to be kept by the Company under section 336 of Part XV of the SFO.

MANAGEMENT SHAREHOLDERS

Save for the directors, management shareholders and substantial shareholders as herein disclosed, the directors are not aware of any persons who as at 31 March 2025 were entitled to exercise or control the exercise of 5% or more of the voting power at general meetings of the Company and who were able, as a practical matter, to direct or influence the management of the Company.

DIRECTORS' INTERESTS IN COMPETING BUSINESSES

As at 31 March 2025, none of the directors, the management shareholders (as defined in the GEM Listing Rules) or the substantial shareholders of the Company, or any of their respective associates, has engaged in any business that competes or may compete with the businesses of the Group or has any other conflict of interests with the Group.

Directors' Report

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

At no time during the year was the Company or any of its subsidiaries a party to any arrangements to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate, and neither the directors nor the Chief Executive, nor any of their spouses or children under the age of 18, had any right to subscribe for the securities of the Company, or had exercised any such right.

The Company will comply with the disclosure requirements under Chapter 23 of the GEM Listing Rules, including without limitation disclosures in the annual and interim reports of the Company including details of the options granted to the following persons: (i) each of the connected person; (ii) each participant with options granted in excess of the limit; (iii) aggregate figures for the employees; (iv) aggregate figures for supplier of goods or services; and (v) all other participants as an aggregate whole.

EQUITY-LINKED AGREEMENTS

The Company has not adopted any share option scheme during the year ended 31 March 2025, nor is there any subsisting share option scheme during the year ended 31 March 2025. Furthermore, during the year ended 31 March 2025, there were no outstanding share options granted under the share option scheme of the Company which had expired in December 2016.

MAJOR CUSTOMERS AND SUPPLIERS

In the year under review, the services provided to the Group's largest client and five largest clients accounted for 5.4% and 19.2%, respectively of the total turnover for the year. The Group's largest supplier and five largest suppliers accounted for 53.39% and 77.66% purchases of the Group for the year ended 31 March 2025.

None of the Directors, their close associates or any shareholders, which to the knowledge of the Directors owned more than 5% of the Company's issued share capital, had a beneficial interest in any of the Group's five largest supplier and customers.

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

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

Directors' Report

BOARD PRACTICES AND PROCEDURES

The Company has complied with Rules 5.34 to 5.45 of the GEM Listing Rules concerning board practices and procedures throughout the year ended 31 March 2025.

PRE-EMPTIVE RIGHTS

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

SUFFICIENCY OF PUBLIC FLOAT

The Company has maintained a sufficient public float throughout the year ended 31 March 2025.

EMOLUMENT POLICY

The Group's emolument policy for senior executives is basically performance-linked. Staff benefits, including medical coverage and mandatory provident funds are also provided to employees where appropriate.

MANAGEMENT CONTRACTS

No 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.

PERMITTED INDEMNITY PROVISION

The Articles provides that every Director is entitled to be indemnified out of the assets of the Company against all losses or liabilities (to the fullest extent permitted by the Companies Ordinance (Chapter 622 of the Laws of Hong Kong)) which he may sustain or incur in or about the execution of the duties of his office or otherwise in relation thereto.

The Group has taken out and maintained directors' liability insurance throughout the year, which provides appropriate cover for legal actions brought against the Directors and directors of the subsidiaries of the Group. The level of the coverage is reviewed annually.

Directors' Report

ENVIRONMENTAL POLICIES AND PERFORMANCE

The Group considers sustainability of the environment and community's development is a important factor of a business. Further discuss and details are set out in the "Environmental, Social and Governance Report".

EVENTS AFTER REPORTING PERIOD

Details of significant events occurring after the reporting period are set out in Note 48 to the consolidated financial statements.

AUDITOR

Prism Hong Kong Limited was appointed as auditor of the Company on 11 April 2025 following the resignation of HLB Hodgson Impey Cheng Limited on 10 April 2025. Apart from this, there was no change in auditor of the Company in any of the preceding three years.

Prism Hong Kong Limited will retire as the Company's auditor at the end of the forthcoming annual general meeting of the Company and, being eligible, will offer themselves for re-appointment.

A resolution will be submitted to the annual general meeting of the Company to re-appoint Prism Hong Kong Limited, as auditor of the Company.

On behalf of the Board

Cheng Ting Kong
Chairman

Hong Kong, 30 June 2025

Corporate Governance Report

CORPORATE GOVERNANCE PRACTICES

The Group is committed to promoting high standards of corporate governance. The Directors believe that sound and reasonable corporate governance practices are essential for the growth of the Group and for safeguarding the shareholders' interests and the Group's assets.

The Company's corporate governance practices are based on the principles and code provisions as set out in the Corporate Governance Code and Corporate Governance Report (the "**CG Code and Report**") in Appendix C1 of the GEM Listing Rules. Throughout the year ended 31 March 2025 and up to the date of this report to the best knowledge of the Board, the Company has complied with the code provisions set out in Appendix C1 of the GEM Listing Rules.

CODE OF BEST PRACTICE

The Company is committed to high standards of corporate governance for the enhancement of shareholder value. The Company believes that good corporate governance is not only in the interest of investors but also in the interest of the Company. It is also of the view that good corporate governance is a reflection of the standard and quality of the management and operations of the Company and it also helps sustain the long term support of shareholders upon which the Company's success depends.

The Company closely monitors corporate governance development in Hong Kong and it regularly reviews its corporate governance practices in light of experience and evolving regulatory requirements to ensure that the Company keeps abreast of shareholders' expectations. The principles of corporate governance adopted by the Company emphasize a quality board, sound internal control, and transparency and accountability to shareholders.

The Company's corporate governance practices are based on the principles and code provisions as set out in the Corporate Governance Code (the "CG Code") in Appendix C1 of the GEM Listing Rules, save for the deviations discussed below:

Pursuant to E.1.2 of the CG Code, the chairman of the Board should attend the annual general meeting of the Company. Mr. Cheng Ting Kong (the chairman of the Board) was appointed as the chairman of the 2024 AGM in replying to questions raised by shareholders at the 2024 AGM.

The Group will keep on reviewing its corporate governance standards on a timely basis and the Board endeavours to take all necessary actions to ensure the compliance with the Code Provisions set out in the CG Code.

SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted a code of conduct regarding securities transactions by Directors on terms no less exacting than the required standard of dealings ("**Code of Conduct**") set out in Rules 5.48 to 5.67 of the GEM Listing Rules. Having made specific enquiry of all Directors, all directors confirmed that they have complied with the required standard of dealings and the code of conduct regarding securities transactions by directors adopted by the Company.

Corporate Governance Report

BOARD OF DIRECTORS

Composition of the Board

As at 31 March 2025, the Board comprised seven Directors, including the Chairman, four Executive Directors and three Independent Non-executive Directors. One of the Independent Non-executive Directors has appropriate professional qualifications in accounting. Biographical details of the Directors are set out on pages 13 and 14.

The updated list of Directors and their role and function are published at the Stock Exchange website and the Company's website (www.8029.hk).

Independent Non-executive Directors

In compliance with Rules 5.05(1) and (2), and 5.05A of the GEM Listing Rules, the Company has appointed three Independent Non-executive Directors representing more than one-third of the Board, and with at least one of them possessing the appropriate professional qualifications or accounting or related financial management expertise. The Independent Non-executive Directors, together with the Executive Directors, ensure that the Board prepares its financial and other mandatory reports in strict compliance with the relevant standards. The Company has received, from each of the Independent Non-executive Directors, an annual confirmation of his independence and considers that their independence is in compliance the Rule 5.09 of the GEM Listing Rules.

The Board

The Board has the responsibility for leadership and control of the Group. They are collectively responsible for promoting the success of the Group by directing and supervising the Group's affairs. The Board is accountable to shareholders for the strategic development of the Group with the goal of maximizing long term shareholder value, while balancing broader stakeholder interests. The Board has delegated the day-to day responsibility to the Executive Directors and senior management of the Company who meet on a regular basis to review the financial results and performance of the Group and make financial and operational decisions for the implementation of strategies and plans approved by the Board. The Board also communicates with shareholders and regulatory bodies and makes recommendations to shareholders on final dividends and the declaration of any interim dividend.

Board Meetings and Attendance

The Board meets regularly, and at least 4 times a year, either in person or through other electronic means of communication to determine overall strategic direction, objectives and development of the businesses of the Group, approve quarterly, interim and annual results, and other significant matters Notice of at least 14 days is given to all Directors for a regular Board meeting.

Apart from the regular Board meetings of the year, the Board also meets on other occasions when a Board-level decision on a particular matter is required. For such, reasonable notice is generally given. All Directors have full and timely access to all relevant information as well as the advice and services of the Company Secretary, senior management and the Compliance Officer who are responsible for ensuring the compliance of the Company with the GEM Listing Rules and advising the Board on compliance matters. Directors are also provided with access to independent professional advice, where necessary, in carrying out their obligations as Directors. Any Directors and their associates who are considered to have conflict of interests or material interests in the proposed transactions or issues to be discussed in the Board meetings shall abstain from voting on the relevant resolutions and are not to be counted in the quorum at meetings.

At least 3 days (or such other period as agreed in advance) before each Board meeting, a draft agenda is sent out to all Directors in order to allow the Directors to include any other matters in the agenda that are required for discussion and resolution in the meeting. To enable the Directors to make informed decisions, Board papers together with all appropriate and relevant information in relation to the matters of the meeting are sent to all Directors 3 days or such other period as agreed before each Board meeting such that the Directors have sufficient time to review the related documents and be adequately prepared for the meeting.

The Company Secretary is responsible to keep minutes of all Board meetings and committees meetings. Draft minutes are normally circulated to all Directors for comments within a reasonable time after each meeting and the final versions are open for Directors' inspection.

The Board held 9 meetings during the year ended 31 March 2025. Details of attendance of individual Directors at Board Meetings are presented below:

	Attended/ Eligible to attend
Chairman	
Mr. Cheng Ting Kong	7/9
Executive Directors	
Ms. Cheng Mei Ching	8/9
Mr. Chim Tak Lai	8/9
Mr. Xu Shancheng (appointed on 21 December 2024)	1/2
Independent non-executive Directors	
Mr. Tou Kin Chuen	8/9
Mr. Chan Tin Lup, Trevor	7/9
Mr. Hong Haiji (resigned on 24 September 2024)	5/7
Ms. Kwong Pui Yin (appointed on 21 December 2024)	1/2

Relationships between the Board

Save that one of the executive Directors, Ms. Cheng Mei Ching, is the sister of Mr. Cheng Ting Kong, the chairman and an executive Director of the Company as well, there was no direct or indirect financial, business, family or other material relationship among the Directors and with the Company and the Board follows the requirements set out in the GEM Listing Rules.

Corporate Governance Report

Directors' Continuing Professional Development Programme

Each Director receives comprehensive and formal induction and orientation to ensure he/she adequately understand the operations and business of the Group. The Company also provided detailed director's responsibilities and obligations statement pursuant to the GEM Listing Rules for the Director to review and study. In addition, materials in relation to regularly update on latest development in relation to the GEM Listing Rules, other applicable regulatory requirements and the Group's business and governance policies (the "**Reading Materials in relation to Continuous Professional Developments**") were circulated to the Directors. Continuing briefings and seminars for the Directors will be arranged as necessary. The Directors are encouraged to participate in continuous professional developments to develop and refresh their knowledge and skills periodically.

During the year ended 31 March 2025 the Directors participated in the continuous professional developments in the following manner:

Name	Reading Materials/ Attending seminars/ courses/conferences in relation to Continuous Professional Developments
Executive Directors	
Mr. Cheng Ting Kong	✓
Ms. Cheng Mei Ching	✓
Mr. Chim Tak Lai	✓
Mr. Xu Shancheng (appointed on 21 December 2024)	✓
Independent non-executive Directors	
Mr. Chan Tin Lup, Trevor	✓
Mr. Tou Kin Chuen	✓
Mr. Hong Haiji (resigned on 24 September 2024)	
Ms. Kwong Pui Yin (appointed on 21 December 2024)	✓

CHAIRMAN AND CHIEF EXECUTIVE OFFICER ("CEO")

The Board, led by the Chairman, is responsible for the formulation of Company-wide strategies and policies, including an oversight of the management. Management is responsible for the day-to-day operations of the Company under the leadership of the Chief Executive Officer.

The position of the Chairman and the Chief Executive Officer are held by separate individuals. The role of the Chairman is separated from that of the Chief Executive Officer. Such division of responsibilities helps to reinforce their independence and accountability.

Mr. Cheng Ting Kong is the Chairman of the Company.

Corporate Governance Report

The Chairman is responsible for providing leadership to, and overseeing the functioning of, the Board to ensure that the Board acts in the best interest of the Company. To ensure that Board meetings are planned and conducted effectively, the Chairman is primarily responsible for drawing up and approving the agenda for each Board meeting, taking into account, where appropriate, any matters proposed by other Directors for inclusion in the agenda. With the support of Executive Directors and the Company Secretary, the Chairman seeks to ensure that all Directors are properly briefed on issues arising at Board meetings and receive adequate and reliable information in a timely manner. The Chairman also actively encourages Directors to be fully engaged in the Board's affairs and make contribution to the Board's functions. With the support of all other members of the Board, the Chairman procures that good corporate governance practices and procedures are established and that appropriate steps are taken to provide effective communication with shareholders.

APPOINTMENT AND RE-ELECTION OF DIRECTORS

Executive Directors

Each of Ms. Cheng Mei Ching, Mr. Chim Tak Lai and Mr. Xu Shancheng being all the executive Directors, except Mr. Cheng Ting Kong, has entered into a service agreement with the Company for an initial fixed term of one year and shall continue thereafter until terminated by either party by giving two months' notice in writing to the other. For Mr. Cheng Ting Kong, he has entered into a service agreement with the Company for an initial fixed term of three years.

Each of these executive Directors is entitled to the respective director's fee. In addition, each of the executive Directors is also entitled to a discretionary bonus determined by the Board.

Independent non-executive Directors

Each of Mr. Chan Tin Lup, Trevor, Mr. Tou Kin Chuen, and Ms. Kwong Pui Yin, the independent non-executive Directors has entered into a letter of service with the Company for a term of one year, provided that either the Company or the independent non-executive Directors may terminate such appointment at any time by giving at least one month's notice in writing to the other. Each of the independent non-executive Directors is entitled to a director's fee.

Upon appointment, the Directors would receive an orientation review of the Company and its business from senior executives. Information are provided to the Directors regularly to ensure that the Directors keep up with the latest changes in the commercial and regulatory environment in which the Group conducts its businesses.

Corporate Governance Report

In accordance with the article 108 of the Articles, one-third of the Directors are subject to retirement by rotation or, if their number is not three or a multiple of three, then the number nearest to but not less than one-third shall retire from the office and being eligible offer themselves for re-election at each annual general meeting of the Company.

BOARD COMMITTEES

The Board has established the Audit Committee (as defined below) and the Remuneration Committee (as defined below) in order to maintain high standard of corporate governance of the Company.

Audit Committee

The Company established an audit committee ("**Audit Committee**") on 29 November 2000 with written terms of reference in compliance with the GEM Listing Rules. During the year under review, the audit committee comprises three members, Mr. Tou Kin Chuen, Mr. Chan Tin Lup, Trevor and Ms. Kwong Pui Yin. All of them are Independent Non-executive Directors of the Company and Mr. Tou Kin Chuen was appointed as the Chairman of the Audit Committee.

The primary duties of the audit committee are to review and supervise the financial reporting process, risk management system and internal control systems of the Group so as to provide advice and comments thereon to the Board of Directors. 6 audit committee meetings were held during the year.

The Group's annual results for the year ended 31 March 2025 have been reviewed by the Audit Committee, which is of the opinion that the preparation of such consolidated financial statements complies with applicable accounting standards, the GEM Listing Rules, and that adequate disclosures have been made.

Name of Member	Attended/ Eligible to attend
Mr. Tou Kin Chuen *(Chairman)*	6/6
Mr. Chan Tin Lup, Trevor	6/6
Mr. Hong Haiji (resigned on 24 September 2024)	3/4
Ms. Kwong Pui Yin (appointed on 21 December 2024)	2/2

For the year ended 31 March 2025, the Audit Committee reviewed with senior management and the external auditor of the Company their respective audit findings, the accounting principles and practices adopted by the Company, legal and regulatory compliance, and internal control, risk management and financial reporting matters (including the interim and annual financial statements for the year ended 31 March 2025 before recommending them to the Board for approval). In particular, the Audit Committee monitored the integrity of financial statements of the Company and the annual report and accounts and quarterly reports and accounts of the Company, discussed with management and the external auditor, and reviewed significant financial reporting judgments contained in them. In this regard, in reviewing such reports and accounts of the Company before submission to the Board, the Audit Committee focused particularly on:

(a) any changes in financial reporting and accounting policies and practices;

(b) major judgmental areas;

(c) significant adjustments resulting from audit;

(d) the going concern assumption and any qualifications;

(e) compliance with accounting standards; and

(f) compliance with the GEM Listing Rules and any other legal requirements in relation to financial reporting.

The Audit Committee has met its responsibilities to review the audited consolidated results of the Group for the year ended 31 March 2025 and provided advice and comments thereon.

Remuneration Committee

The Company established a remuneration committee ("**Remuneration Committee**") on 18 March 2005. During the year under review, the Remuneration Committee comprised three members, Mr. Chan Tin Lup, Trevor, Mr. Tou Kin Chuen and Ms. Kwong Pui Yin. All of them are independent non-executive Directors and Mr. Chan Tin Lup, Trevor was appointed as the Chairman of the Remuneration Committee.

The principal responsibilities of the Remuneration Committee include making recommendations to the Board on the Group's policy and structure in relation to the remuneration of the Directors and senior management and reviewing the specific remuneration packages of all executive Directors and senior management by reference to corporate goals and objectives resolved by the Board from time to time.

Name of Member	Attended/Eligible to attend
Mr. Chan Tin Lup, Trevor *(Chairman)*	2/2
Mr. Tou Kin Chuen	2/2
Mr. Hong Haiji (resigned on 24 September 2024)	1/1
Ms. Kwong Pui Yin (appointed on 21 December 2024)	1/1

Corporate Governance Report

The remuneration of the Directors and senior management was determined with reference to the performance and profitability of the Company as well as remuneration benchmarks from other local and international companies and the prevailing market conditions. Directors and employees also participate in bonus arrangements determined in accordance with the performance of the Group and the individual's performance.

For the year ended 31 March 2025, the Remuneration Committee determined the policy for the remuneration of the executive Directors, assessed the performance of the executive Directors and approved the terms of the executive Director's services contracts. The Remuneration Committee adopted the model which is described in the code provision B.1.2 (c)(ii) of the CG Code and Report, it makes recommendations to the Board on the remuneration packages of the individual executive Directors and senior management.

Details of the Directors' emoluments for the year ended 31 March 2025 are set out in Note 16 to the consolidated financial statements.

Nomination Committee

The Company established a nomination committee ("**Nomination Committee**") on 1 December 2015. During the year under review, the Nomination Committee comprises three members, Mr. Tou Kin Chuen, Mr. Chan Tin Lup, Trevor and Mr. Hong Haiji. All of them are independent non-executive Directors of the Company and Mr. Tou Kin Chuen was appointed as the Chairman of the Nomination Committee.

The Nomination Committee is responsible to make recommendation to the Board on the appointment of the Directors and the management of the Board's succession. Terms of reference of the Nomination Committee are approved by the Directors.

The principal functions of the committee include:

(i) to review the structure, size and composition (including the skills, knowledge and experience) of the Board on a regular basis and make recommendations to the Board regarding any proposed changes;

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

(iii) to assess the independence of independent non-executive Directors; and

(iv) to make recommendations to the Board on relevant matters relating to the appointment or reappointment of Directors and succession planning for Directors in particular the chairman and the chief executive officer.

