EFT Solutions

EFT Solutions Holdings Limited

(incorporated in the Cayman Islands with limited liability)

HKEx Stock Code : 8062

2025

ANNUAL REPORT

TECHNOLOGY TRANSCENDING BORDERS

WEAVING PROGRESS **WORLDWIDE**

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CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive Director

Mr. Lo Chun Kit Andrew
(Chairman and Chief Executive Officer)

Non-Executive Directors

Ms. Lam Ching Man
Mr. Lui Hin Weng Samuel

Independent Non-Executive Directors

Mr. Chow Ka Wo Alex
Mr. Wong Ping Yiu
Dr. Wu Wing Kuen *B.B.S.*
(passed away on 17 February 2025)
Ms. Cheng Wai Sin (appointed on 16 May 2025)

COMPLIANCE OFFICER

Mr. Lo Chun Kit Andrew

COMPANY SECRETARY

Mr. Li Man Ho

AUTHORISED REPRESENTATIVES

Mr. Lo Chun Kit Andrew
Mr. Li Man Ho

AUDIT COMMITTEE

Mr. Chow Ka Wo Alex *(Chairman)*
Mr. Wong Ping Yiu
Dr. Wu Wing Kuen *B.B.S.*
(passed away on 17 February 2025)
Ms. Cheng Wai Sin (appointed on 16 May 2025)

REMUNERATION COMMITTEE

Mr. Wong Ping Yiu *(Chairman)*
Mr. Lo Chun Kit Andrew
Dr. Wu Wing Kuen *B.B.S.*
(passed away on 17 February 2025)
Ms. Cheng Wai Sin (appointed on 16 May 2025)

NOMINATION COMMITTEE

Mr. Lo Chun Kit Andrew *(Chairman)*
Mr. Wong Ping Yiu
Dr. Wu Wing Kuen *B.B.S.*
(passed away on 17 February 2025)
Ms. Cheng Wai Sin (appointed on 16 May 2025)

HONG KONG LEGAL ADVISER

Li & Partners
22/F, World-Wide House
Central, Hong Kong

AUDITOR

KPMG
Certified Public Accountant
Public Interest Entity Auditor registered in accordance with the Accounting and Financial Reporting Council Ordinance
8th floor, Prince's Building
10 Chater Road
Central, Hong Kong

PRINCIPAL BANK

Hang Seng Bank Limited
9/F, 83 Des Voeux Road Central
Hong Kong

REGISTERED OFFICE

Windward 3, Regatta Office Park
P.O. Box 1350
Grand Cayman KY1-1108
Cayman Islands

HEADQUARTERS AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Workshops B1 & B3
11/F, Yip Fung Industrial Building
28–36 Kwai Fung Crescent
Kwai Chung, New Territories
Hong Kong

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Ocorian Trust (Cayman) Limited
Windward 3, Regatta Office Park
P.O. Box 1350
Grand Cayman KY1-1108
Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

MUFG Corporate Markets Pty Limited
Suite 1601, 16/F
Central Tower
28 Queen's Road Central
Hong Kong

TRICOR INVESTOR SERVICES LIMITED
(effective from 7 July 2025)
17/F, Far East Finance Centre
16 Harcourt Road
Hong Kong

STOCK CODE

8062

COMPANY WEBSITE

www.eftsolutions.com

FINANCIAL HIGHLIGHTS

For the year ended 31 March	**2025** **HK$ million**	2024 HK$ million	+/(-)
Revenue	**94.4**	127.7	(26.1)%
Gross profit	**38.5**	62.2	(38.1)%
Operating profit	**11.3**	37.8	(70.1)%
Profit before tax	**7.5**	37.7	(80.1)%
Profit for the year	**5.6**	31.6	(82.3)%
Profit attributable to the owners of the Company	**5.6**	31.2	(82.1)%

As at 31 March	**2025** **HK$ million**	2024 HK$ million	+/(-)
Total current assets	**117.7**	127.2	(7.5)%
Total assets	**148.5**	157.5	(5.7)%
Net current assets	**102.6**	112.3	(8.6)%
Total equity	**133.4**	142.5	(6.4)%

EARNINGS PER SHARE

For the year ended 31 March	**2025** **HK cents**	2024 HK cents	+/(-)
Earnings per share for profit attributable to the owners of the Company			
– Basic and Diluted	**1.17**	6.51	(82.0)%

CHAIRMAN'S STATEMENT

Dear Valued Shareholders,

On behalf of the board of directors (the "**Board**") of the Company, I am pleased to present the annual report of the Group for the year ended 31 March 2025.

FOREWORD

EFT Solutions is a leading provider of electronic fund transfer point-of-sales ("**EFT-POS**") solutions, specializing in the procurement of EFT-POS terminals and peripheral devices, as well as delivering exceptional EFT-POS system support services in Hong Kong. The Group serves as a vital connection between EFT-POS terminal manufacturers and acquirers.

BUSINESS REVIEW

As a leading provider of electronic payment terminal solutions, not only continues to introduce the latest and highest-quality electronic payment terminal hardware but also actively ensures the security of devices and software technology, striving to provide stable and efficient services to acquiring institutions and clients. We will continue to develop related software and update hardware to safeguard the data security of consumers and clients in digital payments.

Over the past year, we have continued to collaborate with global partners, successfully acquired a 16.7% stake in Bonum LLC, becoming one of its shareholders. Additionally, we successfully developed electronic payment terminal equipment and software technology suitable for Hong Kong and Mongolbank, the central bank of Mongolia, bringing Mongolia's T Card payment system to Hong Kong, affirming that our technology knows no boundaries.

In response to the evolving retail landscape and growing demand for online shopping and e-wallets, the Group developed "Hub+", a tailored solution designed to meet each client's unique needs of various POS systems and payment terminals. Through partnerships with payment providers and certification with authoritative compliance systems, Hub+ ensures reliable, stable connections to diverse e-payment services and platforms, all in one fluid motion. Hub+ also offers streamlined multi-acquiring with a customizable switching feature, allowing clients to effortlessly manage multiple payment options from a single terminal in a rapidly changing market. Meanwhile, to strengthen enterprise services and seize opportunities in Hong Kong's smart city development, the Group has adopted a Software-as-a-Service (SaaS) model, providing clients with comprehensive software solutions to meet diverse business needs, reduce clients' equipment development & software costs, improve operational efficiency.

Despite some market fluctuations and various challenges faced in 2024, I believe that where there is risk, there is opportunity. This is an excellent time for us to explore more valuable opportunities and partners, preparing for a new landscape in the future.

PROSPECTS

Hong Kong, as a key financial hub in the Asia-Pacific region, has undergone long-term development in financial technology. Over the past 20 years, Hong Kong has enhanced its fintech capabilities through the establishment of regulatory frameworks, government support, public and private funding, talent development, and encouragement of innovation. This has successfully created an environment conductive to the growth of fintech companies and professionals, making Hong Kong one of the world's most vibrant fintech ecosystems and earning it the reputation of an innovative city.

As a leading provider of electronic payment terminal solutions, the Group, with 20 years of dedication and relentless exploration, has accumulated extensive experience and advanced technology, laying a solid foundation to meet the needs of different regions and committing to delivering exceptional user experiences for clients. Looking ahead, we will focus on key markets in the Asia-Pacific region, including Malaysia and Thailand, as these markets hold immense potential and will be significant drivers of our business growth. At the same time, we are closely monitoring opportunities in Taiwan and Vietnam, which will provide further collaboration prospects and expand our market share.

In response to the widespread application of artificial intelligence (AI) in the financial sector, the Hong Kong government released the Policy Statement on the Responsible Use of Artificial Intelligence in Financial Markets on 28 October 2024, emphasizing the promotion of responsible AI applications. The Group aims to align with the Hong Kong government's policies, we plan to leverage AI for recommendation coding to provide faster and more accurate solutions, significantly improving service efficiency and enhancing customer experience.

We have also signed a memorandum of understanding with Taiwan's Airlink Technology Co., Ltd., planning to expand our operations in the region, with expectations that success in the Taiwan market will propel our business to new heights. Moving forward, we will continue to seek growth opportunities, driving business development through innovation and collaboration to provide outstanding services to our clients.

To maintain competitiveness, the Group values team contributions and is committed to investing resources in employee training, providing robust development opportunities to allow each member to leverage their strengths, enhance service quality, and create greater value for shareholders. Environmental, Social, and Governance (ESG) principles are also integral to the Group's corporate culture. The Group is also continuously improving corporate governance and optimizing its Customer Relationship Management ("**CRM**") system. From receiving orders and assigning tasks to tracking device installations, we have fully achieved digitalization and paperless operations, significantly enhancing operational efficiency and service quality. In 2024 and 2025Q1, we also participated in 2 different corporate social responsibility events, committing to give back to society through environmental protection and social care initiatives.

APPRECIATION

On behalf of the Board, I heartily thank our management team and the employees of the Group for their commitment and salutary dedication, as well as to the shareholders of the Company (the "**Shareholders**"), our valued clients, suppliers and business partners for their continuing trust and support throughout the year.

Lo Chun Kit Andrew
Chairman and Chief Executive Officer

Hong Kong, 30 June 2025

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW AND OUTLOOK

The Group has continued to take a leading position as an innovative EFT-POS solution provider focusing on sales of EFT-POS terminals and peripheral devices, the provision of EFT-POS system support services, software solution services and embedded system solution services in Hong Kong and oversea.

We are confident in positioning ourselves as a major link between EFT-POS terminal manufacturers and acquirers (i.e. acquiring bank or payment processor that processes credit or debit card payments on behalf of a merchant) to provide total EFT-POS solutions, which includes sales of EFT-POS terminals and peripheral devices services, as well as the development of software that comply with electronic payment standards acceptance certification, installation and ongoing maintenance and repair services of EFT-POS terminals.

The Group will continue to provide customised project-based software solution services so as to further capture the ongoing growing opportunities and expand our local market share in the EFT-POS terminal market. We will also continue to provide sales of EFT-POS terminals and peripheral devices services to acquirers and as well as merchants.

For the year ended 31 March 2025, the Group continued its efforts in developing the sales of EFT-POS terminals and peripheral devices, provision of EFT-POS system support services, software solution services and embedded system solution services.

As overall revenue reflects a subtle shift, we see abundant opportunities for growth in providing EFT-POS terminals and peripheral devices, as well as EFT-POS system support and software solution services. The digital payment market is still evolving, with increasing demand for QR code payments, Faster Payment System ("**FPS**") and e-wallet payment system, positioning us well for future success.

The Group will strive its best effort to achieve business growth and contribute our expertise to Hong Kong on its endeavor to transform itself into a smart city. The Group aims to further expand our market shares and strengthen our market position in EFT-POS sales, system support and software solution industries by increasing its capabilities and offering diverse and high quality one-stop integrated services.

PRINCIPAL RISKS AND UNCERTAINTIES AND RISK MANAGEMENT

The Group is exposed to various risks in the operations of the Group's business and the Group believes that risk management is important to the Group's success. Key operational risks faced by the Group include, among others, changes in general market conditions and ability to continue to attract and retain highly qualified technical and managerial staff with the appropriate technical expertise and knowledge of the electronic payment and software solution industry. The provision of our services relies heavily on the technical know-how and skill-set of such employees and their continued employment with us is therefore crucial to our business operations. To cope with staff turnover, we conduct continuous recruitment for high caliber candidates from university graduates in computer science with a view to train them up with technical knowledge in electronic payment and software solution industry.