The Nomination Committee held 1 meeting during the year ended 31 March 2025. The attendance records are presented below:

Name of Member	Attended/Eligible to attend
Mr. Tou Kin Chuen *(Chairman)*	1/1
Mr. Chan Tin Lup, Trevor	1/1
Mr. Hong Haiji (resigned on 24 September 2024)	0/0
Ms. Kwong Pui Yin (appointed on 21 December 2024)	0/0

For the year ended 31 March 2025, the Nomination Committee reviewed the profile of current Directors and potential candidate of Director to ensure the appropriateness of the Board in performing their duties.

BOARD DIVERSITY POLICY

The Board has established a set of Board Diversity Policy setting out the approach to achieve diversity on the Board with the aims of enhancing Board effectiveness and corporate governance as well as achieving our business objectives and sustainable development. It endeavors to ensure that the Board has balance of skills, experience and diversity of perspectives appropriate to the requirements of the Company's business. All Board appointments will be based on meritocracy, and candidates will be considered against objective criteria, having due regard for the benefits of diversity on the Board.

Selection of candidates will be based on a range of diversity perspectives, including but not limited to gender, age, cultural and educational background, professional experience, skills and knowledge. The ultimate decision will be made upon the merits and contribution that the selected candidates will bring to the Board.

CORPORATE GOVERNANCE FUNCTION

The Board is responsible for performing the corporate governance duties in accordance with code provision D.3.1 to the CG Code which are included to develop and review the Company policies and practices on corporate governance, to review and monitor the training and continuous professional development of the Directors and senior management of the Company, the issuer's policies and practices on compliance with legal and regulatory requirements and reviewing the issuer's compliance with the CG Code and disclosure in the Corporate Governance Report.

For the year ended 31 March 2025, the Board has performed the corporate governance duties stated in code provision D.3.1 of the CG Code.

Corporate Governance Report

AUDITOR AND ITS REMUNERATION

The amount of fees charged by the Auditor generally depends on the scope and volume of the auditor's work. During the year ended 31 March 2025. The audit fees of the independent auditor for auditing the consolidated financial statements of the Group for the year ended 31 March 2025 was HK$790,000.

Directors' Acknowledgement

The Directors acknowledge their responsibility for preparing the consolidated financial statements which give a true and fair view of the financial position of the Group.

The Directors ensure the consolidated financial statements of the Group are prepared in accordance with the statutory requirements and applicable accounting standards. The Directors also ensure the publication of the consolidated financial statements of the Group is made in a timely manner. The Directors, having made appropriate enquiries, consider that the Group has adequate resources to continue in operational existence for the foreseeable future and that, for this reason, it is appropriate to adopt the going concern basis in preparing the consolidated financial statements.

Financial Reporting

The Management has provided to all Directors quarterly updates with quarterly consolidated financial statement of the Company's performance, position and prospects in sufficient details during the regular Board meetings. In addition, the Management has provided all members of the Board, in a timely manner, updates on any material changes to the performance, position and prospects of the Company and sufficient information for matters brought before the Board. The Management will spare no effort to provide all members of the board with more detailed and promptly monthly updates giving a balanced and understandable assessment of the issuer's performance, position and prospects in sufficient detail in coming future.

Compliance with Relevant Laws and Regulations

The Group recognises the importance of compliance with regulatory requirements and the risk of noncompliance with relevant requirements could lead to adverse impact on business operation and financial position of the Group. The Board as a whole is responsible to ensure the Group is in compliance with relevant laws and regulations that have a significant impact on the Group. To the best of knowledge of the Board, the Group has complied with relevant laws and regulations during the year ended 31 March 2025.

COMPANY SECRETARY

The company secretary of the Company (the "**Company Secretary**") is Ms. Yeung Man Wah. In accordance with the Rule 5.15 of the GEM Listing Rule, she has taken no less than 15 hours of relevant professional training during the year ended 31 March 2025. Ms. Yeung Man Wah is engaged and appointed by the Company from an external secretarial service provider as its company secretary. The primary corporate contact person of the Company is Chim Tak Lai, an Executive Director.

INVESTOR RELATIONS

The Company believes that maintaining a high level of transparency is a key to enhance investor relations. It is committed to providing clear and full information about the Company's performance to shareholders through the publication of quarterly reports and annual report. In addition to dispatching circulars, notices and financial reports to shareholders, additional information is also available to shareholders on the websites of the Group at www.8029.hk and the Stock Exchange.

The annual general meeting provides a useful forum for shareholders to raise comments and exchange views with the Board. Shareholders are encouraged to attend annual general meetings for which the Company gives at least 21 clear business days' notice. The Chairman and Directors and external auditor are available to answer questions on the Company's businesses at the meeting.

CONSTITUTIONAL DOCUMENTS

Pursuant to Rule 17.10(2) of the GEM Listing Rules, the Company has published on the respective websites of the Stock Exchange and the Company its Memorandum and Articles of Association. During the year ended 31 March 2025, there had not been any changes in the Company's constitutional documents.

PUBLICATION OF ANNUAL REPORT ON THE STOCK EXCHANGE WEBSITE

The annual report of the Company contains all the information required by the GEM Listing Rules will be published on the Stock Exchange website in due course.

RISK MANAGEMENT AND INTERNAL CONTROL

Goals and Objectives

The Board is responsible for the risk management and internal control systems and reviewing their effectiveness. It is acknowledged that the risk management and internal control systems are designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable and not absolute assurance against material misstatement or loss.

MAIN FEATURES OF THE RISK MANAGEMENT AND INTERNAL CONTROL SYSTEMS

The Group's risk governance structure and the main responsibilities are summarized below:

Board

- evaluates and determines the nature and extent of significant risks it is willing to take in achieving the Group's strategic objections;
- ensures the implementation of an effective risk management and internal control systems;
- oversees the management in the design, implementation and monitoring of the risk management and internal control systems; and
- ensures the adequacy of resources, staff qualifications and experience, training programs and budget of the Group's accounting, internal audit and financial reporting functions.

Corporate Governance Report

Management

- assists the Board to perform its responsibilities of risk management and internal control systems and ensure such review cover all material controls, including financial, operational and compliance controls;
- designs, implements and monitors the risk management and internal control systems
- identifies and assess the major and significant risks which threaten the achievement of the strategic objectives;
- summarizes the results of the risk assessment and evaluation into risk register;
- develops the internal control audit plan and effective control activities to mitigate risks; and
- communicates and reports to the Board periodically.

Legal and Compliance Department

- performs ongoing compliance review on the operation of the Securities, Futures and Asset Management Division of the Group;
- ensures compliance with, to review and recommend amendment to management policies and procedures, relevant provisions in the Securities and Futures Ordinance Cap. 571 ("**SFO**") and other relevant regulations;
- ensures proper internal control procedures are in place to safeguard company's and client's assets; and
- prepares and submits the annual compliance review report to the Board for review.

PROCESS USED TO IDENTIFY, EVALUATE AND MANAGE SIGNIFICANT RISKS

Management, with the assistance of the external consultants, are responsible for designing, implementing and monitoring the risk management and internal control systems.

The processes used to identify, evaluate and manage significant risks by the Group are summarized as follows:

Risk identification

- identifies significant risks through interviewing with the management of major subsidiaries. Risk Assessment Evaluation Form are used to document the risk identified by the management of major subsidiaries.

Risk assessment

- analyses the risk identified by the major subsidiaries from the perspective of the Group level as a whole. The analysis considers the range of potential consequences and how likely those consequences to occur. Consequences and likelihood are combined to produce an estimated level of risk.

Risk response

- categorizes the risks into low risk, medium risk and high risk;
- determines the strategy to handle the risk; and
- develops the risk register and internal control audit plan and determines the frequency of review and control testing on key controls.

Risk monitoring and reporting

- performs ongoing communication of monitoring results to the Board which enables it to assess control of the Group and the effectiveness of risk management;
- presents the compliance review report performed by the Group's legal and compliance department to the Board for review; and
- delivers the fact-findings report with recommendations on the review and testing of internal controls on certain agreed operating cycles and areas performed by external consultant to the Audit Committee and the Board.

INTERNAL AUDIT FUNCTION

The Group's internal audit function is primarily performed by the management of the Company and the Legal and Compliance Department, including analyzing and appraising the adequacy and effectiveness of the Group's risk management and internal control systems. For enhancement of the quality of the internal audit, the Company has engaged an external consultant to assist the Management to:

- perform the risk assessment process;
- review the Group's internal audit function; and
- execute the internal audit plan, including performing test of control on selected cycles in accordance with agreed upon procedures determined by the Management.

During the year ended 31 March 2025, the Board conducted an annual review on the effectiveness of the Group's risk management and internal control systems and concluded that the risk management and internal control systems of the Group were adequate and effective during the year under review.

Whistleblowing Policy and Anti-Corruption Policy

The Board adopted a whistleblowing policy (the "**Whistleblowing Policy**") in June 2022. The purpose of the Whistleblowing Policy is to commit to the highest possible standards of openness, probity and accountability. It provides the employees of the Group with protection, support, reporting channels and guidance on whistleblowing. The nature, status and the results of the complaints received under the Whistleblowing Policy are reported to Executive Directors. No incident of fraud or misconduct that have material effect on the Group's financial statements or overall operations for the year ended 31 March 2025 has been discovered. The Whistleblowing Policy is reviewed annually by the Audit Committee to ensure its effectiveness.

Anti-corruption Policy

The Board adopted an Anti-corruption Policy (the "**Anti-corruption Policy**") in June 2022. The Group is committed to preventing, detecting and reporting fraud, including fraudulent financial reporting. The Anti-corruption Policy applies to the Directors, officers, and employees of the Group. The Group encourages all of its business partners, including joint venture partners, associated companies, contractors and suppliers to abide by the principles of the Anti-corruption Policy. I In the Reporting Period, the Group was in compliance with the Prevention of Bribery Ordinance (Cap. 201 of the Laws of Hong Kong) and no legal cases regarding corrupt practices was brought against the Group or its directors or employees.

Corporate Governance Report

INFORMATION DISCLOSURE POLICY

The Company has adopted its information disclosure policy and related procedures with regard to the "Guidelines on Disclosure of Inside Information" issued by the Securities and Futures Commission. The policy stipulates the responsibilities of the Group, key disclosure requirements under Part XIVA of the SFO and Rules 17.10, 17.11 and 17.11A of the GEM Listing Rules, control measures and reporting procedures of handling confidential information and monitoring information disclosure. The Group adopts an upward reporting approach within the Group for identifying and escalating any potential inside information to the Board. The policy is reviewed annually and all reasonable measures have to be taken from time to time to ensure proper safeguards to prevent any breach of disclosure requirements and to maintain strict confidentiality of information.

Independent Auditor's Report

PRISM HONG KONG LIMITED
Units 1903 -1905,
19/F, 8 Observatory Road,
Tsim Sha Tsui,
Hong Kong

INDEPENDENT AUDITOR'S REPORT
TO THE SHAREHOLDERS OF IMPERIUM FINANCIAL GROUP LIMITED
(incorporated in Cayman Islands with limited liability)

OPINION

We have audited the consolidated financial statements of Imperium Financial Group Limited (the "**Company**") and its subsidiaries (hereinafter collectively referred to as the "**Group**") set out on pages 42 to 141, which comprise the consolidated statement of financial position as at 31 March 2025, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 March 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 (the "**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 are independent of the Group in accordance with the HKICPA's Code of Ethics for Professional Accountants (the "**Code**") and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion

MATERIAL UNCERTAINTY RELATED TO GOING CONCERN

We draw attention to Note 3(a) to the consolidated financial statements, which indicates the Group incurred a consolidated loss of approximately HK$42,222,000 during the year ended 31 March 2025, and as of that date, the Group had net current liabilities and net liabilities of approximately HK$83,722,000 and HK$81,937,000 respectively. As stated in Note 3(a), these events or conditions, along with other matters, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

OTHER MATTER

The consolidated financial statements of the Company for the year ended 31 March 2024 were audited by another auditor who expressed a disclaimer of opinion with material uncertainties related to going concern basis paragraph on those statements dated 28 June 2024.

Independent Auditor's Report

KEY AUDIT MATTER

Key audit matter is the matter, in our professional judgment, was of most significance in our audit of the consolidated financial statements of the current period. The matter was 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 the matter.

Provision of expected credit loss ("ECL") for trade receivables and advances to customers in margin financing

Refer to Notes 28 and 29 to the consolidated financial statements and accounting policies on pages 68 to 73.

The key audit matter	How the matter was addressed in our audit
As at 31 March 2025, the carrying amount of the Group's trade receivables and advances to customers in margin financing were approximately HK$4,275,000 (net of allowance for impairment loss of approximately HK$309,000) and HK$4,464,000 (net of allowance for impairment loss of approximately HK$9,353,000). The provision is estimated by taking into account the credit loss experience, aging of trade receivables and advances to customers in margin financing, customers' repayment history and an assessment of both the current and forecast general economic conditions, all of which involve a significant degree of management judgment. We have identified the provision of ECL for trade receivables and advances to customers in margin financing as a key audit matter because the total carrying amount of trade receivables and advances to customers in margin financing are significant to the consolidated financial statements and the provision of ECL involves significant judgment and estimates.	Our procedures in relation to management's provision of ECL for trade receivables and advances to customers in margin financing included: – Obtaining an understanding of the internal control and processes over the impairment assessment on trade receivables and advances to customers in margin financing by management; – Assessing the grouping of trade receivables and advances to customers in margin financing by considering the nature of the debtors and credit risk characteristics; – Testing the accuracy and completeness of the data used by management to develop the historical loss rates and assessing the sufficiency, reliability and relevance of that data; – Assessing the appropriateness of the impairment loss methodology, testing the calculation of the historical loss rates and evaluating the reasonableness of the forward-looking adjustments made to reflect current and forecast future economic conditions; – Testing the aging of trade receivables and advances to customers in margin financing on a sample basis;

Independent Auditor's Report

The key audit matter	How the matter was addressed in our audit
	– Testing the calculation of ECL provisions applying the provision rates to the age categories of the trade receivables and advances to customers in margin financing outstanding at the reporting date; and - Involving our valuation specialist to evaluate the appropriateness of the valuation methodology adopted by the management of the Group and the reasonableness of assumptions, including loss rates and forward-looking information applied by the management of the Group.

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, but does not include the consolidated financial statements and our auditor's report thereon.

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

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

RESPONSIBILITIES OF DIRECTORS OF THE COMPANY 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 of the Company determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Independent Auditor's Report

In preparing the consolidated financial statements, the directors of the Company are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors of the Company 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.

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 our agreed terms of engagement and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

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

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

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

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

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

- Conclude on the appropriateness of the Company's 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.

Independent Auditor's Report

- 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 group 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.

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 the matter that was of most significance in the audit of the consolidated financial statements of the current period and is therefore the key audit matter. We describe the matter 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 director on the audit resulting in this independent auditor's report is Chin Wang Leung.

Prism Hong Kong Limited
Certified Public Accountants

Chin Wang Leung
Practising Certificate Number: P07806
Hong Kong
30 June 2025

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the year ended 31 March 2025

	Notes	2025 HK$'000	2024 HK$'000 (Restated)
Revenue	7	**32,208**	29,732
Direct costs		**(27,522)**	(20,578)
Gross profit		**4,686**	9,154
Other operating income	9	**812**	993
(Impairment losses) reversal of impairment losses under expected credit loss model, net	10	**(2,553)**	10,078
Other gains and losses, net	11	**(4,328)**	12,896
Administrative expenses		**(29,890)**	(26,950)
Finance costs	12	**(14,965)**	(17,221)
Fair value change of biological assets, net		**(204)**	(251)
Loss before taxation	13	**(46,442)**	(11,301)
Income tax expense	14	**–**	(635)
Loss for the year from continuing operations		**(46,442)**	(11,936)
Discontinued operation			
Profit (loss) from discontinued operation	15	**4,220**	(1,661)
Loss for the year		**(42,222)**	(13,597)
Other comprehensive income (expense):			
Item that may be subsequently reclassified to profit or loss:			
Exchange differences arising on translation of financial statements of foreign operations		**269**	(2,022)
Other comprehensive income (expense) for the year		**269**	(2,022)
Total comprehensive expense for the year		**(41,953)**	(15,619)
(Loss) profit for the year attributable to owners of the Company			
– from continuing operations		**(42,701)**	(11,936)
– from discontinued operation		**4,220**	(1,661)
		(38,481)	(13,597)

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the year ended 31 March 2025

	Note	2025 HK$'000	2024 HK$'000 (Restated)
Loss for the year attributable to non-controlling interests			
– from continuing operations		**(3,741)**	–
– from discontinued operation		**–**	–
		(3,741)	–
Total loss for the year		**(42,222)**	(13,597)
Total comprehensive expense attributable to:			
– Owner of the Company		**(38,212)**	(15,619)
– Non-controlling interests		**(3,741)**	–
		(41,953)	(15,619)
Total comprehensive (expense) income attributable to:			
– from continuing operations		**(46,173)**	(13,958)
– from discontinued operation		**4,220**	(1,661)
		(41,953)	(15,619)
Loss per share (HK cents)	*18*		
For continuing and discontinued operations			
– basic and diluted		**(16.5)**	(5.9)
For continuing operations			
– basic and diluted		**(18.3)**	(5.2)

Consolidated Statement of Financial Position

As at 31 March 2025

	Notes	2025 HK$'000	2024 HK$'000
Non-current assets			
Intangible assets	19	**500**	500
Property, plant and equipment	20	**1,580**	755
Right-of-use assets	21	**–**	–
Investment properties	22	**–**	35,904
Other assets	23	**275**	275
Deposit	30	**267**	447
Biological assets	24	**–**	205
		2,622	38,086
Current assets			
Loan receivables	25	**–**	49
Cryptocurrencies	26	**341**	1,286
Inventories	27	**661**	–
Trade receivables	28	**4,275**	459
Advances to customers in margin financing	29	**4,464**	6,352
Prepayments, deposits and other receivables	30	**5,180**	4,694
Tax recoverable		**140**	–
Cash and cash equivalents	31	**29,527**	47,600
Cash held on behalf of customers	32	**42,691**	44,827
		87,279	105,267
Current liabilities			
Trade payables	33	**47,750**	47,894
Accruals and other payables	34	**32,876**	33,153
Amounts due to related companies	35	**572**	601
Promissory note	36	**82,245**	100,702
Lease liabilities	38	**1,660**	2,771
Bank borrowings and overdrafts	39	**5,102**	–
Income tax payable		**796**	796
		171,001	185,917

Consolidated Statement of Financial Position

As at 31 March 2025

	Notes	2025 HK$'000	2024 HK$'000
Net current liabilities		**(83,722)**	(80,650)
Total assets less current liabilities		**(81,100)**	(42,564)
Non-current liabilities			
Deferred tax liabilities	37	**–**	4,384
Lease liabilities	38	**837**	–
		837	4,384
Net liabilities		**(81,937)**	(46,948)
Capital and reserves			
Share capital	40	**93,361**	93,361
Reserves		**(171,567)**	(140,309)
Equity attributable to owners of the Company		**(78,206)**	(46,948)
Non-controlling interests		**(3,731)**	–
Capital deficiency		**(81,937)**	(46,948)

The consolidated financial statements on pages 42 to 141 were approved and authorised for issue by the board of directors on 30 June 2025 and are signed on its behalf by:

Cheng Ting Kong
Director

Cheng Mei Ching
Director

Consolidated Statement of Changes in Equity

For the year ended 31 March 2025

	Attributable to owners of the Company										
	Share capital HK$'000	Share premium HK$'000 (Note 51)	Capital contribution reserve HK$'000 (Note 51)	Capital redemption reserve HK$'000 (Note 51)	Property revaluation reserve HK$'000 (Note 51)	Merger reserve HK$'000 (Note 51)	Translation reserve HK$'000 (Note 51)	Accumulated losses HK$'000	Total HK$'000	Non-controlling interests HK$'000	Total HK$'000
At 1 April 2023	91,370	1,108,421	130,380	255	4,412	370	32,982	(1,400,895)	(32,705)	–	(32,705)
Loss for the year	–	–	–	–	–	–	–	(13,597)	(13,597)	–	(13,597)
Other comprehensive expense:											
Exchange differences arising on translation of financial statements of foreign operations	–	–	–	–	–	–	(2,022)	–	(2,022)	–	(2,022)
Total comprehensive loss for the year	–	–	–	–	–	–	(2,022)	(13,597)	(15,619)	–	(15,619)
Right issue of shares *(Note 40)*	1,991	(615)	–	–	–	–	–	–	1,376	–	1,376
At 31 March 2024 and 1 April 2024	**93,361**	**1,107,806**	**130,380**	**255**	**4,412**	**370**	**30,960**	**(1,414,492)**	**(46,948)**	**-**	**(46,948)**
Loss for the year	-	-	-	-	-	-	-	(38,481)	(38,481)	(3,741)	(42,222)
Other comprehensive expense:											
Exchange differences arising on translation of financial statements of foreign operations	-	-	-	-	-	-	269	-	269	-	269
Total comprehensive expense for the year	-	-	-	-	-	-	269	(38,481)	(38,212)	(3,741)	(41,953)
Gain on modification of terms of the promissory note *(Note 36)*	-	-	6,954	-	-	-	-	-	6,954	-	6,954
Disposal of investment properties	-	-	-	-	(4,412)	-	-	4,412	-	-	-
Share Subscription of a subsidiary *(Note 41)*	-	-	-	-	-	-	-	-	-	10	10
At 31 March 2025	**93,361**	**1,107,806**	**137,334**	**255**	**-**	**370**	**31,229**	**(1,448,561)**	**(78,206)**	**(3,731)**	**(81,937)**

Consolidated Statement of Cash Flows

For the year ended 31 March 2025

	2025 HK$'000	2024 HK$'000 (restated)
OPERATING ACTIVITIES		
Loss before taxation – continuing operations	**(46,442)**	(11,301)
Loss before taxation – discontinued operation	**(324)**	(2,946)
Loss before taxation	**(46,766)**	(14,247)
Adjustments for:		
Depreciation of property, plant and equipment	**706**	158
Depreciation of right-of-use assets	**571**	–
Interest income	**(432)**	(314)
Finance costs	**14,965**	17,221
(Reversal of impairment losses) impairment losses under expected credit loss model, net, in respect of:		
– advances to customers in margin financing	**1,876**	(10,713)
– trade receivables	**177**	502
– loan receivables	**(148)**	133
– other receivables	**648**	–
Impairment loss recognised in respect of:		
– inventories	**900**	–
– right-of-use assets	**1,616**	–
– property, plant and equipment	**1,699**	–
– cryptocurrencies	**72**	–
Fair value change of biological assets, net	**204**	251
Fair value change of investment properties	**–**	4,282
Loss on early redemption of the promissory note	**612**	4,460
Gain on disposal of property, plant and equipment	**–**	(8,150)
Loss on disposal of investment properties	**167**	–
Loss on written off of:		
– biological assets	**–**	113
– property, plant and equipment	**–**	491
Operating cash flows before movements in working capital	**(23,133)**	(5,813)
Decrease in cryptocurrencies	**1,538**	5,401
Decrease in loan receivables	**197**	123
Decrease in inventories	**252**	–
(Increase) decrease in trade receivables	**(1,766)**	4,815
Decrease in advances to customers in margin financing	**12**	14,515
Increase in prepayments, deposits and other receivables	**(28)**	(2,669)
Decrease in cash held on behalf of customers	**2,136**	6,125
Decrease in trade payables	**(106)**	(9,538)
Increase (decrease) in accruals and other payables	**104**	(409)
(Decrease) increase in amounts due to related companies	**(6)**	32

Consolidated Statement of Cash Flows

For the year ended 31 March 2025

	Note	2025 HK$'000	2024 HK$'000 (restated)
Cash (used in) generated from operations		**(20,800)**	12,582
Income taxes paid		**(193)**	–
NET CASH (USED IN) FROM OPERATING ACTIVITIES		**(20,993)**	12,582
INVESTING ACTIVITIES			
Interest received		**432**	314
Proceeds from disposal of investment properties		**36,600**	–
Proceeds from disposal of property, plant and equipment		**–**	8,150
Net cash inflow on share subscription of a subsidiary		**519**	
Additions of property, plant and equipment		**(2,386)**	(972)
NET CASH FROM INVESTING ACTIVITIES		**35,165**	7,492
FINANCING ACTIVITIES			
Interest paid		**(223)**	–
Repayments of bank borrowings		**(2,076)**	–
Proceed from rights issue of shares		**–**	1,376
Repayment of the promissory note		**(26,530)**	(36,000)
Repayment of lease liabilities and interest		**(2,985)**	(2,304)
NET CASH USED IN FINANCING ACTIVITIES		**(31,814)**	(36,928)
NET DECREASE IN CASH AND CASH EQUIVALENTS		**(17,642)**	(16,854)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		**47,600**	66,249
Effect of foreign exchange rate changes		**(1,224)**	(1,795)
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	*31*	**28,734**	47,600
Analysis of Components of Cash and Cash Equivalents:			
Cash and bank balances		**29,527**	47,600
Bank overdrafts		**(793)**	–
		28,734	47,600

Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

1. GENERAL INFORMATION

The Company is incorporated in the Cayman Islands on 11 July 2000 as an exempted company with limited liability under the Companies Law (Revised) of Cayman Islands. Its shares are listed on GEM of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**"). As at the reporting date, the ultimate and immediate holding company of the Company is Fresh Success Investments Limited, a company incorporated in the British Virgin Islands, and is beneficially owned by Mr. Cheng Ting Kong, the executive director and ultimate controlling shareholder of the Company ("**Mr. Cheng**").

The consolidated financial statements are presented in Hong Kong dollars ("**HK$**") which is same as the functional currency of the Company and all amounts are rounded to the nearest thousand (HK$'000) except otherwise indicated.

During the year ended 31 March 2025, the Group was principally engaged in cryptocurrency business, equine services, financial services and sales of electronic appliance.

2. APPLICATION OF NEW AND AMENDMENTS TO HKFRS ACCOUNTING STANDARDS

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

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

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

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

Amendments to HKFRS Accounting Standards in issue but not yet effective

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

Amendments to HKAS 21	*Lack of Exchangeability*[1]
HKFRS 18	*Presentation and Disclosure in Financial Statements*[3]
HKFRS 19	*Subsidiaries without Public Accountability: Disclosures*[3]
Amendments to HKFRS 9 and HKFRS 7	*Contracts Referencing Nature-Dependent Electricity*[2]
Amendments to HKFRS 9 and HKFRS 7	*Amendments to the Classification and Measurement of Financial Instruments*[2]
Amendments to HKFRS Accounting Standards	*Annual Improvements to HKFRS Accounting Standards – Volume 11*[2]
Amendments to HKFRS 10 and HKAS 28	*Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*[4]

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

Except as described below, the directors of the Company anticipate that the application of other new and amendments to HKFRS Accounting Standards will have no material impact on the results and the financial position of the Group.

Impact on application of HKFRS 18 – Presentation and Disclosure in Financial Statements

HKFRS 18 sets out requirements on presentation and disclosures in financial statements and will replace HKAS 1 “Presentation of Financial Statements”. HKFRS 18 introduces new requirements to present specified categories and defined subtotals in the statement of profit or loss; provide disclosures on management-defined performance measures in the notes to the financial statements and improve aggregation and disaggregation of information to be disclosed in the financial statements. Minor amendments to HKAS 7 “Statement of Cash Flows” and HKAS 33 “Earnings per Share” are also made.

HKFRS 18, and the consequential amendments to other HKFRS Accounting Standards, will be effective for annual periods beginning on or after 1 January 2027, with early application permitted.

The application of HKFRS 18 is not expected to have material impact on the consolidated financial position of the Group but is expected to affect the presentation of the consolidated statement of profit or loss and other comprehensive income and consolidated statement of cash flows and disclosures in the future consolidated financial statements. The Group is currently assessing the impact of HKFRS 18 on the consolidated financial statements of the Group.

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION

Basis of preparation of consolidated financial statements

The consolidated financial statements have been prepared in accordance with HKFRS Accounting Standards as issued by the HKICPA. For the purpose of preparation of the consolidated financial statements, information is considered material if such information is reasonably expected to influence decisions made by primary users. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited (the "**GEM Listing Rules**") and by the Hong Kong Companies Ordinance.

(a) Going concern basis

The Group incurred a net loss of approximately HK$42,222,000 during the year ended 31 March 2025 and, as of that date, the Group recorded net current liabilities and net liabilities of approximately HK$83,722,000 and HK$81,937,000 respectively.

Further, as at 31 March 2025, the Group had a promissory note with principal and interest payable amounting to approximately HK$82,245,000, which is beneficially owned and controlled by Mr. Cheng, the executive director and ultimate controlling shareholder of the Company, which matured on 31 January 2026 and was further extended to 31 December 2026 in the subsequent period, while the Group recorded cash and cash equivalents of approximately HK$29,527,000 as at 31 March 2025.

The conditions described above cast significant doubt on the Group's ability to continue as a going concern. In view of such circumstances, the directors of the Company have given careful consideration to the future liquidity and performance of the Group and its available sources of financing in assessing whether the Group will be able to finance its future working capital and fulfill its financial obligations and continue as a going concern. Certain plans and measures are being or will be taken to manage its liquidity needs and to improve its financial position, which include, but are not limited to, the following:

(i) The Group will continuously adopt strict monitoring process on the repayment status of loan receivables, trade receivables and advances to customers in margin financing in order to ensure timely collection and improve its operating cash flows and financial position;

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

Basis of preparation of consolidated financial statements *(Continued)*

(a) Going concern basis *(Continued)*

(ii) The Group will continuously take measures to tighten cost control over various costs to attain profit and operating cash inflows and implement various strategies to enhance the Group's revenue;

(iii) The Group will continue negotiations with its creditors for extension of its debts when fall due and seek alternative debt and/or equity financing to meet cash flow requirements;

(iv) The Group will continue to seek alternative debt/and or equity financing methods in order to improve the working capital and cash flow of the Group; and

(v) Pursuant to the extension letter date 24 June 2025, Mr. Cheng and the holder of the promissory note (which is beneficially owned and controlled by Mr. Cheng) agreed to extend the maturity date for the promissory note with principal and interest payable amounting to approximately HK$82,245,000 up to 31 December 2026.

The directors of the Company had reviewed the Group's cash flow forecast for a period of not less than twelve months from the date of the approval and authorisation to issue of the consolidated financial statements and are of the opinion that the Group will have sufficient cash resources to finance its working capital requirements and financial obligations during the forecast period, taking into account and assuming the above-mentioned plans and measures will enable the Group's operations to attain profitable and positive cash flows from operations and result in successful negotiation with the Group's creditors to extend the repayment date or obtain sufficient new financing. Accordingly, the directors of the Company are of the opinion that it is appropriate to prepare the consolidated financial statements for the year ended 31 March 2025 on a going concern basis. However, the eventual outcome of these matters cannot be estimated with reasonable certainty, hence there exists material uncertainty related to the conditions described above which may cast significant doubt on the Group's ability to continue as a going concern. Therefore, the Group may be unable to realise its assets and discharge its liabilities in the normal course of business. Should the Group be unable to continue as a going concern, adjustments would have to be made to write down the carrying values of the Group's assets to their recoverable amounts, to provide for any further liabilities which might arise and to reclassify non-current assets and non-current liabilities as current assets and current liabilities, respectively. The effects of these adjustments have not been reflected in the Group's consolidated financial statements as the consolidated financial statements have been prepared on the assumption that the Group will continue as a going concern.

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

Material accounting policy information

(b) Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Group gains control until the date when the Group ceases to control the subsidiary.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

(c) Revenue from contracts with customers

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

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

Control is transferred over time and revenue is recognised over time by reference to the progress towards complete satisfaction of the relevant performance obligation if one of the following criteria is met:

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

Material accounting policy information *(Continued)*

(c) Revenue from contracts with customers *(Continued)*

- the customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs;

- the Group's performance creates or enhances an asset that the customer controls as the Group performs; or

- the Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

Otherwise, revenue is recognised at a point in time when the customer obtains control of the distinct good or service.

A receivable represents the Group's unconditional right to consideration, i.e. only the passage of time is required before payment of that consideration is due.

Over time revenue recognition: measurement of progress towards complete satisfaction of a performance obligation

Output method

The progress towards complete satisfaction of a performance obligation is measured based on output method, which is to recognise revenue on the basis of direct measurements of the value of the goods or services transferred to the customer to date relative to the remaining goods or services promised under the contract, that best depict the Group's performance in transferring control of goods or services.

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

(1) Brokerage

The Group provides brokering and dealing services for securities, futures and options contracts. Commission income is recognised at a point in time on the execution date of the trades at a certain percentage of the transaction value of the trades executed. Fee income is recognised when the transaction is executed and service is complete.

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

Material accounting policy information *(Continued)*

(c) Revenue from contracts with customers *(Continued)*

Output method (Continued)

(2) Asset management

The Group provides asset management and advising on securities to customers. The customers simultaneously receive and consume the benefit provided by the Group, hence the revenue is recognised as a performance obligation satisfied over time. Asset management fee income is charged at a fixed percentage per month of the net asset value of the managed accounts under management of the Group.

The Group is also entitled to a performance fee when there is a positive performance for the relevant performance period and it is recognised at the end of the relevant performance period, when it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is subsequently resolved.

(3) Stallions service

Service income is recognised at the point in time when a vet certificate is produced for confirming that a viable live foal was produced. Service income is recognised at the amount attributable to the Group's interests in the stallion.

(4) Sales of cryptocurrency

Revenue from sales of cryptocurrency is recognised at the point in time when control of the asset has transferred, being when the sales of cryptocurrency are executed in the trading and exchange platforms and ownership of the cryptocurrency has been transferred.

(5) Sales of goods

Revenue from sale of electronic appliance is recognised at the point when the control of the goods is transferred to the customers.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

Material accounting policy information *(Continued)*

(d) Leases

Definition of a lease

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

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

The Group as a lessee

Allocation of consideration to components of a contract

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

Right-of-use assets

The cost of right-of-use asset includes:

- the amount of the initial measurement of the lease liability; and
- any initial direct costs incurred by the Group.

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

Right-of-use assets in which the Group is reasonably certain to obtain ownership of the underlying leased assets at the end of the lease term is depreciated from commencement date to the end of the useful life. Otherwise, right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term.

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

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

Material accounting policy information *(Continued)*

(d) Leases *(Continued)*

The Group as a lessee (Continued)

Refundable rental deposits

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

Lease liabilities

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

The lease payments include fixed payments less any lease incentives receivable.

After the commencement date, lease liabilities are adjusted by interest accretion and lease payments.

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

The Group as a lessor

Classification and measurement of leases

Lease for which the Group is a lessor is classified as operating lease.

Rental income from operating leases is recognised in profit or loss on a straight-line basis over the term of the relevant lease.

Rental income which are derived from the Group's ordinary business are presented as revenue.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

Material accounting policy information *(Continued)*

(e) Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recognised at the rates of exchanges prevailing on the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. When a fair value gain or loss on a non-monetary item is recognised in profit or loss, any exchange component of that gain or loss is also recognised in profit or loss. When a fair value gain or loss on a non-monetary item is recognised in other comprehensive income, any exchange component of that gain or loss is also recognised in other comprehensive income. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are recognised in profit or loss in the period in which they arise.

For the purpose of presenting the consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into the presentation currency of the Group (i.e. HK$) at the exchange rate prevailing at the end of the reporting period. Income and expenses are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the dates of transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity under the heading of translation reserve.

(f) Borrowing costs

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

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

Material accounting policy information *(Continued)*

(g) Employee benefits

(i) Retirement benefit scheme

Payments to the Mandatory Provident Fund Scheme ("**MPF Scheme**") in Hong Kong is recognised as an expense when employees have rendered services entitling them to the contributions.

(ii) Short-term and other long-term employee benefits

Short-term employee benefits are recognised at the undiscounted amount of the benefits expected to be paid as and when employees rendered the services. All short-term employee benefits are recognised as an expense unless another HKFRS requires or permits the inclusion of the benefit in the cost of an asset.

A liability is recognised for benefits accruing to employees (such as wages and salaries, annual leave and sick leave) after deducting any amount already paid.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Group in respect of services provided by employees up to the reporting date.

(h) Taxation

Income tax expense represents the sum of current and deferred income tax expense.

Current tax

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

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

Material accounting policy information *(Continued)*

(h) Taxation *(Continued)*

Deferred tax

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

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

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

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

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

Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

Material accounting policy information *(Continued)*

(h) Taxation *(Continued)*

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

For the purposes of measuring deferred tax for leasing transactions in which the Group recognises the right-of-use assets and the related lease liabilities, the Group first determines whether the tax deductions are attributable to the right-of-use assets or the lease liabilities.

For leasing transactions in which the tax deductions are attributable to the lease liabilities, the Group applies HKAS 12 requirements to the lease liabilities, and the related assets separately. The Group recognises a deferred tax asset related to lease liabilities to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised and a deferred tax liability for all taxable temporary differences.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied to the same taxable entity by the same taxation authority.

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

Material accounting policy information *(Continued)*

(i) Property, plant and equipment

Property, plant and equipment are tangible assets that held for use in the production or supply of goods or services, or for administrative purposes, are stated in the consolidated statement of financial position at cost, less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any.

If a property becomes an investment property because its use has changed as evidenced by end of owner-occupation, any difference between the carrying amount and the fair value of that item (including the relevant leasehold land classified as right-of-use assets) at the date of transfer is recognised in other comprehensive income and accumulated in property revaluation reserve. On the subsequent sale or retirement of the property, the relevant revaluation reserve will be transferred directly to retained profits.

Depreciation is recognised so as to write off the cost of assets less their residual values over their estimated useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

The principal annual rates of depreciation are as follows:

Cryptocurrency mining equipment	33.33%
Leasehold improvement	4% to 20%
Furniture, fixtures and office equipment	11.25% to 33.33%
Motor vehicles	8.3% to 20%
Yacht	20%

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on disposal or retirement is recognised in profit or loss in the year which the asset is derecognised and such amount is determined as the difference between the net sales proceeds and the carrying amount of the relevant asset.

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

Material accounting policy information *(Continued)*

(j) Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation.

Investment properties are initially measured at cost, including any directly attributable expenditure. Subsequent to initial recognition, investment properties are measured at fair value, adjusted to exclude any prepaid or accrued operating lease income.

Gains or losses arising from changes in the fair value of investment properties are included in profit or loss for the period in which they arise.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from its disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.

(k) Intangible assets

Intangible assets with indefinite useful lives are carried at cost less any subsequent accumulated impairment losses (see Note (n) below).

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

Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

Material accounting policy information *(Continued)*

(l) Cryptocurrency

The Group is engaged in the provision of transaction verification services within cryptocurrency networks, commonly termed "cryptocurrency mining". Cryptocurrency consists of mined cryptocurrency, which have active markets where the cryptocurrency can be bought and sold and that provide pricing information on an ongoing basis, do not qualify for recognition as cash and cash equivalents or financial assets, and are intangible assets in nature.

The Group's business model for holding cryptocurrency mined from the operations of its cryptocurrency mining equipment is to hold the cryptocurrency for sale in the ordinary course of business. Accordingly, cryptocurrency are intangible assets that are accounted for as inventories based on the requirements of HKAS 2.

Inventories of cryptocurrency are stated at the lower of cost and net realisable value. The cost of mined cryptocurrency comprises all costs of conversion and other costs incurred in bringing the cryptocurrency to their present location and condition. Cost is calculated using the weighted average cost method. Net realisable value represents the estimated selling price less all estimated costs of completion and costs necessary to make the sale. Costs necessary to make the sale include incremental costs directly attributable to the sale and non-incremental costs which the Group must incur to make the sale.

The costs of cryptocurrency mining services provided to the Group by service providers which were paid for by the Group in the form of cryptocurrency are recognised and determined based on the agreed cash amounts set out in the terms of the respective mining service agreements. The equivalent numbers of cryptocurrency used for settlement of the payables to the mining service providers are determined by mutual agreement of the Group and the respective mining service based on the quoted market prices of the cryptocurrency at the time of agreement of the settlement terms of the payables.