FINANCIAL REVIEW

Overview

For the year ended 31 March 2025, the Group recorded revenue of approximately HK$94.4 million which represented a decrease of approximately 26.1% as compared with approximately HK$127.7 million for the year ended 31 March 2024.

Revenue

For sales of EFT-POS terminals and peripheral devices, revenue of approximately HK$23.8 million and HK$40.0 million were recognised for years ended 31 March 2025 and 2024, respectively, which represented a decrease of approximately 40.5% due to less EFT-POS terminals being sold in the year ended 31 March 2025 compared to the year ended 31 March 2024.

For provision of system support and software solution services, revenue of approximately HK$70.5 million and HK$87.7 million were recognised for years ended 31 March 2025 and 2024, respectively, which represented a decrease of approximately 19.6% due to the decrease in the software solutions projects in the year ended 31 March 2025 compared to the year ended 31 March 2024.

Costs of Goods Sold and Services

Costs of goods sold and services primarily consisted of costs of inventories recognised as expense, cost of independent service providers, tools and consumables, salaries and benefits, freight and transportation, rent, local travelling and telephone and utilities expense. Costs of goods sold and services were approximately HK$55.9 million and HK$65.5 million for the years ended 31 March 2025 and 2024, respectively, which represented a decrease of approximately 14.7% due to the decrease of cost of inventory sold and partially net off by the increase of the staff salaries.

Gross Profit and Gross Profit Margin

The overall gross profit was approximately HK$38.5 million and HK$62.2 million for the years ended 31 March 2025 and 2024, respectively, which represented a decrease of approximately 38.1%.

The overall gross profit margin was approximately 40.8% and 48.7% for the years ended 31 March 2025 and 2024, respectively, which represented a decrease of approximately 16.2%.

Such decrease of gross profit was primarily due to the Group recorded decrease of profit margin from the sales of terminals and software solutions services in current year. The decline is a result of the economic downturn and the intensified competition within the market.

Other Income

Other income were approximately HK$2.6 million and HK$2.4 million for the years ended 31 March 2025 and 2024, respectively, mainly represented the bank interest income, government grant and delivery income. The slight increase was mainly due to the record of the government grants, partially net off by the decrease of the bank interest income.

Other Losses

Other losses were approximately HK$2.0 million and HK$0.4 million for the years ended 31 March 2025 and 2024, respectively, mainly represented the net exchange losses and impairment loss on trade receivables. The other losses were increased mainly due to the increase of the impairment loss on trade receivables in the current year.

Staff Costs

Staff costs of approximately HK$32.7 million and HK$28.7 million were recorded for the years ended 31 March 2025 and 2024, respectively, which represented an increase of approximately 13.9%. The increase was mainly due to the increase of the staff salaries and headcount during the year.

Other Selling and Administrative Expenses

Other selling and administrative expenses (excluding staff costs) comprised mainly auditor's remuneration, depreciation, amortisation of intangible assets, legal and professional fees and office expenses.

Other selling and administrative expenses (excluding staff costs) of approximately HK$20.0 million and HK$19.3 million were recorded for the years ended 31 March 2025 and 2024, respectively, which represented an increase of approximately 3.6% which due to the increase of the legal and professional fee incurred during the year.

Impairment Loss on Goodwill

Impairment loss on goodwill attributable to Faster Technology Service (Macau) Limited ("**FTS**") of approximately of HK$3.6 million were recognised for the year ended 31 March 2025 (for the year ended 31 March 2024: Nil) due to the declining business performance of the FTS cash-generating unit during the current year.

Profit for the Period

The Group recorded profit of approximately HK$5.6 million and HK$31.6 million for the years ended 31 March 2025 and 2024, respectively, which represented a significant decrease of approximately 82.3%. It was mainly due to the decrease of gross profit, increase of impairment loss on trade receivables and the recognisation of the impairment loss on goodwill.

FINANCIAL POSITION, LIQUIDITY AND FINANCIAL RESOURCES

The Group adopts a prudent cash and financial management policy. In order to achieve better cost control and minimise the costs of funds, the Group's treasury activities are centralised and cash is generally deposited with major banks in Hong Kong and denominated mostly in Hong Kong dollars.

The Group has remained at a sound financial resource level. As at 31 March 2025, the Group had net current assets of approximately HK$102.6 million (as at 31 March 2024: approximately HK$112.3 million) including cash and bank balances of approximately HK$84.8 million (as at 31 March 2024: approximately HK$62.5 million).

PLEDGE OF ASSETS

As at 31 March 2025, the Group did not have any pledged assets (as at 31 March 2024: Nil).

FOREIGN CURRENCY RISK

The Group's business activities are mainly in Hong Kong and are principally denominated in Hong Kong dollars, Renminbi, Australian dollars and United States dollars. The Group currently does not have a foreign currency hedging policy. However, the Directors will continuously monitor the related foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise.

CAPITAL COMMITMENTS, CAPITAL EXPENDITURES AND CONTINGENT LIABILITIES

As at 31 March 2025, the Group did not have any significant capital commitments, capital expenditures and nor contingent liabilities (as at 31 March 2024: Nil).

CAPITAL STRUCTURE

As at 31 March 2025, the Group did not have any bank borrowings (as at 31 March 2024: Nil).

There has been no change in the Group's capital structure during the year ended 31 March 2025. The capital structure of the Group comprises of issued share capital and reserves. The Directors review the Group's capital structure regularly.

SEGMENTAL INFORMATION

Segmental information is presented for the Group as disclosed in Note 7 to the consolidated financial statements.

EMPLOYEES AND REMUNERATION POLICIES

As at 31 March 2025, the Group employed 81 (as at 31 March 2024: 78) full-time employees (including Directors). We determine the employees' remuneration based on factors such as qualification, duty, contributions and years of experience. In addition, the Group provides comprehensive training programs to its employees or sponsors the employees to attend various job-related training courses.

SIGNIFICANT INVESTMENTS, MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES AND CAPITAL ASSETS

On 21 June 2024, the Group entered into the sale and purchase agreement with Bonum LLC ("**Bonum**") to acquire 16.7% issued share capital of Bonum at the consideration of USD1 million. Bonum is a company incorporated in Mongolia with limited liability and is principally engaged in provision of payment services in Mongolia. The Group considers that the acquisition could provide an opportunity to the Group to enter into the payments market in Mongolia. On 31 December 2024, the conditions precedent as set out under the sale and purchase agreement dated 21 June 2024 have been fulfilled and the completion took place on 31 December 2024. Upon completion, the Company indirectly owns 16.7% of the issued share capital of Bonum. Save as disclosed above, the Group did not make any significant investments, material acquisitions and disposals of subsidiaries and capital assets during the year ended 31 March 2025 and up to the date of this report.

PLANS FOR MATERIAL INVESTMENTS AND ACQUISITIONS

Save as disclosed elsewhere in this report, the Group did not have any plans for material investments and acquisitions as at 31 March 2025 and up to the date of this report.

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

EXECUTIVE DIRECTOR

Mr. Lo Chun Kit Andrew ("**Mr. Lo**"), aged 50, was appointed as the chairman of the Board ("**Chairman**"), an Executive Director and the chief executive officer of the Company ("**CEO**") in June 2016. Mr. Lo is also the chairman of the nomination committee of the Company. He is one of the founders of the Group and has been appointed as a director of EFT Solutions Limited ("**EFT**"), a wholly-owned subsidiary of the Company, since August 2008. Mr. Lo is currently responsible for supervising the overall corporate strategic planning, business development and major decision-making of the Group as well as the daily operation and management of the Group. Mr. Lo obtained a bachelor's degree in science from The University of Western Ontario in Canada in June 1996. Mr. Lo is experienced in electronic payment solutions having over 26 years of experience in the industry with 9 years accumulated in Ingenico International (Pacific) Pty Limited responsible for electronic payment solution development in Hong Kong and for taxi industry in New York, the United States; and 1 year in Hang Seng Bank Limited (stock code: 0011) responsible for credit card payment support services for merchants in Hong Kong and Macau. Mr. Lo is the spouse of Ms. Lam Ching Man ("**Ms. Lam**") and the eldest brother of Mr. Lo Chun Wa.

NON-EXECUTIVE DIRECTORS

Ms. Lam Ching Man ("**Ms. Lam**"), aged 50, was appointed as a Non-Executive Director in June 2016. Ms. Lam was appointed as a director of EFT for the periods from June 2005 to August 2008 and from April 2013 to February 2015, respectively. Ms. Lam is currently responsible for formulating the overall corporate strategic planning and major decision-making of the Group as well as supervising the administration of the Group. Ms. Lam completed her secondary education in July 1993. Ms. Lam has over 17 years of experience in administrative function. Ms. Lam is the spouse of Mr. Lo.

Mr. Lui Hin Weng Samuel ("**Mr. Lui**"), aged 50, was appointed as an Independent Non-Executive Director in November 2016 and has been re-designated from an Independent Non-Executive Director to a Non-Executive Director in August 2017. Mr. Lui is currently responsible for formulating the overall corporate strategic planning and major decision-making of the Group. Mr. Lui obtained a bachelor's degree in accountancy from Nanyang Technological University in Singapore in July 1998. Mr. Lui has been a member of the Institute of Singapore Chartered Accountants (previously known as the Institute of Certified Public Accountants of Singapore) since October 2002. Mr. Lui has about 26 years of experience in capital markets, investment banking, private equity, financial and risk management, compliance and auditing.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Chow Ka Wo, Alex ("**Mr. Chow**"), aged 57, was appointed as an Independent Non-Executive Director in January 2024. He has over 26 years of experiences in financial management and corporate finance. Mr. Chow is the founder and a director of Karl Thomson Financial Advisory Limited, a company engaged in type 6 (advising on corporate finance) activities under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "**SFO**") in Hong Kong. He is also the director and chief financial officer of Innovation Education Open-Ended Fund Company, a private umbrella fund company registered under section 112D of the SFO in Hong Kong. Mr. Chow previously served as an executive director and chief financial officer of Shenyang Public Utility Holdings Company Limited (stock code: 747) from February 2009 to June 2013, and Sino Katalytics Investment Corporation (currently known as Capital VC Limited) (stock code: 2324) from September 2005 to March 2010. Mr. Chow holds a Bachelor of Arts degree in Applied Mathematics and Economics from the University of California, Berkeley in the USA awarded in May 1990 and a Master of Arts degree in Economics from the Cornell University in the USA awarded in August 1992. Mr. Chow obtained the legal advice referred to in the GEM Listing Rules on 18 January 2024 and has confirmed that he understood his obligations as a Director of the Company.

Mr. Wong Ping Yiu ("**Mr. Wong**"), aged 61, was appointed as an Independent Non-Executive Director in October 2019. He served as an executive director of Shunten International (Holdings) Limited (formerly known as RM Group Holdings Limited) (stock code: 932) from June 2016 to May 2018 and remains as Vice President since May 2018. Mr. Wong has extensive experience in strategic marketing and property leasing.