(m) Biological assets

Biological assets, including Stallions, are measured on initial recognition and at the end of the reporting period at their fair value less costs to sell, with any resulting gain or loss recognised in the profit or loss for the year in which it arises. Costs to sell are the incremental costs directly attributable to the disposal of an asset, mainly transportation cost and excluding finance costs and income taxes. The fair value of biological assets is determined based on their present location and condition and is determined independently by a professional valuer.

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

Material accounting policy information *(Continued)*

(n) Impairment on property, plant and equipment, right-of-use assets and intangible assets other than goodwill

At the end of the reporting period, the Group reviews the carrying amounts of its property, plant and equipment and right-of-use assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. Intangible assets with indefinite useful lives are test for impairment at least annually, and whenever there is an indication that they may be impaired.

The recoverable amount of property, plant and equipment, right-of-use assets and intangible assets other than goodwill are estimated individually. When it is not possible to estimate the recoverable amount individually, the Group estimates the recoverable amount of the cash-generating unit ("**CGU**") to which the asset belongs.

In testing a CGU for impairment, corporate assets are allocated to the relevant CGU when a reasonable and consistent basis of allocation can be established, or otherwise they are allocated to the smallest group of CGUs for which a reasonable and consistent allocation basis can be established. The recoverable amount is determined for the CGU or group of CGUs to which the corporate asset belongs, and is compared with the carrying amount of the relevant CGU or group of CGUs.

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

If the recoverable amount of an asset (or a CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or a CGU) is reduced to its recoverable amount. For corporate assets or portion of corporate assets which cannot be allocated on a reasonable and consistent basis to a CGU, the Group compares the carrying amount of a group of CGUs, including the carrying amounts of the corporate assets or portion of corporate assets allocated to that group of CGUs, with the recoverable amount of the group of CGUs. In allocating the impairment loss, the impairment loss is allocated first to reduce the carrying amount of any goodwill (if applicable) and then to the other assets on a pro-rata basis based on the carrying amount of each asset in the unit or the group of CGUs. The carrying amount of an asset is not reduced below the highest of its fair value less costs of disposal (if measurable), its value in use (if determinable) and zero. The amount of the impairment loss that would otherwise have been allocated to the asset is allocated pro rata to the other assets of the unit or the group of CGUs. An impairment loss is recognised immediately in profit or loss.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

Material accounting policy information *(Continued)*

(n) Impairment on property, plant and equipment, right-of-use assets and intangible assets other than goodwill *(Continued)*

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

(o) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle that obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

Provisions for the costs to restore leased assets to their original condition, as required by the terms and conditions of the lease, are recognised at the date of inception of the lease at the directors' best estimate of the expenditure that would be required to restore the assets. Estimates are regularly reviewed and adjusted as appropriate for new circumstances.

(p) Contingent liabilities

A contingent liability is a present obligation arising from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability.

Where the Group is jointly and severally liable for an obligation, the part of the obligation that is expected to be met by other parties is treated as a contingent liability and it is not recognised in the consolidated financial statements.

The Group assesses continually to determine whether an outflow of resources embodying economic benefits has become probable. If it becomes probable that an outflow of future economic benefits will be required for an item previously dealt with as a contingent liability, a provision is recognised in the consolidated financial statements in the reporting period in which the change in probability occurs, except in the extremely rare circumstances where no reliable estimate can be made.

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

Material accounting policy information *(Continued)*

(q) Financial instruments

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

Financial assets and financial liabilities are initially measured at fair value except for trade receivables arising from contracts with customers which are initially measured in accordance with HKFRS 15 Revenue from Contracts with Customers. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

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

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

Financial assets

Classification and subsequent measurement of financial assets

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

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

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

Material accounting policy information *(Continued)*

(q) Financial instruments *(Continued)*

Financial assets (Continued)

Amortised cost and interest income

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

Impairment of financial assets

The Group performs impairment assessment under expected credit loss model on financial assets (including trade receivables, other asset, deposits and other receivables, loan receivables, advances to customers in margin financing, cash and bank balances and cash held on behalf of customers) which are subject to impairment assessment under HKFRS 9. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition.

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of the relevant instrument. In contrast, 12-month ECL ("**12m ECL**") represents the portion of lifetime ECL that is expected to result from default events that are possible within 12 months after the reporting date. Assessment are done based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current conditions at the reporting date as well as the forecast of future conditions.

The Group always recognises lifetime ECL for trade receivables.

For all other instruments, the Group measures the loss allowance equal to 12m ECL, unless when there has been a significant increase in credit risk since initial recognition, in which case the Group recognises lifetime ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition.

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

Material accounting policy information *(Continued)*

(q) Financial instruments *(Continued)*

Financial assets (Continued)

Impairment of financial assets *(Continued)*

(i) Significant increase in credit risk

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

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

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

Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

Material accounting policy information *(Continued)*

(q) Financial instruments *(Continued)*

Financial assets (Continued)

Impairment of financial assets *(Continued)*

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

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

Despite the a foregoing, the Group assumes that the credit risk on a debt instrument has not increased significantly since initial recognition if the debt instrument is determined to have low credit risk at the reporting date. A debt instrument is determined to have low credit risk if i) it has a low risk of default, ii) the borrower has a strong capacity to meet its contractual cash flow obligations in the near term and iii) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations. The Group considers a debt instrument to have low credit risk when it has an internal or external credit rating of 'investment grade' as per globally understood definitions.

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

(ii) Definition of default

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

Irrespective of the above, the Group considers that 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 lagging default criterion is more appropriate.

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

Material accounting policy information *(Continued)*

(q) Financial instruments *(Continued)*

Financial assets (Continued)

Impairment of financial assets *(Continued)*

(iii) Credit-impaired financial assets

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

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

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

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

(d) it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation;

(e) the disappearance of an active market for that financial asset because of financial difficulties; or

(f) the purchase or origination of a financial asset at a deep discount that reflects the incurred credit loss.

(iv) Write-off policy

The Group writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, for example, when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings, or in the case of trade receivables, when the amounts are over two years past due, whichever occurs sooner. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. A write-off constitutes a derecognition event. Any subsequent recoveries are recognised in profit or loss.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

Material accounting policy information *(Continued)*

(q) Financial instruments *(Continued)*

Financial assets (Continued)

Impairment of financial assets *(Continued)*

(v) Measurement and recognition of ECL

The measurement of ECL is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data and adjusted by forward-looking information. As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date

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

If the Group has measured the loss allowance for a financial instrument at an amount equal to Lifetime ECL in the previous reporting period, but determines at the current reporting date that the conditions for Lifetime ECL are no longer met, the Group measures the loss allowance at an amount equal to 12-month ECL at the current reporting date, except for assets for which simplified approach was used.

The Group recognises an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

Material accounting policy information *(Continued)*

(q) Financial instruments *(Continued)*

Financial assets (Continued)

Impairment of financial assets *(Continued)*

(v) Measurement and recognition of ECL *(Continued)*

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

The Group recognises an impairment gain or loss in profit or loss for all financial instruments by adjusting their carrying amount, with the exception of trade receivables and advances to customers in margin financing where the corresponding adjustment is recognised through a loss allowance account.

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire.

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

Financial liabilities and equity

Classification as debt or equity

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

Equity instruments

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

Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

Material accounting policy information *(Continued)*

(q) Financial instruments *(Continued)*

Financial liabilities (Continued)

Financial liabilities at amortised cost

Financial liabilities including trade payables, accruals and other payables, amounts due to related companies, the promissory note, and bank borrowings and overdrafts are subsequently measured at amortised cost, using the effective interest method.

Derecognition/modification of financial liabilities

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

When the contractual terms of a financial liability are modified, the Group assess whether the revised terms result in a substantial modification from original terms taking into account all relevant facts and circumstances including qualitative factors. If qualitative assessment is not conclusive, the Group considers that the terms are substantially different if the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received, and discounted using the original effective interest rate, is at least 10 per cent different from the discounted present value of the remaining cash flows of the original financial liability. The above said fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf. Accordingly, such modification of terms is accounted for as an extinguishment, any costs or fees incurred are recognised as part of the gain or loss on the extinguishment. The exchange or modification is considered as non-substantial modification when such difference is less than 10 per cent.

For non-substantial modifications of financial liabilities that do not result in derecognition, the carrying amount of the relevant financial liabilities will be calculated at the present value of the modified contractual cash flows discounted at the financial liabilities' original effective interest rate. Transaction costs or fees incurred are adjusted to the carrying amount of the modified financial liabilities and are amortised over the remaining term. Excepted the adjustment on the promissory note issued by the controlling shareholder recognised in reserve, any adjustment to the carrying amount of the financial liability is recognised in profit or loss at the date of modification.

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

Material accounting policy information *(Continued)*

(q) Financial instruments *(Continued)*

Offsetting of financial assets and financial liabilities

A financial asset and a financial liability are offset and the net amount is reported in the consolidated statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

(r) Inventories

Inventories are stated at the lower of cost and net realisable value. Costs of inventories are calculated using the first-in, first-out method. Net realisable value of inventories represents the estimated selling price in the ordinary course of business less the estimated costs of completion and costs necessary to make the sale.

(s) Cash and cash equivalents

Cash and cash equivalents presented on the consolidated statement of financial position include:

(a) cash, which comprises of cash on hand and demand deposits, excluding bank balances that are subject to regulatory restrictions that result in such balances no longer meeting the definition of cash; and

(b) cash equivalents, which comprises of short-term (generally with original maturity of three months or less), highly liquid investments that are readily convertible to a known amount of cash and which are subject to an insignificant risk of changes in value. Cash equivalents are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes.

For the purposes of the consolidated statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

4. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in Note 3, the directors of the Company are required to make judgments, estimates and assumptions about the amounts of assets, liabilities, revenue and expenses reported and disclosures made in the consolidated financial statements. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

Critical judgments in applying the accounting policies

The followings are the critical judgments, apart from those involving estimations (see below), that the directors of the Company have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised and disclosures made in the consolidated financial statements.

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

Critical judgments in applying the accounting policies *(Continued)*

Going concern and liquidity

As explained in Note 3(a), the Group incurred a net loss of approximately HK$42,222,000 during the year ended 31 March 2025 and as of that date, the Group recorded net current liabilities and net liabilities of approximately of HK$83,722,000 and HK$81,937,000 respectively. These conditions, along with other matters as set forth in Note 3(a) to the consolidated financial statements, indicate the existence of a material uncertainty which may cast doubt on the Group's ability to continue as a going concern. The assessment of the going concern assumptions involves making judgment by the directors of the Company, at a particular point of time, about the future outcome of events or conditions which are inherently uncertain. The directors of the Company consider that the Group has the ability to continue as a going concern notwithstanding the major conditions that may cast doubts about the going concern assumptions, which are set out in Note 3(a) to the consolidated financial statements.

Deferred taxation on investment properties

In respect of the Group's investment properties located in Australia with carrying amount of approximately HK$35,904,000 for the year ended 31 March 2024, the directors of the Company had reviewed the Group's investment property portfolios and concluded that the Group's investment properties are not held under a business model whose objective is to consume substantially all of the economic benefits embodied in the investment properties over time. Therefore, in determining the deferred taxation on investment properties, the directors of the Company had determined that the presumption that the carrying amounts of investment properties measured using the fair value model were recovered entirely through sale is not rebutted. The Group had recognised deferred taxes of approximately HK$4,384,000 as at 31 March 2024 as the Group is subject to Australian tax upon disposal of the relevant investment properties. During the year ended 31 March 2025, the Group sold the investment properties to an independent third party and the deferred taxation amounted to approximately HK$4,384,000 is derecognised.

Revenue recognition of cryptocurrency mining

There is currently no specific definitive guidance in HKFRS Accounting Standards or alternative accounting frameworks for accounting for the revenue recognition from cryptocurrency mining as well as subsequent measurement of cryptocurrency held.

Given the Group holding cryptocurrencies mined from the operation of its cryptocurrency mining equipment is to sell the cryptocurrencies in the ordinary course of business, the directors of the Company has determined that revenue should be recognised at the date of disposal. The directors of the Company has exercised significant judgment in determining the appropriate accounting treatment. In the event authoritative guidance is issued by the HKICPA, the Group may be required to change its accounting policies, which could have a material effect on the Group's consolidated financial statements.

Notes to the Consolidated Financial Statements
For the year ended 31 March 2025

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

Key sources of estimation uncertainty

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

Provision of ECL for advances to customers in margin financing

The Group makes loss allowances on advances to customers in margin financing based on various factors including the past due status of these advances, past default experience, qualitative creditworthiness, collateral values and forward-looking macroeconomic scenarios and economic inputs. The assessment of ECL on advances to customers in margin financing involves high degree of estimation uncertainty and is sensitive to changes in estimates. Where the expectations are different from the original estimates, such differences will impact the carrying amounts of advances to customers in margin financing and the allowance for credit losses on these advances recognised in the years in which such estimates have been changed.

Principal versus agent consideration (Principal)

The Group is considered as a principal for its contracts with customers relating to trading of electronics appliance as the Group obtained the control over the electronics appliance before passing on to customers taking into consideration and the Group has the right to direct the use and to obtain all the economic benefits of the electronics appliance before passing on to customers.

Fair value of investment properties

Investment properties were stated at fair value based on the valuation performed by independent professional valuers. As at 31 March 2024, the carrying amount of the Group's investment properties was approximately HK$35,904,000. The determination of the fair value involves certain assumptions of market conditions which are set out in Note 22 to the consolidated financial statements. During the year ended 31 March 2025, the Group sold the investment properties to an independent third party.

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

Key sources of estimation uncertainty *(Continued)*

Estimated impairment of intangible assets, property, plant and equipment and right-of-use assets

Intangible assets, property, plant and equipment and right-of-use assets are stated at costs less accumulated depreciation and impairment, if any. In determining whether an asset is impaired, the Group has to exercise judgement and make estimation, particularly in assessing: (1) whether an event has occurred or any indicators that may affect the asset value; (2) whether the carrying value of an asset can be supported by the recoverable amount, in the case of value in use, the net present value of future cash flows which are estimated based upon the continued use of the asset; and (3) the appropriate key assumptions to be applied in estimating the recoverable amounts including cash flow projections and an appropriate discount rate. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the CGU to which the assets belongs.

Changing the assumptions and estimates, including the discount rates or the growth rate in the cash flow projections, could materially affect the recoverable amounts.

As at 31 March 2025, the carrying amounts of intangible assets, property, plant and equipment and right-of-use assets were approximately HK$500,000, HK$1,580,000 and Nil (2024: HK$500,000, HK$755,000 and Nil) respectively.

Details of the impairment of intangible assets, property, plant and equipment and right-of-use assets are disclosed in Notes 19, 20 and 21, respectively.

5. FINANCIAL INSTRUMENTS

(a) Categories of financial instruments

	2025 ***HK$'000***	2024 *HK$'000*
Financial assets		
Financial assets at amortised cost	**85,026**	104,021
Financial liabilities		
Financial liabilities at amortised cost	**168,585**	182,350

Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

5. FINANCIAL INSTRUMENTS *(Continued)*

(b) Financial risk management objectives and policies

The Group's major financial instruments include other assets, deposits, loan receivables, trade receivables, advances to customers in margin financing, other receivables, cash and cash equivalents, cash held on behalf of customers, trade payables, accruals and other payables, amounts due to related companies, the promissory note and bank borrowings and overdrafts. Details of these financial instruments are disclosed in respective notes to the consolidated financial statements. The risks associated with these financial instruments and cryptocurrencies include credit risk, market risk (interest rate risk, foreign currency risk and price risk) and liquidity risk. The policies on how to mitigate these risks are set out below. The directors of the Company manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

There has been no change to the Group's risk exposure relating to financial instruments and the manner in which it manages and measures the risks.

Credit risk

Credit risk refers to the risk that the Group's counterparties default on their contractual obligations resulting in financial losses to the Group. The Group's credit risk exposures are primarily attributable to other assets, loan receivables, trade receivables, advances to customers in margin financing, deposits and other receivables, cash and cash equivalents and cash held on behalf of customers. As at 31 March 2025 and 2024, the Group's maximum exposure to credit risk, which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties, would be the carrying amount of the respective financial assets. The Group does not hold any collateral or other credit enhancements to cover its credit risks associated with its financial assets, except that the credit risk associated with loan receivables is mitigated by share charges over issued share capital of private companies incorporated in Hong Kong and personal guarantees and advances to customers in margin financing is mitigated by collateral over securities held by margin customers.

5. FINANCIAL INSTRUMENTS *(Continued)*

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

Credit risk *(Continued)*

The Group's current credit risk grading framework comprises the following categories:

Internal credit rating	Description	ECL treatment
Performing	The balances that have not had a significant increase in credit risk since initial recognition and 12-month ECL will be recognised	12-month ECL
Underperforming	The balances that have had a significant increase in credit risk since initial recognition and for which the lifetime ECL will be recognised	Lifetime (Not credit-impaired)
Not performing	The balances that have objective evidence of impairment and for which the lifetime ECL will be recognised	Lifetime (Credit-impaired)
Write-off	The balances that have evidence indicating that the debtor is in severe financial difficulty and the Group has no realistic prospect of recovery	Amount is written off

Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

5. FINANCIAL INSTRUMENTS *(Continued)*

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

Credit risk *(Continued)*

The table below details the credit risk exposures of the Group's financial assets, which are subject to ECL assessment:

	Notes	**Internal credit rating**	**12m or lifetime ECL**	**Gross carrying amount**	
				2025	2024
				HK$'000	*HK$'000*
Financial assets at amortised cost					
Other assets	*23*	Performing	12m ECL	**275**	275
Loan receivables	*25*	Performing	12m ECL	**–**	49
		Not performing	Lifetime ECL (credit impaired)	**15,790**	16,097
Trade receivables	*28*	*(Note)*	Lifetime ECL (collective assessment)	**1,727**	436
		Performing	Lifetime ECL (not credit impaired)	**2,835**	361
		Not performing	Lifetime ECL (credit impaired)	**22**	738
Advances to customers in margin financing	*29*	Performing	12m ECL	**4,929**	3,187
		Not performing	Lifetime ECL (credit impaired)	**8,888**	10,642
Deposits and other receivables	*30*	Performing	12m ECL	**3,794**	4,459
Cash and bank balances	*31*	Performing	12m ECL	**29,527**	47,600
Cash held on behalf of customers	*32*	Performing	12m ECL	**42,691**	44,827

Note: The Group has applied the simplified approach in HKFRS 9 to measure the loss allowance at lifetime ECL. The Group determines the ECL on these items on a collective basis, grouped by past due status.

5. FINANCIAL INSTRUMENTS *(Continued)*

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

Credit risk *(Continued)*

The Group has established credit policies and the exposures to these credit risks are monitored on an ongoing basis. Information about the Group's credit risk management, and the related impairment assessment, if applicable, are summarised as below:

Loan receivables

In order to minimise the credit risk, the directors of the Company have appointed a working team of authorised persons who are charged with the responsibility of accepting new borrowers, approving credit limit for each borrower and reviewing borrowers' repayment ability periodically.

The Group adopts a credit risk assessment procedure before the loan is granted as follow: (i) review application and verification of required documents, including but not limited to the identity proof (identity card, certificate of incorporation, business registration certificate and/or latest annual return), address proof, and such other documents obtained by conducting public searches; (ii) search its record to ascertain as to whether the loan applicants are on our blacklist; (iii) face to face interview; (iv) for secured loans, assess the market value of the collateral with reference to the financial report of the charged assets (if applicable); and (v) conduct litigation, bankruptcy, winding up and company search.

When conducting credit risk assessment for unsecured loans, instead of assessing the market value of the collateral, the Group would take a holistic approach to consider, among others, income/assets, repayment ability and/or the loan size of the relevant loan applicant in assessing the risk in granting the unsecured loans. As at 31 March 2025 and 2024, all the unsecured loans are small loans (i.e. with loan amount smaller than HK$50,000).