Ms. Cheng Wai Sin ("**Ms. Cheng**"), aged 50, has over 25 years of experience in accounting and finance for corporate and banking sectors. Ms. Cheng worked as the chief financial officer of Hutchison Telecommunications Hong Kong Holdings Limited, a company that listed on Main Board of the Stock Exchange (stock code: 215) from 2012 to 2022. Since November 2022, Ms. Cheng is the chief financial officer of Kerry Properties Limited, a company that listed on Main Board of the Stock Exchange (stock code: 683). Ms. Cheng is a qualified accountant with membership of the Association of Chartered Certified Accountants, the Hong Kong Institute of Certified Public Accountants and the Hong Kong Corporate Governance Institute. She obtained a degree of bachelor of arts in business studies from Hong Kong Polytechnic University in 1997 and a degree of master of science in finance from City University of Hong Kong in 2003.

SENIOR MANAGEMENT

Chief Operation Officer

Mr. Lee Ka Ming Kelvin ("**Mr. Lee**"), aged 50, was a director of EFT since its incorporation in February 2004 until December 2006. Mr. Lee re-joined the Group as chief operation officer in July 2015. Mr. Lee is responsible for daily management and supervision of customer and technical service provision of the Group. Mr. Lee obtained a bachelor's degree in science majoring in marketing from University of Wales in the United Kingdom in November 2009. Mr. Lee is experienced in electronic payment solutions having over 24 years of experience in the industry with 8 years accumulated in Ingenico International (Pacific) Pty Limited responsible for supervising customer service provision to bank customers and 8 years in Hang Seng Bank Limited (stock code: 0011) responsible for providing credit card transaction support to merchants and handling disputes from cardholders in relation to credit card transactions.

Chief Information Officer

Mr. Chan Wai To, aged 48, worked as an engineer in EFT from February 2005 to June 2007, responsible for providing technical support to customers and re-joined the Group as chief information officer in September 2015. He obtained a bachelor's degree in science majoring in computer science and a master of philosophy degree in computer science, respectively, from The Chinese University of Hong Kong in December 1999 and October 2001, respectively. Mr. Chan Wai To is responsible for planning and overseeing electronic payment software development and technical support. Mr. Chan Wai To is experienced in electronic payment and software solutions having over 18 years of experience in the industry with 7 years accumulated in Hang Seng Bank Limited (stock code: 0011) responsible for developing new technical products or solutions for merchant business development.

Chief Financial Officer and Company Secretary

Mr. Li Man Ho ("**Mr. Li**"), aged 41, was appointed as the financial controller in August 2019 and promoted to Chief Financial Officer in July 2024. Mr Li has been appointed as the company secretary and an authorized representative of the Company with effect from 21 August 2019. He is a member of The Hong Kong Institute of Certified Public Accountants ("**HKICPA**"). He holds a Bachelor Degree of Science in Mathematics from University of New South Wales in Australia. Mr. Li has over 14 years of professional experience in auditing, accounting and financial reporting.

Senior Procurement and Logistic Manager

Mr. Cheung Chun Bong ("**Mr. Cheung**"), aged 47, joined the Group as the project manager of EFT in April 2009. In February 2016, Mr. Cheung was appointed as the chief procurement and logistics officer and subsequently re-positioned to senior manager in January 2017. Mr. Cheung is responsible for managing the logistics of delivery of payment terminals and repair of payment terminals. Mr. Cheung obtained a bachelor's degree in science majoring in electrical and electronic engineering from University of Glamorgan in Wales, United Kingdom in June 1999. Mr. Cheung is experienced in electronic payment solutions having over 19 years of experience in the industry with 3 years accumulated in Ingenico International (Pacific) Pty Limited responsible for payment terminals maintenance support.

Save as disclosed above, each of the Directors or senior management has not been a director of any public company, the securities of which are listed on any securities market in Hong Kong or overseas in the three years immediately preceding the date of this report.

Save as disclosed above, there is no other information relating to the relationship of any of the Directors or members of senior management with other Directors or members of senior management that should be disclosed pursuant to Rule 17.50(2) or paragraph 41(1) of Appendix D1A of the GEM Listing Rules. None of the Directors or members of the senior management is interested in any business which competes or is likely to compete with the business of the Group.

CORPORATE GOVERNANCE REPORT

COMPLIANCE WITH CODE OF CORPORATE GOVERNANCE

The Company is committed to maintaining a high standard of corporate governance in emphasising a quality board of directors, sound risk management and internal control, transparency and accountability with a view to enhance corporate value and to safeguard the interests of all the Shareholders and the Company as a whole.

The Board continues to monitor and review the Company's corporate governance and makes necessary changes at appropriate time.

The Board has adopted the principles, the code provisions of the Corporate Governance Code (the "**CG Code**") and the recommended best practices contained in Appendix C1 to the GEM Listing Rules. In accordance with the requirements of the GEM Listing Rules, the Company has established an audit committee (the "**Audit Committee**"), a nomination committee (the "**Nomination Committee**") and a remuneration committee (the "**Remuneration Committee**") with specific written terms of reference. During the year ended 31 March 2025 and up to the date of this report, the Company has complied with GEM Listing Rules except for the deviations as follows:

(a) As disclosed in the Company's announcements dated 17 February 2025 and 16 May 2025, following the passing away of Dr. Wu Wing Kuen, *B.B.S.* ("**Dr. Wu**"), as an Independent Non-Executive Director on 17 February 2025, (i) the number of Independent Non-Executive Directors fell below the minimum number as required under Rule 5.05(1) of the GEM Listing Rules; (ii) the number of members of the Audit Committee fell below the minimum number as required under Rule 5.28 of the GEM Listing Rules; (iii) the composition of Remuneration Committee fell below the majority of Independent Non-Executive Directors as required under Rule 5.34 of the GEM Listing Rules; and (iv) the composition of the Nomination Committee fell below the majority of Independent Non-Executive Directors as required under Rule 5.36A of the GEM Listing Rules.

    Upon the appointment of Ms. Cheng Wai Sin as an Independent Non-Executive Director became effective on 16 May 2025, the Company has re-complied with the requirements of the above GEM Listing Rules.

(b) Code provision C.2.1 of the CG Code stipulates that the roles of chairman and chief executive should be separate and should not be performed by the same individual. Mr. Lo Chun Kit, Andrew ("**Mr. Lo**") is the chairman (the "**Chairman**") and the chief executive officer (the "**CEO**") of the Company. In view that Mr. Lo has been assuming day-to-day responsibilities in operating and managing the Group since 2008 and the rapid development of the Group, the Board believes that with the support of Mr. Lo's extensive experience and knowledge in the business of the Group, vesting the roles of both Chairman and CEO in Mr. Lo strengthens the solid and consistent leadership and thereby allows for efficient business planning and decision which is in the best interest to the Group. The Board considers that the deviation from code provision C.2.1 of the CG Code is appropriate in such circumstances.

Notwithstanding the above, the Board believes that the balance of power and authority is adequately ensured by the operation of the Board which comprises experienced and high-calibre individuals, with three of them being Independent Non-Executive Directors.

COMPLIANCE WITH DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted a code of conduct regarding securities transactions (the "**Model Code**") by the Directors on terms no less exacting than the required standard of dealings set out in Rules 5.48 to 5.67 of the GEM Listing Rules. The Company has confirmed that, having made specific enquiry of all the Directors, the Company was not aware of any non-compliance with the required standard as set out in the Model Code throughout the year ended 31 March 2025.

Pursuant to Rule 5.66 of the GEM Listing Rules, the Directors have also requested any employee of the Company or director or employee of a subsidiary of the Company who, because of his/her office or employment in the Company or a subsidiary, is likely to possess inside information in relation to the securities of the Company, not to deal in securities of the Company when he/she would be prohibited from dealing by the Model Code as if he/she was a Director.

BOARD OF DIRECTORS

Composition

The Board currently comprises six members, consisting of one Executive Director, two Non-Executive Directors and three Independent Non-Executive Directors:

Executive Director

Mr. Lo Chun Kit Andrew *(Chairman and CEO)*

Non-Executive Directors

Ms. Lam Ching Man
Mr. Lui Hin Weng Samuel

Independent Non-Executive Directors

Mr. Chow Ka Wo Alex
Mr. Wong Ping Yiu
Dr. Wu Wing Kuen *B.B.S.* (passed away on 17 February 2025)
Ms. Cheng Wai Sin (appointed on 16 May 2025)

In compliance with Rules 5.05A, 5.05(1) and (2) of the GEM Listing Rules, the Company has appointed three Independent Non-Executive Directors representing more than one-third of the Board and at least one of whom has appropriate professional qualifications and accounting or related financial management expertise. The Company has received from each Independent Non-Executive Director an annual confirmation of his/her independence, and the Company considers such Directors to be independent in accordance with the independence guidelines set out in Rule 5.09 of the GEM Listing Rules.

The biographical details of the Directors are set out in the section "Biographical details of Directors and Senior Management" of this annual report. With the various experience of the Directors and the nature of the Group's business, the Board considers that the Directors have a balance of skills and experience for the business of the Group.

Mr. Lo is the spouse of Ms. Lam (a Non-Executive Director). Except as above, there is no relationship (including financial, business, family or other material/relevant relationship(s)) among members of the Board.

Responsibilities

Responsibilities of the Board include but are not limited to (i) convening meetings of the Shareholders, reporting on the Board's work at these meetings, implementing the Shareholders' resolutions passed at these meetings; (ii) determining business operation, financial, capital and investment plans; (iii) determining internal management structure, setting down fundamental management rules; (iv) appointing and discharging members of senior management, determining Directors' remuneration and formulating the proposals for profit distributions and for the increase or reduction of registered capital; and (v) taking responsibilities pursuant to the relevant laws, regulation and the Articles of Association of the Company (the "**Articles**"). Pursuant to the code provision C.5.1 of the CG Code as set out in Appendix C1 to the GEM Listing Rules, the Board should meet regularly and board meetings should be at least four times every year at approximately quarterly intervals. The Board is also responsible for the corporate governance functions. The Board has reviewed and discussed the corporate governance policy of the Group, and was satisfied with the performance of the Group on the corporate governance policy.

The Board supervises the management of the business and affairs of the Company following the Board's formulated business strategies to ensure they are managed in the best interests of the Shareholders and the Company as a whole while taking into account the interest of other stakeholders. Execution of operational matters and the powers thereof are delegated to the management by the Board with clear directions. The Board is regularly provided with management reports to give a balanced and understandable assessment on the performance, position, recent development and prospect of the Group in sufficient details.

Appointments, Re-election and Removal

Each of the Executive Directors, Non-Executive Directors and Independent Non-Executive Directors has entered into a service contract or letter of appointment with the Company for a specific term. The Non-Executive Directors and Independent Non-Executive Directors have been initially appointed for a term of three years and automatically extended for a successive term of one year upon the expiry of the current term unless and until it is terminated by either the Company or such Director. The term of appointment of each Director is subject to retirement by rotation and re-election in accordance with the Articles and the GEM Listing Rules.