The Group would perform annual review of the documents and searches of the borrowers, the security providers (if applicable) and/or the charged assets (if applicable), including but not limited to identity proof (identity card, certificate of incorporation business registration certificate and/or latest annual return), address proof, and such other documents obtained by conducting public searches, and the financial report of the charged assets. In addition, a monthly site visit would be performed to ensure the company is in normal operation. Reminder has been sent monthly for any overdue instalments.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

5. FINANCIAL INSTRUMENTS *(Continued)*

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

Credit risk *(Continued)*

Loan receivables (Continued)

The Group assesses allowance for credit losses on loan receivables individually based on historical credit loss experience of the customers as well as fair value of the collateral pledged by the customers and adjusted for forward-looking information. As at 31 March 2025, the balance of allowance for credit losses in respect of loan receivables were approximately HK$15,790,000 (2024: HK$16,097,000). Movements in allowance for credit losses are disclosed in Note 25 to the consolidated financial statements.

The Group has concentration of credit risk as 100% (2024: 72%) and 100% (2024: 100%) of the total loan receivables was due from the Group's largest customer and the five largest customers respectively.

Trade receivables

The Group's trade receivables are mainly due from brokers, dealers and clearing house and customer from sales of electronic appliance and equine business. The Group applies simplified approach under ECL model in assessing the lifetime ECL for trade receivables. The Group assesses trade receivables with shared credit risk characteristics with the use of provision matrix and assesses trade receivables with significant balances and credit-impaired individually.

For trade receivables due from reputable brokers, dealers and clearing houses, which are governed by regulators such as Hong Kong Securities and Futures Commission (the "SFC"), the directors of the Company consider the credit risk of these trade receivables to be low as the counterparties do not have defaults in the past and therefore the average expected credit loss rate is assessed to be immaterial and no provision was made for the reporting period.

For trade receivables due from customers of sales of electronic appliance and equine business, the Group assesses allowance for credit losses collectively based on provision matrix. The trade receivables are grouped based on shared credit risk characteristics by reference to past default experience and current past due exposure of the customer. The estimated loss rates are estimated based on historical observed default rates over the expected life of the customers and are adjusted for forward-looking information. The grouping is regularly reviewed by the directors of the Company to ensure relevant information about specific customers are updated. As at 31 March 2025, the balance of allowance for credit losses in respect of trade receivables were approximately HK$309,000 (2024: HK$1,076,000). Movements in allowance for credit losses are disclosed in Note 28 to the consolidated financial statements.

5. FINANCIAL INSTRUMENTS *(Continued)*

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

Credit risk *(Continued)*

Trade receivables (Continued)

The following table provides information about the Group's exposure to credit risk and average expected loss rate for trade receivables from sales of electronic appliance and equine business that are not credit-impaired under provision matrix for the year ended 31 March 2025 and 2024:

	2025		
	Average expected loss rate	**Gross carrying amount**	**Loss allowance**
	%	**HK$'000**	**HK$'000**
Current (not past due)	**–**	**956**	**–**
1-30 days past due	**16**	**332**	**55**
31-60 days past due	**39**	**286**	**111**
61-90 days past due	**79**	**153**	**121**
		1,727	**287**

	2024		
	Average expected loss rate	Gross carrying amount	Loss allowance
	%	*HK$'000*	*HK$'000*
61-90 days past due	79	428	338

The Group has concentration of credit risk as 27% (2024: 100%) and 42% (2024: 100%) of the total trade receivables was due from the Group's largest customer and the five largest customers respectively.

As at 31 March 2025, trade receivables which were credit-impaired with gross carrying amount of approximately HK$22,000 (2024: HK$738,000) were assessed individually because there were breach of contract, such as a default or past due event.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

5. FINANCIAL INSTRUMENTS *(Continued)*

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

Credit risk *(Continued)*

Advances to customers in margin financing

In order to minimise the credit risk of advances to customers in margin financing, the directors of the Company have appointed a working team of authorised persons who are charged with the responsibility of accepting new customers, approving credit limit for each customer, approving shares acceptable for margin financing and setting stock margin ratio for each approved share.

The working team manages and analyses the credit risk for each of its new and existing clients before standard payment terms and conditions are offered. If there is no independent rating, the Group assesses the credit quality of the customer based on the customer's financial position, past experience and other factors.

For approving shares acceptable for margin financing, the working team will update the approved share list bimonthly, and will revise as and when deemed necessary. They will further prescribe from time to time lending limits on individual share or on any individual customer and his/her associates.

The working team is also responsible for overall monitoring of the credit risk of its customers and will make margin call to those customers who trade exceed their respective limits. Any such excess is required to be made good within two days for securities and the next day for futures of the deficiency report. The deficiency report will be monitored daily by the Group's compliance officer and responsible officers. Failure to meet margin calls may result in the liquidation of the customers' positions. For each individual loans and advances, the working team will closely monitor financial position of the debtors and guarantors, and for the loans with collateral pledged to the Group, they will ensure sufficient collateral was received and to maintain an acceptable loan to collateral value ratio.

The Group assesses allowance for credit losses on advances to customers in margin financing individually based on historical credit loss experience of the customers as well as the fair value of the collateral pledged by the customers and adjusted for forward-looking information. As at 31 March 2025, the balance of allowance credit losses in respect of advances to customers in margin financing were approximately HK$9,353,000 (2024: HK$7,477,000). Movements in allowance for credit losses are disclosed in Note 29 to the consolidated financial statements.

The Group has concentration of credit risk as 66% (2024: 46%) and 95% (2024: 86%) of the total advances to customers in margin financing was due from the Group's largest customer and the five largest customers respectively.

5. FINANCIAL INSTRUMENTS *(Continued)*

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

Credit risk *(Continued)*

Other assets, deposits and other receivables

For other assets, deposits and other receivables, the Group has assessed whether there has been a significant increase in credit risk since initial recognition. The Group considers that there are no significant increase in credit risk of these amounts since initial recognition and the Group provided impairment based on 12m ECL.

Cash and bank balances and cash held on behalf of customers

Credit risk on cash and bank balances and cash held on behalf of customers are limited because the counterparties are reputable banks with high credit ratings assigned by credit agencies and the ECL on bank balances are considered to be insignificant.

Market risk

Interest rate risk

The Group is exposed to fair value interest rate risk in relation to the fixed rate promissory note and loan receivables. The Group is also exposed to cash flow interest rate risk in relation to variable-rate cash and cash equivalents, cash held on behalf of customers and advances to customers in margin financing.

In the case that the interest rates increase/decrease by 1% (2024: 1%), with all other variables held constant, loss for the year ended 31 March 2025 would have been decrease/increase by approximately HK$767,000 (2024: HK$924,000).

Foreign currency risk

The Group operates in Hong Kong and Australia. The Group is exposed to foreign currency risk from commercial transactions and monetary assets and liabilities that are denominated in a currency that is not the group entity's functional currency.

The Group engages in equine business in Australia through its local subsidiaries with Australian Dollars ("**AUD**") as their functional currency. At 31 March 2025 and 2024, these Australia subsidiaries are not exposed to foreign currency risk as their monetary assets and liabilities are denominated in AUD.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

5. FINANCIAL INSTRUMENTS *(Continued)*

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

Market risk *(Continued)*

Interest rate risk (Continued)

The other entities within the Group with Hong Kong dollar as their functional currency have commercial transactions and monetary assets and liabilities that are denominated in United States Dollar ("**US$**") and other foreign currencies. Since HK$ is pegged to US$, the Group does not expect any significant movement in HK$/US$ exchange rate and there is no significant foreign currency risk exposure with respect to US$. Given that the aggregate amount monetary assets and liabilities denominated in other foreign currencies are minimal, the foreign currency risk exposure with respect to other foreign currencies is not significant.

The Group currently does not have a foreign currency hedging policy in respect of assets and liabilities denominated in foreign currency. The Group will monitor its foreign currency exposure closely and will consider hedging significant foreign currency exposure should the need arise.

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting obligations associated with its financial liabilities. As part of the measures to safeguard liquidity, the Group has diversified the funding sources and spacing out the maturity dates.

A number of the Group's activities in Hong Kong are subject to various statutory liquidity requirements as prescribed by the SFC in accordance with the Hong Kong Securities and Futures Ordinance (the "**SFO**").

The Group has also put in place a monitoring system to ensure that it maintains adequate liquid capital to fund its business commitments and to comply with relevant liquid capital requirements under the SFO.

The Group closely monitors its liquidity risk by performing periodic reviews and evaluations of its liquidity with regard to the industry characteristics, market conditions, business strategies and changes in the Group's state of affairs and adjusting the current and non-current portions of the Group's debt portfolio on a proper and timely basis. In addition, the Group aims to ensure continuity of funds and flexibility through the use of various means of financing and by keeping committed facilities available.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

5. FINANCIAL INSTRUMENTS *(Continued)*

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

The maturity profile of the Group's financial liabilities and lease liabilities at the end of the reporting period, based on the contractual undiscounted cash flows, are as follows:

	Effective Interest Rate	On demand or less than 1 year	More than 1 year but less than 5 years	Total undiscounted cash flows	Carrying amount
	%	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
At 31 March 2025					
Non-derivative financial liabilities					
Trade payables	**–**	**47,750**	**–**	**47,750**	**47,750**
Accruals and other payables	**–**	**32,876**	**–**	**32,876**	**32,876**
Amounts due to related companies	**–**	**572**	**–**	**572**	**572**
Promissory note	**13.94**	**91,695**	**–**	**91,695**	**82,245**
Bank borrowing and overdrafts	**2.75-6.50**	**5,379**	**–**	**5,379**	**5,102**
		178,272	**–**	**178,272**	**168,545**
Lease liabilities	**12.34-15.29**	**1,884**	**902**	**2,786**	**2,497**
At 31 March 2024					
Non-derivative financial liabilities					
Trade payables	–	47,894	–	47,894	47,894
Accruals and other payables	–	33,153	–	33,153	33,153
Amounts due to related companies	–	601	–	601	601
Promissory note	16.21	114,218	–	114,218	100,702
		195,866	–	195,866	182,350
Lease liabilities	12.34	3,060	–	3,060	2,771

6. CAPITAL RISK MANAGEMENT

The Group's primary objectives when managing capital are to safeguard the abilities of the entities in the Group to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, by pricing products and services commensurately with the level of risk and by securing access to finance at a reasonable cost.

The directors of the Company actively and regularly review and manage the Group's capital structure to maximise the returns to shareholders through the optimisation of the debt afforded by a sound capital position, and makes adjustments to the capital structure in light of changes in economic conditions. The Group's overall strategy remains unchanged from prior years.

The Group is not subject to any externally imposed capital requirements except for certain subsidiaries, which engaged in securities and futures dealings and broking, nominee and custodian services, leveraged foreign exchange trading, and fund management, are regulated entities under the SFO and are required to comply with certain capital requirement according to the SFO.

During the year, the subsidiaries of the Group which are subject to minimum capital requirements imposed by the SFO, complied with all the minimum capital requirements.

During the years ended 31 March 2025 and 2024, the capital structure of the Group mainly consists of debts, which include the promissory note, and bank borrowings and overdrafts and equity attributable to owners of the Company, comprising issued capital and reserves. The directors of the Company consider the cost of capital and the risks associated with each class of capital to monitor its capital structure on the basis of a gearing ratio. The ratio is calculated as borrowings divided by total equity.

	2025 **HK$'000**	2024 HK$'000
Borrowings	**87,347**	100,702
Capital deficiency	**(81,937)**	(46,948)
Gearing ratio	**N/A**	N/A

7. REVENUE

	2025	2024
	HK$'000	*HK$'000*
		(Restated)
Continuing operations		
Revenue within the scope of HKFRS 15:		
Revenue from financial services		
Fees and commission income		
– Securities	**2,506**	1,863
– Fund and bond	**27**	50
Asset management fee income	**–**	25
	2,533	1,938
Revenue from equine services		
Stallions service income	**–**	1,205
Revenue from cryptocurrency business		
Sales of cryptocurrencies	**10,127**	22,626
Revenue from trading business		
Sales of goods	**16,410**	–
	29,070	25,769
Revenue outside the scope of HKFRS 15:		
Interest income from cash and margin clients	**2,438**	2,980
Interest income from loan receivables	**700**	983
	3,138	3,963
	32,208	29,732

Disaggregation of revenue from contracts with customers by timing of recognition

	2025	2024
	HK$'000	*HK$'000*
		(Restated)
Continuing operations		
Timing of revenue recognition		
– At a point in time	**29,070**	25,744
– Over time	**–**	25
	29,070	25,769

8. SEGMENT INFORMATION

The Group determines its operating segments based on the reports reviewed by the directors of the Company, being the chief operating decision maker (the "**CODM**"), for the purpose of monitoring segment performance and allocating resources between segments and that are used to make strategic decisions.

Previously, the Group has four operating and reportable segments–cryptocurrency business, financial service operations, equine service operations and properties investment. The segmentations are based on the information about the operations of the Group that the directors of the Company uses to make decisions.

The Group's operating and reportable segments are strategic business units that operate different activities. They are managed separately because each business has different markets and requires different marketing strategies.

During the year ended 31 March 2025, the Group disposed of the interest in property investment segment which was presented as "discontinued operation" and details are set out in Note 15. The properties investment business comprises rental income from investment properties in Australia. The following segment information of the Group's business segment does not include the discontinued operation.

During the year ended 31 March 2025, the Group commenced trading of electronic appliance, this becomes a new reportable and operating segment in the current year.

As at 31 March 2025, the Group has four operating and reportable segments which are as follows:

1. Cryptocurrency business – Mining and sales of cryptocurrencies

2. Financial services – provision of securities and futures brokerage, provision of margin financing, asset management services and custodian services to customers and engaging in money lending business

3. Equine services – provision of stallion services and investment in stallions

4. Sales of electronic appliance – trading of electronic appliance

No operating segments have been aggregated in arriving at the reportable segments of the Group. Segment revenue reported as follow represents revenue generated from external customers. There was no inter-segment revenue for both years.

Segment results represent profit earned (loss incurred) by each segment without allocation of central administrative expenses including directors' emoluments, certain other operating income, certain other gains and losses, certain administrative expenses and certain finance costs. This is the measure reported to the CODM for the purposes of resource allocation and assessment of segment performance.

8. SEGMENT INFORMATION *(Continued)*

For the purposes of monitoring segment performance and allocating resources between segments:

– all assets are allocated to operating segments other than certain right-of-use assets, certain property, plant and equipment, certain prepayments, deposits and other receivables, certain cash and cash equivalents that are not attributable to individual segments. Assets used jointly by individual segments are allocated on the basis of the revenues earned by individual segments; and

– all liabilities are allocated to operating segments other than the promissory note, certain accruals and other payables, certain lease liabilities that are not attributable to individual segments. Liabilities for which segments are jointly liable are allocated in proportion to segment assets.

For the year ended 31 March 2025

	Cryptocurrency business *HK$'000*	Equine services *HK$'000*	Financial services *HK$'000*	Sales of electronic appliance *HK$'000*	Total *HK$'000*
Continuing operations					
Segment revenue	10,127	–	5,671	16,410	32,208
Segment result	(5,963)	(298)	(6,917)	(7,638)	(20,816)
Unallocated corporate income					72
Unallocated finance costs					(14,674)
Unallocated corporate expenses					(11,024)
Loss before taxation					(46,442)

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For the year ended 31 March 2025

8. SEGMENT INFORMATION *(Continued)*

For the year ended 31 March 2025 *(Continued)*

Amounts included in the measurement of segment profit or loss or segment assets are as follows:

	Cryptocurrency business HK'000	Equine services HK'000	Financial services HK'000	Sales of electronic appliance HK'000	Unallocated HK'000	Total HK'000
Continuing operations						
(Impairment losses) reversal of impairment losses under expected credit loss model, net, in respect of:						
– advances to customers in margin financing	–	–	(1,876)	–	–	(1,876)
– trade receivables	–	139	–	(316)	–	(177)
– loan receivables	–	–	148	–	–	148
– other receivable	–	–	–	(648)	–	(648)
Impairment losses on inventories	–	–	–	(900)	–	(900)
Impairment losses on property, plant and equipment	(1,608)	–	–	(91)	–	(1,699)
Impairment losses on right-of use assets	–	–	–	(1,616)	–	(1,616)
Fair value change of biological assets	–	(204)	–	–	–	(204)
Loss on early redemption of the promissory note	–	–	–	–	(612)	(612)
Depreciation of property, plant and equipment	–	–	–	(706)	–	(706)
Depreciation of right-of-use assets	–	–	–	(571)	–	(571)
Finance costs	–	–	–	(291)	(14,674)	(14,965)
Addition to property, plant and equipment	2,386	–	–	1,509	–	3,895
Addition to right-of-use assets	–	–	–	1,687	–	1,687

8. SEGMENT INFORMATION *(Continued)*

As at 31 March 2025

	Cryptocurrency business *HK'000*	Equine services *HK'000*	Financial services *HK'000*	Sales of electronic appliance *HK'000*	Assets and liabilities relating to discontinued operation *HK'000*	Unallocated *HK'000*	Total *HK'000*
Segment assets	4,000	846	79,568	3,952	455	1,080	89,901
Segment liabilities	1,769	14,713	63,714	7,763	95	83,784	171,838

For the year ended 31 March 2024

	Cryptocurrency business *HK$'000*	Equine services *HK$'000*	Financial services *HK$'000*	Total *HK$'000* (Restated)
Continuing operations				
Segment Revenue	22,626	1,205	5,901	29,732
Segment result	446	10,275	10,623	21,344
Unallocated corporate income				68
Unallocated finance costs				(17,216)
Unallocated corporate expenses				(15,497)
Loss before taxation				(11,301)

Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

8. SEGMENT INFORMATION *(Continued)*

For the year ended 31 March 2024 *(Continued)*

Amounts included in the measurement of segment profit or loss or segment assets are as follows:

	Cryptocurrency business	Equine services	Financial services	Unallocated	Total
	HK'000	*HK'000*	*HK'000*	*HK'000*	*HK'000*
					(Restated)
Continuing operations					
(Impairment losses) reversal of impairment losses under expected loss model, net, in respect of:					
– advances to customers in margin financing	–	–	10,713	–	10,713
– trade receivables	–	(502)	–	–	(502)
– loan receivables	–	–	(133)	–	(133)
Loss on early redemption of the promissory note	–	–	–	(4,460)	(4,460)
Loss on written-off of property, plant and equipment	(491)	–	–	–	(491)
Gain on disposal of property, plant and equipment	–	–	8,150	–	8,150
Loss on written-off of biological assets	–	(113)	–	–	(113)
Insurance compensation on biological asset	–	10,294	–	–	10,294
Depreciation of property, plant and equipment	(106)	(52)	–	–	(158)
Finance costs	–	–	(5)	(17,216)	(17,221)
Fair value change of biological assets	–	(251)	–	–	(251)
Addition to property, plant and equipment	972	–	–	–	972

8. SEGMENT INFORMATION *(Continued)*

As at 31 March 2024

	Cryptocurrency business	Equine services	Financial services	Assets and liabilities relating to discontinued operation	Unallocated	Total
	HK'000	*HK'000*	*HK'000*	*HK'000*	*HK'000*	*HK'000*
Segment assets	5,071	1,743	92,000	36,160	8,379	143,353
Segment liabilities	2,712	15,387	63,388	4,547	104,267	190,301

Segment revenue reported above represents revenue generated from external customers. There was no inter-segment revenue in the year.

Information about major customers

No revenues from transactions with external customers accounted for 10% or more of the Group's total revenue for the years ended 31 March 2025 and 2024.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

8. SEGMENT INFORMATION *(Continued)*

Geographical analysis

The geographical location of revenue is based on the location of the operations:

	2025	2024
	HK$'000	*HK$'000*
		(Restated)
Continuing operations		
Hong Kong	**32,208**	28,527
Australia	**–**	1,205
	32,208	29,732

The geographical location of non-current assets other than financial assets is based on the physical location of assets.

	2025	2024
	HK$'000	*HK$'000*
Hong Kong	**1,212**	500
Australia	**–**	36,109
Others	**868**	755
	2,080	37,364

Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

9. OTHER OPERATING INCOME

	2025 *HK$'000*	2024 *HK$'000* (Restated)
Continuing operations		
Bank interest income	**432**	298
Sundry income	**317**	635
Imputed interest income on rental deposit	**63**	60
	812	993

10. (IMPAIRMENT LOSSES) REVERSAL OF IMPAIRMENT LOSSES UNDER EXPECTED CREDIT LOSS MODEL, NET

	2025 *HK$'000*	2024 *HK$'000*
Continuing operations		
(Impairment losses) reversal of impairment losses under expected credit loss model, net, in respect of:		
– Advances to customers in margin financing	**(1,876)**	10,713
– Trade receivables	**(177)**	(502)
– Loan receivables	**148**	(133)
– Other receivables	**(648)**	–
	(2,553)	10,078

Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

11. OTHER GAINS AND LOSSES, NET

	2025	2024
	HK$'000	*HK$'000*
		(Restated)
Continuing operations		
Impairment losses recognised in respect of:		
– Right-of-use assets	**(1,616)**	–
– Property, plant and equipment	**(1,699)**	–
– Cryptocurrencies	**(72)**	–
Loss on early redemption of the promissory note	**(612)**	(4,460)
Net foreign exchange loss	**(329)**	(484)
Loss on written-off of property plant and equipment	**–**	(491)
Gain on disposal of property, plant and equipment	**–**	8,150
Loss on written-off of biological assets	**–**	(113)
Insurance compensation on biological asset	**–**	10,294
	(4,328)	12,896

12. FINANCE COSTS

	2025	2024
	HK$'000	*HK$'000*
Continuing operations		
Effective interest expense on the promissory note	**14,415**	16,719
Interest on lease liabilities	**327**	502
Interest on bank borrowings	**223**	–
	14,965	17,221

Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

13. LOSS BEFORE TAXATION

Loss before taxation is arrived at after charging (crediting):

	2025 *HK$'000*	2024 *HK$'000* (Restated)
Continuing operations		
Direct costs:		
– Fee and charges of securities brokerage	**222**	854
– Cost of cryptocurrencies sold *(Note 26)*	**14,161**	19,724
– Cost of sales of electronics appliance	**13,139**	–
Sub-total	**27,522**	20,578
Employee benefit expenses (including directors' remuneration):		
– Directors' emoluments	**3,608**	4,297
– Other staff's salaries and other benefits	**14,808**	9,562
– Other staff's retirement benefit scheme contributions	**627**	320
Sub-total	**19,043**	14,179
Auditor's remuneration for:		
– Audit services	**790**	900
Impairment loss of inventories (included in direct costs)	**900**	–
Depreciation of right-of-use assets *(Note 21)*	**571**	–
Depreciation of property, plant and equipment	**1,371**	1,652
Less: Depreciation expense capitalised in cryptocurrencies	**(665)**	(1,494)
Sub-total	**706**	158

Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

14. INCOME TAX EXPENSE

	2025 HK$'000	2024 HK$'000 (Restated)
Continuing operations		
Current income tax		
– Hong Kong profit tax	–	635

Under the two-tiered profits tax rates regime, the first HK$2,000,000 of profits of the qualifying group entity are taxed at 16.5%, and profits above HK$2,000,000 are taxed at 16.5%. The profits of group entities not qualifying for the two-tiered profits tax rates regime are taxed at a flat rate of 16.5%.

Taxation arising in other jurisdictions in which the Group operates is calculated on the estimated assessable profits for the year at the rates prevailing in the relevant jurisdictions.

The Group's cryptocurrency business is subject to Hong Kong Profits Tax for the years ended 31 March 2025 and 2024, of which the Group recorded a tax loss of approximately HK$4,218,000 (2024: HK$2,727,000). Accordingly, no tax expense and provision was made for the cryptocurrency business for the years ended 31 March 2025 and 2024. The tax loss is not yet agreed by the Hong Kong Inland Revenue Department up to the date of approval of the consolidated financial statements.

Income tax expense for the years can be reconciled to the loss before taxation per the consolidated statement of profit or loss as follows:

	2025 HK$'000	2024 HK$'000 (Restated)
Continuing operations		
Loss before tax	**(46,442)**	(11,301)
Tax credit at the Hong Kong Profits Tax rate of 16.5%	**(7,663)**	(1,865)
Tax effect of income not taxable for tax purposes	**(112)**	(2,733)
Tax effect of expenses not deductible for tax purposes	**2,070**	1,345
Tax effect of different tax rates for subsidiaries operating in other jurisdictions	**(14)**	887
Tax effect of tax losses not recognised	**5,734**	5,734
Utilisation of tax losses previously not recognised	**(15)**	(2,733)
Income tax expense	**–**	635

Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

15. DISCONTINUED OPERATION

On 30 July 2024, Imperium Farm Pty Ltd ("**the Vendor**"), being an indirect wholly-owned subsidiary of the Company, Imperium Stud Pty Ltd ("**the Asset Vendor**") being an indirect wholly-owned subsidiary of the Company, and Widden Property Pty Limited ("**the Purchaser**") entered into a sale and purchase agreement (the "**Sale and Purchase Agreement**") in relation to the disposal of the investment properties located in Australia which were owned by the Vendor (the "**Investment Properties**"). Pursuant to the Sale and Purchase Agreement, the Vendor and the Asset Vendor agreed to sell, and the Purchaser agreed to purchase, the Investment Properties subject to the lease of the Investment Properties between the Vendor, the Asset Vendor and the Purchaser at the aggregate consideration of AUD7,000,000 (equivalent to approximately HK$36,600,000) plus any applicable goods and services tax subject to the terms of the Sale and Purchase Agreement.

Completion took place on 5 September 2024 (the "**Disposal Date**"). Upon Completion, the Group has ceased to hold any interest in the Investment Properties and the landlord's rights, remedies and covenants of the Vendor in respect of the Lease have been assigned to the Purchaser. Subsequent to the Disposal, the Group ceased its investment properties business (i.e. the "**Discontinued Operation**").

The results of the Discontinued Operation for the period from 1 April 2024 to the Disposal Date and the year ended 31 March 2024, which have been included in the consolidated statement of profit or loss and other comprehensive income, were as follows:

	1 April 2024 to the Disposal Date *HK$'000*	1 April 2023 to 31 March 2024 *HK$'000*
Revenue	**554**	1,622
Other operating income	**–**	24
Other gains and losses	**(167)**	(4,282)
Administrative expenses	**(711)**	(310)
Loss before taxation from Discontinued Operation	**(324)**	(2,946)
Income tax credit	**4,544**	1,285
Profit (loss) for the period/year from Discontinued Operation	**4,220**	(1,661)

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15. DISCONTINUED OPERATION *(Continued)*

	1 April 2024 to the Disposal Date	1 April 2023 to 31 March 2024
	HK$'000	*HK$'000*
Profit (loss) for the period/year from Discontinued Operation include the following:		
Staff's salaries and other benefits	**15**	21
Fair value loss on investment properties	**–**	4,282
Loss on disposal of investment properties	**167**	–

16. DIRECTORS' EMOLUMENTS AND FIVE HIGHEST PAID EMPLOYEES

(a) Directors' emoluments

The emoluments paid or payable to each director for the years ended 31 March 2025 and 2024 were as follows:

	Director fee		Salaries and other benefits		Retirement benefits scheme contributions		Total	
	2025	2024	**2025**	2024	**2025**	2024	**2025**	2024
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
Executive directors *(Note)*								
Mr. Cheng	**–**	–	**430**	430	**18**	18	**448**	448
Ms. Cheng Mei Ching	**–**	–	**1,806**	1,806	**18**	18	**1,824**	1,824
Mr. Chim Tak Lai	**–**	–	**780**	780	**18**	18	**798**	798
Mr. Xu Shancheng[1]	**–**	–	**201**	–	**5**	–	**206**	–
Mr. Lui Man Wah[2]	**–**	–	**–**	859	**–**	8	**–**	867
	–	–	**3,217**	3,875	**59**	62	**3,276**	3,937
Independent non-executive directors								
Mr. Chan Tin Lup, Trevor	**120**	120	**–**	–	**–**	–	**120**	120
Mr. Tou Kin Chuen	**120**	120	**–**	–	**–**	–	**120**	120
Mr. Hong Haiji[3]	**58**	120	**–**	–	**–**	–	**58**	120
Ms. Kwong Pui Yin[4]	**34**	–	**–**	–	**–**	–	**34**	–
	332	360	**–**	–	**–**	–	**332**	360
Total	**332**	360	**3,217**	3,875	**59**	62	**3,608**	4,297

1 *Appointed as an executive director on 11 December 2024.*

2 *Resigned as an executive director on 29 September 2023.*

3 *Resigned as an independent non-executive director on 24 September 2024.*

4 *Appointed as an independent non-executive director on 11 December 2024.*

Note: The executive directors were also the key management personnel of the Group.

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For the year ended 31 March 2025

16. DIRECTORS' EMOLUMENTS AND FIVE HIGHEST PAID EMPLOYEES

(Continued)

(b) Five highest paid employees

Of the five individuals with the highest emoluments in the Group, two (2024: two) were directors of the Company whose emoluments are included in (a) above. The emoluments of the remaining three (2024: three) individuals were as follows:

	2025 ***HK$'000***	2024 *HK$'000*
Salaries and other allowances	**3,287**	1,879
Retirement benefits schemes contributions	**45**	36
	3,332	1,915

The number of the highest paid employees who are not the directors of the Company whose remuneration fell within the following bands is as follows:

	2025 ***No. of employee***	2024 *No. of employee*
Nil to HK$1,000,000	**1**	1
HK$1,000,001 – HK$1,500,000	**2**	1
	3	2

During the years ended 31 March 2025 and 2024, no emoluments were paid by the Group to the five highest paid individuals, including directors, as an inducement to join or upon joining the Group.

There was no arrangement under which the directors and five highest paid individuals waived or agreed to waive any remuneration during both years.

The executive directors' emoluments shown above were mainly for their services in connection with the management of the affairs of the Company and the Group. The independent non-executive directors' emoluments shown above were mainly for their services as directors of the Company.

17. DIVIDEND

No dividend was paid, declared or proposed by the board of directors of the Company for the year ended 31 March 2025 (2024: Nil).

18. LOSS PER SHARE

From continuing operations

The calculation of basic and diluted loss per share from continuing operations are based on the following data:

	2025 *HK$'000*	2024 *HK$'000* (Restated)
Total loss for the year attributable to owners of the Company	**(38,481)**	(13,597)
Less: Profit (loss) for the year from Discontinued Operation	**4,220**	(1,661)
Loss for the purpose of basic and diluted loss per share from continuing operations	**(42,701)**	(11,936)
Weighted average number of ordinary shares at end of the year	**233,402**	231,653

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

The weighted average number of ordinary shares has been restated to reflect the effect of the share consolidation and the rights issues (as disclosed in Note 40) as if they happened on 1 April 2023. Further details are set out in Note 40 of the consolidated financial statements.

From Discontinued Operation

Basic and diluted earnings per share for the Discontinued Operation is HK1.8 cents per share (2024: loss of HK0.7 cents per share), based on the profit for the year from the Discontinued Operation of approximately HK$4,220,000 (2024: loss for the year of HK$1,661,000) and the denominators detailed above for both basic and diluted earnings (loss) per share.

19. INTANGIBLE ASSETS

	2025 *HK$'000*	2024 *HK$'000*
Trading rights	**500**	500

The Group's eligibility rights to trade on or through the Stock Exchange and the Hong Kong Futures Exchange Limited at carrying amount of HK$500,000 is considered to have indefinite useful lives, accordingly it is not amortised.

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20. PROPERTY, PLANT AND EQUIPMENT

	Cryptocurrency mining equipment HK$'000	Leasehold improvement HK$'000	Furniture, fixtures and office equipment HK$'000	Motor vehicles HK$'000	Yacht HK$'000	Total HK$'000
Cost						
At 1 April 2023	46,487	10,854	4,386	2,925	30,128	94,780
Additions	972	–	–	–	–	972
Written-off *(Note)*	(46,487)	–	–	–	–	(46,487)
Disposal	–	–	–	–	(30,128)	(30,128)
Foreign currency realignment	–	–	–	(55)	–	(55)
At 31 March 2024 and 1 April 2024	972	10,854	4,386	2,870	–	19,082
Additions	2,386	–	–	–	–	2,386
Disposal	–	–	–	(1,825)	–	(1,825)
Share subscription of a subsidiary *(Note 41)*	–	–	118	1,391	–	1,509
Foreign currency realignment	–	–	–	(14)	–	(14)
At 31 March 2025	3,358	10,854	4,504	2,422	–	21,138
Accumulated depreciation and impairment loss						
At 1 April 2023	44,613	10,854	4,386	2,872	30,128	92,853
Charge for the year	1,600	–	–	52	–	1,652
Written-off *(Note)*	(45,996)	–	–	–	–	(45,996)
Disposal	–	–	–	–	(30,128)	(30,128)
Foreign currency realignment	–	–	–	(54)	–	(54)
At 31 March 2024 and 1 April 2024	217	10,854	4,386	2,870	–	18,327
Charge for the year	665	–	27	679	–	1,371
Disposal	–	–	–	(1,825)	–	(1,825)
Impairment losses for the year	1,608	-	91	-	-	1,699
Foreign currency realignment	–	–	–	(14)	–	(14)
At 31 March 2025	2,490	10,854	4,504	1,710	–	19,558
Carrying amount						
At 31 March 2025	868	–	–	712	–	1,580
At 31 March 2024	755	–	–	–	–	755

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

Note: *As set out in the Company's announcement dated 28 March 2024, the Group ceased the cryptocurrency mining activities in Kazakhstan and as a result the related cryptocurrency mining equipment were written off.*

Impairment assessment

At the end of the reporting period, the directors of the Company reviewed the carrying amounts of its property, plant and equipment including the cryptocurrency mining equipment to determine whether there was any indication that those assets had suffered an impairment loss.

In respect of the certain cryptocurrency mining equipment of approximately HK$1,972,000, the impairment loss of approximately HK$1,200,000 has been recognised in consolidated profit or loss during the year ended 31 March 2025 based on the fair value less cost to sell by the signed disposal agreement in the subsequent period.

The management of the Group has engaged a firm of independent professional valuers, to perform valuations on the cryptocurrency mining equipment of remaining balance of approximately HK$504,000 as at 31 March 2025. The valuers have adopted the market approach to perform the valuation which was based on the recent market prices of the cryptocurrency mining equipment and made adjustments in respect of, among others, the hash rate and depreciation to align with the Group's cryptocurrency mining equipment. The Group's impairment assessment on cryptocurrency mining equipment and the recognition of the impairment loss was made based on the valuation report prepared by the independent professional valuers. The adjusted market value used RMB356 per equipment. The fair value measurement is categorised into Level 3 fair value hierarchy. The relevant assets were impaired to their recoverable amount of approximately HK$96,000 which were their carrying values at 31 March 2025 and impairment loss of approximately HK$408,000 was recognised in consolidated profit or loss during the year ended 31 March 2025.

In addition, due to continued losses for different segments of the Group, the Group conducted impairment assessment on 31 March 2025 to compare the carrying amount of the corporate assets including furniture, fixtures and office equipment and right-of-use assets of approximately HK$91,000 and HK$1,616,000 to its recoverable amount. The recoverable amount has been determined based on its value-in-use. The Group determined there will be no recoverable amount for the corporate assets and recongised impairment loss on furniture, fixtures and office equipment and right-of-use assets of approximately HK$91,000 and HK$1,616,000 for the year ended 31 March 2025.

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21. RIGHT-OF-USE ASSETS

	2025	2024
	HK$'000	*HK$'000*
At the beginning of the reporting period	**–**	–
Share subscription of a subsidiary (Note 41)	**500**	–
Additions	**1,687**	–
Depreciation charge for the year	**(571)**	–
Impairment loss recognised during the year (Note 20)	**(1,616)**	–
At the end of the reporting period	**–**	–

	2025	2024
	HK$'000	*HK$'000*
Total cash outflows for leases	**2,985**	2,304

For both years, the Group leases offices for its operations. Lease contracts are entered into for fixed term of 2-3 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. In determining the lease term and assessing the length of the non-cancellable period, the Group applies the definition of a contract and determines the period for which the contract is enforceable.

As at 31 March 2025 and 2024, the Group did not enter into new leases that have not yet commenced.

22. INVESTMENT PROPERTIES

During the year ended 31 March 2024, the Group leased out certain land and farm in Australia under operating leases with lease term until 2026. The lease with rentals receivable of approximately HK$1,633,000 per annum is leased to a party which to the directors of the Company's best knowledge, information, belief and having made all reasonable enquires, was an independent third party to the Group. During the year ended 31 March 2025, the Group disposed of the investment properties in Australia. Details set out in Note 15.

The Group is not exposed to foreign currency risk as a result of the lease arrangements, as all leases are denominated in the respective functional currencies of group entities which contracts do not contain residual value guarantee and/or lessee's option to purchase the property at the end of lease term.

	2025	2024
	HK$'000	*HK$'000*
At the beginning of the reporting period at fair value	**35,904**	41,351
Fair value gain	**–**	(4,282)
Disposal	**(36,767)**	–
Foreign currency realignment	**863**	(1,165)
At the end of the reporting period at fair value	**–**	35,904

The Group's investment properties are situated on freehold land and located in Australia.

	Fair value measurement categorised into			
	Level 1	**Level 2**	**Level 3**	**Total**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
At 31 March 2024				
Recurring fair value measurement				
Investment properties located outside Hong Kong	–	–	35,904	35,904

During the year ended 31 March 2024, there were no transfers between Levels 1 and 2, or transfers into or out of Level 3.

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22. INVESTMENT PROPERTIES *(Continued)*

The fair values of the Group's investment properties as at 31 March 2024 had been arrived at on the basis of a valuation carried out by Sutherland Farrelly Pty Ltd, who are members of Certified Practising Valuer and Certified Estate Agent member of the Real Estate of Victoria and a firm of independent qualified professional valuers not connected to the Group. The directors of the Company worked closely with the qualified external valuers to establish the appropriate valuation techniques and inputs to the model.

At 31 March 2024, the directors of the Company discussed with the independent qualified professional valuers about the appropriate valuation techniques and key inputs for Level 3 fair value measurements.

The fair value of the investment properties was determined at the end of each reporting period based on direct comparison method. Direct comparison method assumes the property is capable of being sold in its existing state with the benefit of vacant possession which include farm & vet equipment and by making reference to comparable property sales evidence as available in the relevant markets on a price per hectare basis. There had been no change from the valuation technique used in the prior year.

Investment properties held by the Group	Fair value 2024 *HK$000*	Fair value hierarchy	Valuation techniques	Significant unobservable inputs	Sensitivity
Investment properties – Farmland and farm & vet equipment	35,904	Level 3	Direct comparison approach	Market price of AUD31,500/ hectare	The higher market price, the higher fair value, and vice versa

23. OTHER ASSETS

	2025	2024
	HK$'000	*HK$'000*
At cost:		
The Stock Exchange of Hong Kong Limited		
Compensation fund deposit for trading right	**50**	50
Fidelity fund deposit	**50**	50
Stamp duty deposit	**75**	75
Hong Kong Securities Clearing Company Limited (HKSCC)		
Guarantee Fund	**50**	50
Direct clearing participant deposit – admission fee	**50**	50
	275	275

24. BIOLOGICAL ASSETS

The Group is holding quality stallions and provides horse breeding services. The quantity and value of stallions owned by the Group at the end of the reporting period are shown below.

	2025		2024	
	No. of horses	***HK$'000***	*No. of horses*	*HK$'000*
Stallions	2	–	2	205

Stallions represent adult male horses that have not been castrated and are held for breeding purpose. Stallions are classified as non-current assets as the Group has no intention to sell these stallions in the foreseeable future.

	2025	2024
	Stallions	Stallions
	HK$'000	*HK$'000*
At the beginning of the reporting period at fair value	**205**	584
Write-off	**–**	(113)
Fair value change	**(204)**	(251)
Foreign currency realignment	**(1)**	(15)
At the end of reporting period at fair value	**–**	205

Financial risk management strategies

The biological assets are exposed to domestic, disease and other nature risks, the Group engages an external veterinarian hospital to provide professional veterinarian services to the Group's biological assets to minimise the risk and take care on the health of horses. Depending on the emergency, the veterinarian arrives at the farm around 10–45 minutes, or delivery to veterinarian hospital within 15–30 minutes.