Pursuant to the Articles, one-third of all Directors shall retire from office by rotation provided that every Director shall be subject to retirement by rotation and re-election at each annual general meeting provided that every Director shall be subject to retirement at least once every three years. A retiring Director shall be eligible for re-election and continue to perform as Director throughout the meeting at which he/she retires.

The Articles provide that any Director appointed by the Board to fill a casual vacancy in the Board shall hold office only until the first general meeting of the Company or as an addition to the existing Board, shall hold office only until the next following annual general meeting of the Company after his/her appointment and shall then be eligible for re-election.

The Company may, in accordance with the Articles, by ordinary resolution remove any Director before the expiration of his/her term of office notwithstanding anything to the contrary in the Articles or in any agreement between the Company and such Director.

Continuous Professional Development

According to the code provision C.1.4 of the CG Code, all Directors shall be kept informed of their collective responsibilities as Directors and of the Business activities of the Group. Directors receive updates and presentations on changes and developments to the Group's business and to environments in which the Group operates, and participate in continuous professional development ("**CPD**") to develop and refresh their knowledge and skills as well as their responsibilities under the relevant laws and regulations to ensure compliance and enhance good corporate governance.

During the year ended 31 March 2025, all the Directors have participated in CPD in relation to duties and responsibilities of the Directors, regulatory updates and the business of the Group in the following manner:

Name of Directors	**CPD Participation Yes/No**
Executive Director	
Mr. Lo Chun Kit Andrew *(Chairman and CEO)*	Yes
Non-Executive Directors	
Ms. Lam Ching Man	Yes
Mr. Lui Hin Weng Samuel	Yes
Independent Non-Executive Directors	
Mr. Chow Ka Wo Alex	Yes
Mr. Wong Ping Yiu	Yes
Dr. Wu Wing Kuen *B.B.S.* (passed away on 17 February 2025)	Yes
Ms. Cheng Wai Sin (appointed on 16 May 2025)	N/A

Participation in CPD includes attending seminars, reading relevant materials in relation to corporate governance, regulatory updates of the GEM Listing Rules and other regulatory requirements and the business of the Group.

BOARD COMMITTEES

The Board has established three board committees, namely the Audit Committee, the Remuneration Committee and the Nomination Committee, which are sufficiently resourced to fulfil their roles and their terms of reference approved by the Board, which are available for review on the Company's website (www.eftsolutions.com) and the Stock Exchange's website (www.hkexnews.hk).

Audit Committee

The Audit Committee was established on 23 November 2016 in compliance with Rule 5.28 of the GEM Listing Rules. As at 31 March 2025, the Audit Committee comprised two Independent Non-Executive Directors, namely Mr. Chow Ka Wo Alex (chairman of the Audit Committee) and Mr. Wong Ping Yiu. As disclosed in the Company's announcements dated 17 February 2025 and 16 May 2025, following the appointment of Ms. Cheng Wai Sin as an Independent Non-Executive Director and a member of the Audit Committee, the Company has re-complied with the requirements under Rule 5.28 of the GEM Listing Rules that there are three Independent Non-Executive Directors in the Audit Committee.

None of the members of the Audit Committee is a former partner of the Company's existing external auditor.

Written terms of reference in compliance with code provisions D.3.3 and D.3.7 of the CG Code as set out in Appendix C1 to the GEM Listing Rules have been adopted. It is the Board's responsibility to ensure that an effective internal control and risk management framework exist within the entity. This includes internal controls to deal with both the effectiveness and efficiency of significant business processes, the safeguarding of assets, the maintenance of proper accounting records, the reliability of financial information as well as non-financial considerations such as the benchmarking of operational key performance indicators, and proper arrangements are in place for fair and independent investigation of these matters and for appropriate follow-up action. The Board has delegated the responsibility for the initial establishment and the maintenance of a framework of internal controls and ethical standards for the Group's management to the Audit Committee. The primary duties of the Audit Committee are, among other things, to review and supervise the financial reporting process and internal control and risk management systems of the Group. Besides, the Audit Committee reviews and monitors the Company's compliance with its whistleblowing policy and oversees the Company's relations with the external auditor.

The Audit Committee has held three meetings during the year ended 31 March 2025 and performed the following major works:

- reviewed the appropriateness and effectiveness of the risk management and internal control systems of the Company and recommended improvements of such systems to the Board;

- discussed with the management and the external auditor the accounting policies and practices which may affect the Group and financial reporting matters;

- reviewed and discussed the Group's annual and interim result announcements and financial statements with recommendations to the Board for approval;

- reviewed the audit plans and key audit matters included in the Independent Auditor's Report; and

- provided recommendation on the re-appointment of the external auditor.

The external auditor has attended two of the above meetings and discussed with the Audit Committee members on the audit planning and annual results.

The Audit Committee and the external auditor were satisfied that such results complied with the applicable accounting standards, the requirements under the GEM Listing Rules and other applicable legal requirements, and that adequate disclosures have been made.

Remuneration Committee

The Remuneration Committee was established on 23 November 2016 in compliance with Rule 5.34 of the GEM Listing Rules. As at 31 March 2025, the Remuneration Committee comprised Mr. Wong Ping Yiu (an Independent Non-Executive Director and chairman of the Remuneration Committee) and Mr. Lo (an Executive Director). As disclosed in the Company's announcements dated 17 February 2025 and 16 May 2025, following the appointment of Ms. Cheng Wai Sin as an Independent Non-Executive Director and a member of the Remuneration Committee, the Company has re-complied with the requirements under Rule 5.34 of the GEM Listing Rules that there are a majority of Independent Non-Executive Directors in the Remuneration Committee.