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24. BIOLOGICAL ASSETS *(Continued)*

Stallions

In the opinion of directors of the Company, the above policies are effective and sufficient against the financial risk arising from biological assets. There is no restriction on the title of biological assets owned by the Group and there is no commitment for acquisition of additional biological assets at the end of reporting period. The directors of the Company is regularly reviewing the portfolio of biological assets to maximise the return. The fair value of the biological assets measured at the reporting date on a recurring basis, categorised into the three-level fair value hierarchy as defined in HKFRS 13 "Fair Value Measurement". The biological assets of the Group are classified as level 3 under the fair value hierarchy. During the years ended 31 March 2025 and 2024, there were no transfers between Levels 1 and 2, or transfers into or out of Level 3.

The level into which a fair value measurement classified is determined with reference to the observability and significance of the inputs used in the valuation technique, which are set out below:

The fair value of each stallions was individually determined at the end of each reporting period based on an income approach and used cash flow projections based on historical service fees income of the stallions and also takes into account the stallion's prior activity and its useful live and average live foal ratio. The directors of the Company with reliance on the valuation performed by an independent professional valuer depending on the age of the stallions and pre-tax discount rate of 51.4% (2024: 51.4%) per annum.

Average live foal ratio is considered as significant unobservable input for both year ended 31 March 2025 and 2024.

25. LOAN RECEIVABLES

The exposure of the Group's loan receivables, net of impairment, to their contractual maturity dates are as follows:

	2025 ***HK$'000***	2024 *HK$'000*
Within one year	**–**	49

The grants of these loans were approved and monitored by the directors of the Company.

All loan receivables are denominated in HK$. The loan receivables carry effective interest of 24% per annum (2024: 24% to 48% per annum).

The carrying amount of loan receivables as at 31 March 2025 is arrived at after deducting accumulated impairment losses of approximately HK$15,790,000 (2024: HK$16,097,000).

25. LOAN RECEIVABLES *(Continued)*

In the event that an instalment repayment of a loan receivable is past due, the entire outstanding balances of the loan receivables are deemed as past due.

The following table shows the movement in allowance for credit losses that has been recognised for loan receivables.

	12m ECL *HK$'000*	Lifetime ECL (not credit-impaired) *HK$'000*	Lifetime ECL (credit-impaired) *HK$'000*	Total *HK$'000*
At 1 April 2023	121	32	15,811	15,964
Movement during the year	20	–	113	133
Transfer	(141)	(32)	173	–
At 31 March 2024 and 1 April 2024	**–**	**–**	**16,097**	**16,097**
Movement during the year	**–**	**–**	**(148)**	**(148)**
Written-off	**–**	**–**	**(159)**	**(159)**
At 31 March 2025	**–**	**–**	**15,790**	**15,790**

As at 31 March 2025, the Group had loan and interest receivables from a customer ("**Borrower A**") with gross carrying amount of approximately HK$15,790,000 (2024: HK$15,790,000) and loss allowance of approximately HK$15,790,000 (2024: HK$15,790,000). The overdue interest bearing at 2% per annual. The amount is secured by share charges, interest bearing at 24% per annual and repayable by monthly installment, until the final maturity date, 18 January 2024. The installment amount was overdue as at 31 March 2025 and 2024.

The Group writes off loan receivables when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, or when the loan receivables are over two years past due, whichever occurs earlier.

	2025 ***HK$'000***	2024 *HK$'000*
Analysis of loan receivables by types of collateral:		
Unsecured	**–**	49

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For the year ended 31 March 2025

26. CRYPTOCURRENCIES

	2025	2024
	HK$'000	*HK$'000*
At the beginning of the reporting period	**1,286**	5,193
Additions	**13,288**	15,817
Disposal	**(14,161)**	(19,724)
Impairment loss recognised during the year	**(72)**	–
At the beginning of the reporting period	**341**	1,286

At 31 March 2025, the Group held cryptocurrencies with carrying amount of approximately HK$341,000 (2024: HK$1,286,000). The breakdown of which can be seen below:

	2025		2024	
	Coins	**Total**	Coins	Total
		HK$'000		*HK$'000*
Bitcoins	**0.51**	**331**	3.54	1,265
Tether (USDT)	**1,166.31**	**10**	2,609.96	21
Total		**341**		1,286

The cryptocurrencies are traded in active markets (such as trading and exchange platforms) and their net realisable values are determined based on their fair values using their quoted market prices at the end of the reporting period. For the purpose of estimating the selling price, the relevant available markets are identified by the Group, and then the Group considers accessibility to, and activity within those markets in order to identify the principal cryptocurrency markets for the Group. For this purpose, a market is regarded as active if quoted prices are readily and regularly available from an exchange and those prices represent actual and regularly occurring market transactions on an arm's length basis.

As at 31 March 2025, impairment loss of approximately HK$72,000 (2024: Nil) was recognised in respect of the cryptocurrencies held by the Group as at that date because of the decrease in market value of cryptocurrencies up to 31 March 2025.

Further to Note 11 to the consolidated financial statements, the fees in relation to cryptocurrency miner operating services by the service providers are calculated at the rate ranged from HK$0.43 to HK$0.55 (2024: HK$0.43 to HK$0.55) per kilowatt hour for the year ended 31 March 2025.

27. INVENTORIES

	2025 HK$'000	2024 HK$'000
Merchandise	661	–

28. TRADE RECEIVABLES

	2025 HK$'000	2024 HK$'000
Trade receivables	1,749	1,174
Less: allowance for ECL	(309)	(1,076)
	1,440	98
Accounts receivables from brokers, dealers and clearing house	2,835	361
	4,275	459

Accounts receivables from brokers, dealers and clearing house are due and settled on two business days after the trade date and denominated in HK$. Therefore, no aging analysis is disclosed.

The following is an aging analysis of trade receivables (excluding accounts receivables from brokers, dealers and clearing house) net of allowance for ECL, presented based on invoice date, at the end of the reporting period:

	2025 HK$'000	2024 HK$'000
0-30 days	956	–
31-60 days	277	–
61-90 days	175	–
Over 90 days	32	98
	1,440	98

The average credit period on the trade receivables is 30 days. The carrying amounts of the trade receivables are mainly denominated in HK$ (2024: HK$ and AUD). There were no trade receivables that was past due but not impaired as at 31 March 2025 and 2024.

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28. TRADE RECEIVABLES *(Continued)*

The following table shows the movement in allowance for credit losses that has been recognised for trade receivables under the simplified approach:

	Lifetime ECL (not credit-impaired) *HK$'000*	Lifetime ECL (credit-impaired) *HK$'000*	Total *HK$'000*
As at 1 April 2023	596	1,139	1,735
Movement during the year	336	166	502
Transfer	(582)	582	–
Written-off	–	(1,117)	(1,117)
Foreign currency realignment	(12)	(32)	(44)
As at 31 March 2024 and 1 April 2024	**338**	**738**	**1,076**
Movement during the year	**316**	**(139)**	**177**
Transfer	**(367)**	**367**	**–**
Written-off	**–**	**(904)**	**(904)**
Foreign currency realignment	**–**	**(40)**	**(40)**
As at 31 March 2025	**287**	**22**	**309**

29. ADVANCES TO CUSTOMERS IN MARGIN FINANCING

	2025 ***HK$'000***	2024 *HK$'000*
Advances to margin customers	**13,817**	13,829
Less: allowance for ECL	**(9,353)**	(7,477)
	4,464	6,352

The credit facility limits to margin customers are determined by reference to the discounted market value of the collateral securities accepted by the Group.

All advances to margin customers are denominated in HK$. The advances to customers in margin financing carry effective interest ranging from HK$ Prime Rates ("**P**") to P+31% per annum (2024: P to P+31% per annum).

The advances to margin customers are secured by the underlying pledged securities and interest bearing. The Group maintains a list of approved stocks for margin financing at a specified loan to collateral ratio. Any excess in the lending ratio will trigger a margin call which the customers have to make good the shortfall.

29. ADVANCES TO CUSTOMERS IN MARGIN FINANCING *(Continued)*

As at 31 March 2025, advances to customers of aggregate gross carrying amount of approximately HK$13,817,000 (2024: HK$13,829,000) were secured by securities pledged by the customers to the Group as collateral with undiscounted market value of approximately HK$8,077,000 (2024: HK$47,598,000).

	12m ECL *HK$'000*	Lifetime ECL (not credit-impaired) *HK$'000*	Lifetime ECL (credit-impaired) *HK$'000*	Total *HK$'000*
At 1 April 2023	125	18	17,827	17,970
Movement during the year	(125)	(18)	(10,570)	(10,713)
Unwinding of discount	–	–	220	220
At 31 March 2024 and 1 April 2024	**–**	**–**	**7,477**	**7,477**
Movement during the year	**465**	**–**	**1,411**	**1,876**
At 31 March 2025	**465**	**–**	**8,888**	**9,353**

The increase in the loss allowance for underperforming and not performing advances to customers in margin financing as at 31 March 2025 were as a result of fluctuation in stock market which causing the increase in loan-to-collateral value and values of collateral fell short from margin clients.

The decrease in the loss allowance for advances to customers in margin financing as at 31 March 2024 were as a result of settlement of advance to customers in margin financing.

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30. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

	2025	2024
	HK$'000	*HK$'000*
Prepayments	**1,653**	682
Deposits	**3,274**	2,561
Other receivables	**520**	1,898
	5,447	5,141
Analysed for reporting purpose as:		
Non-current	**267**	447
Current	**5,180**	4,694
	5,447	5,141

31. CASH AND CASH EQUIVALENTS

	2025	2024
	HK$'000	*HK$'000*
Cash and bank balances	**29,527**	47,600
Bank overdrafts (Note 39)	**(793)**	–
Cash and cash equivalents	**28,734**	47,600

Bank balances carry interest at floating rates and placed with creditworthy banks and financial institution with no recent history of default.

RMB is not a freely convertible currency in the PRC and the remittance of funds out of the PRC is subject to the rules and regulations of foreign exchange control promulgated by the PRC government. The Group's cash and cash equivalents denominated in RMB are located in Hong Kong which are not subject to the foreign exchange control.

32. CASH HELD ON BEHALF OF CUSTOMERS

The Group maintains segregated trust accounts with authorised institutions to hold clients' monies arising from its normal course of business. The Group has classified the clients' monies as cash held on behalf of customers under the current assets section of the consolidated statement of financial position and recognised the corresponding accounts payable (Note 33) to respective clients on the grounds that it is liable for any loss or misappropriation of clients' monies. The cash held on behalf of customers is restricted and governed by the Securities and Futures (Client Money) Rules under the SFO.

33. TRADE PAYABLES

	2025 HK$'000	2024 HK$'000
Trade payables	**3,492**	3,194
Accounts payables to clients and clearing house	**44,258**	44,700
	47,750	47,894

Majority of the accounts payables to clients are repayable on demand except where certain accounts payables to clients represent deposits received from clients for their securities trading activities under normal course of business. Only the excess amounts over the required margin deposits are repayable on demand.

Accounts payables to clients and clearing house include those payables placed in trust accounts with authorised institutions of approximately HK$42,691,000 (2024: HK$44,827,000). Amount due to clearing house of approximately HK$3,100,000 (2024: HK$3,405,000) has been offset against a corresponding amount due from the clearing house.

No aging analysis for accounts payables to clients and clearing house is disclosed as in the opinion of the directors of the Company, the aging analysis does not give additional value in view of the nature of the business.

The Group has a practice to satisfy all the requests for payments immediately within the credit period.

All the trade payables are non-interest bearing.

The following is an aging analysis of trade payables (excluding accounts payables to clients and clearing house), presented based on invoice date, at the end of reporting period:

	2025 HK$'000	2024 HK$'000
Within 30 days	**426**	371
31–90 days	**96**	2
91–120 days	**910**	–
More than 120 days	**2,060**	2,821
	3,492	3,194

33. TRADE PAYABLES *(Continued)*

The average credit period on trade payables is 90 days (2024: 90 days). The Group has financial risk management policies in place to ensure all payables are settled within the credit period.

Included in accounts payables were balances due to related parties:

	2025	2024
	HK$'000	HK$'000
Directors of the Company	**70**	134
Close family member of directors of the Company	**42**	1,526
Companies which are beneficially owned and controlled by Mr. Cheng	**9**	13
	121	1,673

34. ACCRUALS AND OTHER PAYABLES

	2025	2024
	HK$'000	*HK$'000*
Accruals and other payables	**17,129**	17,352
Provision for litigation claims *(Note)*	**14,533**	14,533
Provision for long service payment and annual leave	**1,214**	1,268
	32,876	33,153

Note:

On 30 July 2021, the Group was served with a writ of summon issued by the Court of First Instance of the High Court of Hong Kong (the "High Court") and a statement of claim, pursuant to which the relevant plaintiff alleges, amongst others, the staff of Imperium International Securities Limited ("Imperium Securities") has not followed their instructions relating to a share transfer transaction of shares of a listed company processed by Imperium Securities and the plaintiff claims a sum of approximately HK$10,574,000 for the damages.

On 25 May 2022, the Group was served with another writ of summon issued by the High Court and a statement of claim, pursuant to which the relevant plaintiff alleges, amongst others, the staff of Imperium Securities has not followed their instructions relating to a share transfer transaction of shares of a listed company processed by Imperium Securities and the plaintiff claims a sum of approximately HK$3,959,000 for the damages.

Up to the date of the approval and authorisation to issue of the consolidated financial statements, these litigations were still in progress. The directors of the Company have sought legal advise and considers to make a full provision for these litigation claims for the years ended 31 March 2025 and 2024.

35. AMOUNTS DUE TO RELATED COMPANIES

The relationship with related parties are as follows:

	2025 *HK$'000*	2024 *HK$'000*
Amounts due to companies which are beneficially owned and controlled by Mr. Cheng	**572**	601

These amounts due are unsecured, non-interest bearing and repayable on demand.

36. PROMISSORY NOTE

	2025 *HK$'000*	2024 *HK$'000*
At the beginning of the reporting period	**100,702**	115,523
Effective interest *(Note 12)*	**14,415**	16,719
Gain on modification of terms	**(6,954)**	–
Early redemption	**(26,530)**	(36,000)
Loss on early redemption *(Note 11)*	**612**	4,460
At the end of the reporting period	**82,245**	100,702

The promissory note is repayable as follows:

	2025 *HK$'000*	2024 *HK$'000*
Within one year	**82,245**	100,702

On 31 January 2018, the Company issued promissory notes in aggregate principal amount of HK$378,000,000 to the vendors, which are related companies wholly-owned by Mr. Cheng (the "**Notes**"), as consideration for the acquisition of Imperium Financial Limited ("**Imperium Financial**"). The Notes bear interest at 7% per annum and with maturity date on 31 January 2021, and freely transferable and assignable by the Company with five business days prior notice in writing. The principal amount of the Notes finally issued was HK$378,000,000 as at the issue date and their fair value at initial recognition were determined by the directors of the Company by using the discounted cash flow approach. The Notes are carried at the amortised cost until settlement on the due date.

On 28 November 2018, the Company early redeemed a partial portion of the Notes of the carrying amount of approximately HK$24,696,000 by repayment of the principal amount of HK$25,000,000.

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36. PROMISSORY NOTE *(Continued)*

During the year ended 31 March 2020, partial portion of the Notes of aggregate principal amount of approximately HK$106,233,000, which had aggregate carrying amount of approximately HK$103,716,000, was set off against (1) the consideration of the disposal of a loan receivable and relevant interest receivable of the Group to Mr. Cheng; (2) the subscription monies in relation to the subscription of the Company's shares; and (3) the amount due from Imperium Kingdom Pty Ltd ("**Imperium Kingdom**") by the Group. The maturity date of the remaining Notes with aggregate principal amount of approximately HK$246,767,000 was extended to 31 January 2023 and the related interest accrued and to be accrued up to the extended maturity date were waived (the "**2020 Modification**"). The remaining Notes is carried at amortised cost until settlement on the extended due date and the effective interest rate of the Notes after the 2020 modification was 11.04% per annum. During the year ended 31 March 2021, the Company early redeemed a partial portion of the Notes with the carrying amount of approximately HK$39,819,000 by repayment of the principal amount of HK$50,000,000.

During the year ended 31 March 2022, the Company entered into supplemental agreements pursuant to which the maturity dates of the Note be extended to 31 January 2024 and effective from 1 February 2023 the coupon interest change to 2% per annum. Upon the modification, the Note carried effective interest rate of 10.38% and a gain on the modification of terms of the Note of approximately HK$12,852,000 was recognised in the capital contribution reserve as it is deemed as the capital contribution from the Company's ultimate controlling shareholders.

During the year ended 31 March 2023, the Company early redeemed a partial portion of the Notes with carrying amount of approximately HK$47,322,000 by repayment of the principal amount of HK$53,000,000.

As at 31 March 2023, the Company entered into an supplemental agreement with the noteholder pursuant to which the maturity dates of the Note be extended to 31 January 2025 and the coupon interest was changed from 2% per annum to 3% per annum from 1 April 2023. Upon the modification, the Note carried effective interest rate of 16.21% and a gain on the modification of terms of the Note of approximately HK$19,468,000 was recognised in the capital contribution reserve as it is deemed as the capital contribution from the Company's ultimate controlling shareholders.

During the year ended 31 March 2024, the Company early redeemed a partial portion of the Note with carrying amount of approximately of HK$31,540,000 by repayment of the principal amount of HK$36,000,000.

During the year ended 31 March 2025, the Company early redeemed a partial portion of the Note with carrying amount of approximately of HK$27,142,000 by repayment of the principal amount of HK$26,530,000.

36. PROMISSORY NOTE *(Continued)*

As at 31 December 2024, the Company entered into an supplemental agreement with the noteholder pursuant to which the maturity dates of the Note be extended to 31 January 2026 and the coupon interest was changed from 3% per annum to 5.25% per annum from 1 February 2025. Upon the modification, the Note carried effective interest rate of 13.94% and a gain on the modification of terms of the Note of approximately HK$6,954,000 was recognised in the capital contribution reserve as it is deemed as the capital contribution from the Company's ultimate controlling shareholders.

37. DEFERRED TAX LIABILITIES

The followings are the deferred tax balances recognised in the consolidated statement of financial position and the movements thereon during the current and prior years:

	Fair value adjustment on investment properties *HK$'000*
At 1 April 2023	5,827
Credited to profit or loss from Discontinued Operation	(1,285)
Foreign currency realignment	(158)
At 31 March 2024 and 1 April 2024	**4,384**
Credited to profit or loss from Discontinued Operation	**(4,544)**
Foreign currency realignment	**160**
At 31 March 2025	**–**

At 31 March 2025, the Group has estimated unused tax losses of approximately HK$429,345,000 (2024: HK$408,563,000) available for offset against future profits. No deferred tax assets have been recognised in the consolidated financial statements due to the unpredictability of future profit streams. The losses may be carried forward indefinitely.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

38. LEASE LIABILITIES

	2025 *HK$'000*	2024 *HK$'000*
Lease liabilities payable:		
– within one year	**1,660**	2,771
– more than one year but not more than two years	**837**	2,771
Present value of lease liabilities	**2,497**	2,771
Less: Amount due from settlement within 12 months shown under current liabilities	**(1,660)**	(2,771)
Amount due for settlement after 12 months shown under non-current liabilities	**837**	–

39. BANK BORROWINGS AND OVERDRAFTS

	2025 *HK$'000*	2024 *HK$'000*
Secured bank borrowing	**988**	–
Unsecured bank borrowings	**3,321**	–
Bank overdrafts (Note 31)	**793**	–
	5,102	–

The carrying amounts of the above bank borrowings (which contain a repayment on demand clause and shown under current liabilities) are analysed based on contractual repayment date as follows:

	2025 *HK$'000*	2024 *HK$'000*
Within one year	**1,958**	–
After one year but within two years	**1,471**	–
After two years but within five years	**777**	–
After five years	**103**	–
	4,309	–

As at 31 March 2025, the bank borrowings were denominated in HK$, bore interest at fixed rate ranged from 2.75% to 6.50% per annum and repay within one year for the purpose of operating use.

As at 31 March 2025, the secured bank borrowing guaranteed by a former directors of a subsidiary with unlimited guarantee.

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For the year ended 31 March 2025

40. SHARE CAPITAL

	2025		2024	
	No. of shares	**Amount**	No. of shares	Amount
	'000	***HK$'000***	*'000*	*HK$'000*
Ordinary shares of HK$0.4 (2024: HK$0.04) each				
Authorised:				
At the beginning and the end of the reporting period	**40,000,000**	**1,600,000**	40,000,000	1,600,000
Shares consolidation *(Note ii)*	**(36,000,000)**	**–**	–	–
At the end of the reporting period	**4,000,000**	**1,600,000**	40,000,000	1,600,000
Issued and fully paid:				
At the beginning of the reporting period	**2,334,016**	**93,361**	2,284,255	91,370
Right issue of shares *(Note i)*	**–**	**–**	49,761	1,991
Shares consolidation *(Note ii)*	**(2,100,614)**	**–**	–	–
At the end of the reporting period	**233,402**	**93,361**	2,334,016	93,361

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

Notes:

(i) A rights issue of one rights share for every two existing shares held by members on the register of members on 1 February 2024 was made, at an issue price of HK$0.04 per rights share, resulting in the issue of 47,761,450 shares for a total cash consideration, before expenses, of HK$1,911,000. 2,000,000 unsubscribed right shares were successfully placed at the price of HK0.04 per share, total cash consideration, before expenses of HK$80,000. Details of these transaction were set out in the Company's announcements dated 8 December 2023, 8 January 2024, 25 January 2024 and 31 January 2024.

(ii) Pursuant to an ordinary resolution passed in the extraordinary general meeting of the Company on 27 November 2024, every ten issued and unissued shares of HK$0.04 each were consolidated into one consolidated share of the Company of HK$0.4 each. The changes took effect on 29 November 2024.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

41. SHARE SUBSCRIPTION OF A SUBSIDIARY

On 22 April 2024, the Group subscribed approximately 51% of the new subscription shares of Infinity Technology International Limited ("**Infinity Technology**") at a consideration of HK$10,400. This subscription has been accounted for using the acquisition method. Infinity Technology is engaged in sales of electronic appliance. The Board considered such subscription allow the Group to expand into new market segments and diversify its business portfolio, thereby broadening the Group's reach and income streams.

Consideration transferred

	HK$'000
Cash consideration paid	
Total consideration	10

Assets acquired and liabilities recognised at the date of share subscription are as follows:

	2024 *HK$'000*
Properties, plant and equipment	1,509
Right-of-use assets	500
Trade receivables	2,051
Inventories	1,813
Prepayments, deposits and other receivables	965
Cash and cash equivalents	529
Trade payables	(28)
Accruals and other payables	(96)
Bank borrowings	(6,385)
Lease liabilities	(697)
Tax payables	(141)
Net assets acquired	20
Less: Non-controlling interests at proportionate share of net assets	(10)
	10

41. SHARE SUBSCRIPTION OF A SUBSIDIARY *(Continued)*

Net cash inflow on share subscription of Infinity Technology

	HK$'000
Cash consideration paid	10
Less: cash and cash equivalent balances acquired	(529)
	(519)

42. EVENTS AFTER REPORTING PERIOD

On 9 June 2025, the Group has signed a agreement to dispose certain cryptocurrency mining equipment at consideration of approximately HK$772,000 to an independent third party.

43. FINANCIAL ASSETS AND FINANCIAL LIABILITIES OFFSETTING

The disclosures set out in the tables below include financial assets and financial liabilities that:

- are offset in the Group's consolidated statement of financial position; or
- are subject to an enforceable master netting arrangement or similar agreement that covers similar financial instruments, irrespective of whether they are offset in the Group's consolidated statement of financial position.

Under the agreement of continuous net settlement made between the Group and Hong Kong Securities Clearing Company Limited ("**HKSCC**"), and brokers, the Group has a legally enforceable right to set off the money obligation receivable and payable with HKSCC and brokers on the same settlement date and the Group intends to set off these balances on a net basis.

In addition, the Group has a legally enforceable right to set off the accounts receivable and payable with brokerage clients that are due to be settled on the same date and the Group intends to settle these balances on a net basis.

Except for balances which are due to be settled on the same date which are being offset, amounts due from/to HKSCC, brokers and brokerage clients that are not to be settled on the same date, financial collateral including cash and securities received by the Group, deposits placed with HKSCC and brokers do not meet the criteria for offsetting in the consolidated statement of financial position since the right of set-off of the recognised amounts is only enforceable following an event of default.

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For the year ended 31 March 2025

43. FINANCIAL ASSETS AND FINANCIAL LIABILITIES OFFSETTING *(Continued)*

As at 31 March 2025

	Gross amounts of recognised financial assets/ liabilities after impairment *HK$'000*	Gross amounts of recognised financial assets/ liabilities set off in the consolidated statement of financial position *HK$'000*	Net amounts of financial assets/liabilities presented in the consolidated statement of financial position *HK$'000*
Financial assets			
Advances to margin customers in margin financing	4,464	–	4,464
Accounts receivables from:			
– Securities and futures dealers	155	–	155
– Clearing house	5,780	(3,100)	2,680
	10,399	(3,100)	7,299
Financial liabilities			
Accounts payables to:			
– Securities – cash clients	18,129	–	18,129
– Securities – margin clients	26,129	–	26,129
– Clearing house	3,100	(3,100)	–
	47,358	(3,100)	44,258

43. FINANCIAL ASSETS AND FINANCIAL LIABILITIES OFFSETTING *(Continued)*

As at 31 March 2024

	Gross amounts of recognised financial assets/ liabilities after impairment *HK$'000*	Gross amounts of recognised financial assets/ liabilities set off in the consolidated statement of financial position *HK$'000*	Net amounts of financial assets/ liabilities presented in the consolidated statement of financial position *HK$'000*
Financial assets			
Advances to margin customers in margin financing	6,352	–	6,352
Accounts receivables from:			
– Securities and futures dealers	78	–	78
– Clearing house	3,688	(3,405)	283
	10,118	(3,405)	6,713
Financial liabilities			
Accounts payables to:			
– Securities – cash clients	8,579	–	8,579
– Securities – margin clients	36,121	–	36,121
– Clearing house	3,405	(3,405)	–
	48,105	(3,405)	44,700

Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

44. OPERATING LEASE ARRANGEMENTS

The Group as lessor

Investment properties held by the Group in Australia for rental purposes have committed lessee for the next 2 years as at 31 March 2024.

Undiscounted lease payments receivable on the lease are as follows:

	2025	2024
	HK$'000	*HK$'000*
Within one year	**–**	1,633
In the second year	**–**	1,633
	–	3,266

45. MATERIAL RELATED PARTY TRANSACTIONS

(a) The name of and the relationship with related parties are as follows:

Name	Relationship
Mr. Cheng	Executive director and ultimate controlling shareholder of the Company

(b) In addition to those related party transactions and balances disclosed elsewhere in the consolidated financial statements, the Group had the following transactions and balances with related parties during the year:

	2025 *HK$'000*	2024 *HK$'000*
Included in revenue		
– Asset management fee income received from a related Company which are beneficially owned and controlled by Mr. Cheng *(Note 1)*	–	25
– Fees and commission income received from Mr. Cheng *(Note 2)*	48	13
– Fees and commission income received from related companies which are beneficially owned and controlled by Mr. Cheng *(Note 3)*	–	526
– Margin interest income received from related companies which are beneficially owned and controlled by Mr. Cheng *(Note 4)*	–	2
Included in other gains and losses, net		
– Loss on early redemption for the Notes *(Note 5)*	612	4,460
Included in finance costs		
– Interest expenses on the Notes *(Note 5)*	14,415	16,719

Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

45. MATERIAL RELATED PARTY TRANSACTIONS *(Continued)*

(b) In addition to those related party transactions and balances disclosed elsewhere in the consolidated financial statements, the Group had the following transactions and balances with related parties during the year: *(Continued)*

Notes:

1. *During the years ended 31 March 2025 and 2024, the provision of service to a company beneficially owned and controlled by Mr. Cheng. It constitutes connected transaction on the part of the Company under Chapter 20 of the GEM Listing Rules. As all the percentage ratios (other than the profit ratio) are less than 5% and the total consideration is less than HK$1,000,000, the connected transaction is exempted from the reporting, announcement, annual review, circular and independent shareholders' approval requirements under Chapter 20 of the GEM Listing Rules.*

2. *During the years ended 31 March 2025 and 2024, the provision of service to Mr. Cheng constitutes connected transaction on the part of the Company under Chapter 20 of the GEM Listing Rules. As all the percentage ratios (other than the profit ratio) are less than 5% and the total consideration is less than HK$1,000,000, the connected transaction is exempted from the reporting, announcement, annual review, circular and independent shareholders' approval requirements under Chapter 20 of the GEM Listing Rules.*

3. *During the years ended 31 March 2025 and 2024, the provision of service to related companies beneficially owned and controlled by Mr. Cheng constitutes connected transaction on the part of the Company under Chapter 20 of the GEM Listing Rules. As all the percentage ratios (other than the profit ratio) are less than 5% and the total consideration is less than HK$1,000,000, the connected transaction is exempted from the reporting, announcement, annual review, circular and independent shareholders' approval requirements under Chapter 20 of the GEM Listing Rules.*

4. *During the years ended 31 March 2025 and 2024, the provision of service to related companies which are beneficially owned and controlled by Mr. Cheng. It constitutes connected transaction on the part of the Company under Chapter 20 of the GEM Listing Rules. As all the percentage ratios (other than the profit ratio) are less than 5% and the total consideration is less than HK$1,000,000, the connected transaction is exempted from the reporting, announcement, annual review, circular and independent shareholders' approval requirements under Chapter 20 of the GEM Listing Rules.*

5. *The holders of the Note is Peak Stand Holdings Limited which is beneficially owned and controlled by Mr. Cheng.*

Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

45. MATERIAL RELATED PARTY TRANSACTIONS *(Continued)*

(b) In addition to those related party transactions and balances disclosed elsewhere in the consolidated financial statements, the Group had the following transactions and balances with related parties during the year: *(Continued)*

The Note was issued by the Company as the consideration for the acquisition of the entire issued share capital of Imperium Financial, which constitutes a very substantial acquisition and connected transaction on the part of the Company under Chapter 19 and Chapter 20 of the GEM Listing Rules, and was approved by the independent shareholders of the Company at the extraordinary general meeting of the Company held on 12 January 2018. Details of which were disclosed in the circular of the Company dated 22 December 2017. Completion of the acquisition took place on 31 January 2018. The maturity date of the Notes is subsequently extended to 31 January 2023. Details of which were disclosed in the circular of the Company dated 6 June 2019 and the announcement of the Company dated 28 June 2019. On 31 March 2022, the maturity date of the Note was further extended to 31 January 2024 and bearing interest at 2% per annum, effective from 1 February 2023. On 31 March 2023, the maturity date of the Note was further extended to 31 January 2025 and bearing interest at 3% per annum, effective from 1 April 2023. On 31 December 2024, the maturity date of the Note was further extended to 31 January 2026 and bearing interest at 5.25% per annum, effective from 1 February 2025.

The directors of the Company consider that the above transactions are conducted on normal commercial terms or better and in the ordinary and usual course of business of the Group.

(c) Compensation of key management personnel

The remuneration of directors and other members of key management during the year was as follows:

	2025	2024
	HK$'000	*HK$'000*
Salaries and other benefits	**3,549**	4,235
Retirement benefit scheme contributions	**59**	62
	3,608	4,297

Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

46. RETIREMENT BENEFIT SCHEME

The Group operates a MPF Scheme for all qualifying employees in Hong Kong. Under the scheme, the employer and its employees are each required to make contributions to the plan at 5% of the employees' relevant income, subject to a cap of monthly relevant income of HK$30,000. The assets of the schemes are held separately from those of the Group, in funds under the control of trustees. The Group contributes the lower of 5% of the relevant payroll costs of HK$1,500 for each of its employees to the Scheme per month, which contribution is matched by employees.

At the end of the reporting period, there was no forfeited contribution, which arose upon employees leaving the retirement benefits scheme and which are available to reduce the contribution payable in the future years.

47. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

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

	Bank borrowings (excluding bank overdrafts) *HK$'000*	**Promissory notes** *HK$'000*	**Lease liabilities** *HK$'000*	**Total** *HK$'000*
At 1 April 2023	–	115,523	4,573	120,096
Non-cash changes				
Interest expenses on promissory notes	–	16,719	–	16,719
Interest expenses on lease liabilities	–	–	502	502
Loss on early redemption	–	4,460	–	4,460
Cash flows				
Outflow from financing activities	–	(36,000)	(2,304)	(38,304)
At 31 March 2024 and 1 April 2024	**–**	**100,702**	**2,771**	**103,473**
Non-cash changes				
Share subscription of a subsidiary	**6,385**	**–**	**697**	**7,082**
Effect of initial recognition	**–**	**–**	**1,687**	**1,687**
Interest expenses on the Note	**–**	**14,415**	**–**	**14,415**
Interest expenses on bank borrowings	**223**	**–**	**–**	**223**
Interest expenses on lease liabilities	**–**	**–**	**327**	**327**
Loss on early redemption	**–**	**612**	**–**	**612**
Gain on modification of terms	**–**	**(6,954)**	**–**	**(6,954)**
Cash flows				
Outflow from financing activities	**(2,299)**	**(26,530)**	**(2,985)**	**(31,814)**
At 31 March 2025	**4,309**	**82,245**	**2,497**	**89,051**

Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

48. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

	2025	2024
	HK$'000	*HK$'000*
Current assets		
Prepayments, deposits and other receivables	**329**	450
Amounts due from subsidiaries	**2,342**	2,653
Cash and cash equivalents	**142**	7,340
	2,813	10,443
Current liabilities		
Accruals and other payables	**190**	767
Amounts due to subsidiaries	**445,544**	405,392
Bank overdrafts	**485**	–
Promissory note	**82,245**	100,702
Lease liabilities	**870**	2,771
	529,334	509,632
Net current liabilities	**(526,521)**	(499,189)
Net liabilities	**(526,521)**	(499,189)
Equity		
Share capital	**93,361**	93,361
Reserves	**(619,882)**	(592,550)
Capital deficiency	**(526,521)**	(499,189)

Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

48. STATEMENT OF FINANCIAL POSITION OF THE COMPANY *(Continued)*

Movement in the Company's reserve

	Share premium HK$'000	Capital contribution reserve HK$'000	Contributed surplus HK$'000	Capital redemption reserve HK$'000	Accumulated loss HK$'000	Total HK$'000
At 1 April 2023	1,108,421	116,333	368	255	(1,802,638)	(577,261)
Loss and total comprehensive expense for the year	–	–	–	–	(14,674)	(14,674)
Right issue of shares	(615)	–	–	–	–	(615)
At 31 March 2024 and 1 April 2024	**1,107,806**	**116,333**	**368**	**255**	**(1,817,312)**	**(592,550)**
Loss and total comprehensive expense for the year	**–**	**–**	**–**	**–**	**(34,286)**	**(34,286)**
Gain on modification of terms	**–**	**6,954**	**–**	**–**	**–**	**6,954**
At 31 March 2025	**1,107,806**	**123,287**	**368**	**255**	**(1,851,598)**	**(619,882)**

Notes to the Consolidated Financial Statements

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49. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY

Name of subsidiary	Place of incorporation	Principal country of operation	Form of legal entity	Issued and Fully paid up ordinary share capital	Proportion of ownership interest and voting power held Directly % 2025	Directly % 2024	Indirectly % 2025	Indirectly % 2024	Principal activities
Golden Harvest Trading Limited	Hong Kong	Hong Kong	Limited company	HK$2	–	–	100	100	Provision of administrative service for the Group
Kimbo Consultancy Pty Limited	Australia	Australia	Limited company	AUD100	–	–	100	100	Provision of human resources and administrative services for the subsidiaries
Imperium Farm Pty Limited	Australia	Australia	Limited company	AUD100	–	–	100	100	Property investment holding
Imperium Financial	Hong Kong	Hong Kong	Limited company	HK$375,000,000	–	–	100	100	Provision for money lending business
Imperium International Asset Management Limited	Hong Kong	Hong Kong	Limited company	HK$7,300,000	–	–	100	100	Provision of asset management and advising services on securities and futures contracts
Imperium International Credit Limited	Hong Kong	Hong Kong	Limited company	HK$1	–	–	100	100	Provision for money lending business
Imperium Securities	Hong Kong	Hong Kong	Limited company	HK$140,000,000	–	–	100	100	Provision of securities brokerage services
Imperium Stud Pty Limited	Australia	Australia	Limited company	AUD100	–	–	100	100	Provision of equine related services
Extra Blossom Holdings Limited	British Virgin Island	Hong Kong	Limited company	US$1	–	–	100	100	Cryptocurrency mining
Infinity Technology International Limited	Hong Kong	Hong Kong	Limited company	HK$20,400	–	–	51 (Note 41)	–	Sales of electronic appliance

The above table lists the subsidiaries of the Company which, in the opinion of the directors of the Company, principally affected the results or assets of the Group. To give details of other subsidiaries would, in the opinion of the directors of the Company, result in particulars of excessive length.

None of the subsidiaries had issued any debt securities at the end of the year.

50. CONTINGENT LIABILITIES

Saved as disclosed elsewhere in the consolidated financial statements, the Group had no other contingent liabilities as at 31 March 2025 and 2024.

51. RESERVES

The amounts of the Group's reserves and movements therein are presented in the consolidated statement of profit or loss and other comprehensive income and consolidated statement of changes in equity.

Nature and purpose of reserves

(a) Share premium

Under the Companies Law of the Cayman Islands, the share premium of the Company is available for paying distributions or dividends to shareholders subject to the provisions of its Memorandum and Articles of Association and provided that immediately following the distribution or dividend the Company is able to pay its debts as they fall due in the ordinary course of business.

(b) Capital contribution reserve

The capital contribution reserve of the Company arose as a result of the Corporate Reorganisation and represents the excess of the then combined net assets of the subsidiaries acquired, over the nominal value of the Company's shares issued in exchange therefor.

(c) Capital redemption reserve

The capital redemption reserve represents the nominal amount of the shares repurchased.

(d) Property revaluation reserve

The property revaluation reserve has been set up and is dealt with in accordance with the accounting policies adopted for property and equipment which becomes an investment property because its use has changed as evidenced by end of owner-occupation.

(e) Merger reserve

The merger reserve represents the difference between the nominal value of the share capital issued by the Company in exchange for the nominal value of the share capital and share premium of its subsidiaries arising from group reorganisation.

(f) Translation reserve

The foreign currency translation reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations.

Five Year Financial Summary

For the year ended 31 March 2025

Summary of the results, assets and liabilities of the Group is as follows:

	For the year ended 31 March				
	2025	2024	2023	2022	2021
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
		(Restated)			
Results					
Revenue	**32,208**	29,732	30,273	53,691	63,724
Loss before taxation	**(46,442)**	(11,301)	(119,459)	(105,254)	(57,452)
Income tax credit	**–**	(635)	1,837	(909)	(4,476)
Loss for the year	**(42,222)**	(13,597)	(117,622)	(106,163)	(61,928)
Loss attributable to owners of the Company	**(42,222)**	(13,597)	(117,622)	(106,163)	(61,928)
Loss per share attributable to owners of the Company					
Basic and diluted (HK cents)	**(16.50)**	(5.90)	(5.09)	(4.67)	(2.85)

	As at 31 March				
	2025	2024	2023	2022	2021
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Assets and liabilities					
Total assets	**89,901**	143,353	185,404	343,575	390,887
Total liabilities	**(171,838)**	(190,301)	(218,109)	(274,908)	(328,908)
Net (liabilities)/assets	**(81,937)**	(46,948)	(32,705)	68,667	61,979