Written terms of reference in compliance with code provision E.1.2 of the CG Code as set out in Appendix C1 to the GEM Listing Rules have been adopted. The primary duties of the Remuneration Committee are, among other things, to recommend to the Board the remuneration packages for all Executive Directors and senior management, including benefits in kind, pension rights and compensation payments, including any compensation payable for loss or termination of their office or appointment, and make recommendations to the Board of the remuneration of Non-Executive Directors. Pursuant to the terms of reference of the Remuneration Committee, meeting shall be at least once every year.

The Remuneration Committee has held one meeting during the year ended 31 March 2025 and performed the following major works:

- reviewed the existing remuneration policy and structure of the Company and the remuneration packages of Directors and senior management of the Company and relevant recommendations were made to the Board.

Details of the Directors' remuneration for the year ended 31 March 2025 are set out in Note 13 to the consolidated financial statements of this annual report.

The remuneration of the senior management of the Group by band for the year ended 31 March 2025 is set out below:

Remuneration band	**Number of senior management**
HK$100,001 to HK$1,000,000	2
HK$1,000,001 to HK$1,500,000	2

Nomination Committee

The Nomination Committee was established on 23 November 2016 in compliance with Rule 5.36A of the GEM Listing Rules. As at 31 March 2025, the Nomination Committee comprised Mr. Lo (an Executive Director and chairman of the Nomination Committee) and Mr. Wong Ping Yiu (an Independent Non-Executive Director). As disclosed in the Company's announcements dated 17 February 2025 and 16 May 2025, following the appointment of Ms. Cheng Wai Sin as an Independent Non-Executive Director and a member of the Nomination Committee, the Company has re-complied with the requirements under Rule 5.36A of the GEM Listing Rules that there are a majority of Independent Non-Executive Directors in the Nomination Committee.

Written terms of reference in compliance with code provision B.3.1 of the CG Code as set out in Appendix C1 to the GEM Listing Rules have been adopted. The primary duties of the Nomination Committee are, among other things, to review the structure, size composition and diversity of the Board, to assess the independence of the Independent Non-Executive Directors, and to make recommendations to the Board on the appointment or re-appointment of Directors and succession planning for Directors. Pursuant to the terms of reference of the Nomination Committee, meeting shall be at least once every year.

The Nomination Committee has held one meeting during the year ended 31 March 2025 and performed the following major works:

- reviewed the structure, size and composition (including the skills, knowledge, experience and diversity) of the Board;
- approved the renewal of the term of appointment for the Directors;
- assessed the independence of the Independent Non-Executive Directors;
- reviewed the measurable objective in implementing the Board Diversity Policy; and
- made recommendations on the re-election of Directors at the AGM held on 8 August 2024.

In recommending candidates for appointment to the Board, the Nomination Committee considers candidates on merit against objective criteria and with due regards to the benefits of diversity on the Board. In designing the Board's composition, board diversity has been considered from a number of perspectives, including but not limited to gender, age, cultural and educational background, industry experience, technical and professional skills and/or qualifications, knowledge, length of services and time to be devoted as a director. The Company will also take into account factors relating to its own business model and specific needs from time to time. The ultimate decision is based on merit and contribution that the selected candidates will bring to the Board.

Board Diversity Policy

The Company has adopted a Board Diversity Policy which sets out the approach to achieve 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, ethnicity, professional experience, skills, knowledge and length of service. 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. The Nomination Committee will review the Board Diversity Policy from time to time to ensure its continued effectiveness.

For the purpose of implementation of the Board Diversity Policy, the following measurable objectives were adopted:

1. At least one-third of the members of the Board shall be Independent Non-Executive Directors; and

2. Enhance gender diversity (female representation) on the Board.

As at 31 March 2025, representation of Independent Non-Executive Directors on the Board was 40%.

As at 31 March 2025, female representation on the Board was 20%.

The Board will take opportunity to increase the proportion of female members over time when selecting and making recommendation on suitable candidates for Board appointments. The Board would ensure that appropriate balance of gender diversity is achieved with reference to stakeholders' expectation and international and local recommended best practices, with the ultimate goal of bringing the Board to gender parity.

The Nomination Committee will monitor the implementation of the Board Diversity Policy and report to the Board annually.

Corporate Governance Function

The Board is responsible for developing, reviewing and monitoring the policies and practices on corporate governance and legal and regulatory compliance of the Group, and the training and continuous professional development of directors and senior management. The Board reviews the disclosures in the corporate governance report to ensure compliance.

The Board's responsibility in this regard includes:

(a) to review and monitor the Company's policies and practices on compliance with legal and regulatory requirements;

(b) to review and monitor the training and continuous professional development of Directors and senior management;

(c) to develop, review and monitor the code of conduct and compliance manual applicable to employees and Directors;

(d) to develop and review the Company's policies and practices on corporate governance and make recommendations to the Board and report to the Board on matters; and

(e) to review the Company's compliance with the CG Code and disclosure in the corporate governance report.

Attendance Records of Meetings

The company secretary of the Company records the proceedings of each Board meeting, Audit Committee meeting, Remuneration Committee meeting and Nomination Committee meeting and general meeting in detail by keeping detailed minutes, including all decisions by the Board together with concerns raised and dissenting views expressed (if any). All minutes are open for inspection at any reasonable time on request by any Director. The attendance of each Director at Board meetings, Audit Committee meetings, Remuneration Committee meeting and Nomination Committee meeting and general meeting during the year is set out in the following table:

	Board meeting	Audit Committee meeting	Remuneration Committee meeting	Nomination Committee meeting	General meeting	Total meeting
Number of meetings held during the year	5	3	1	1	1	11
Name of Directors	**Number of meetings attended/Number of meetings entitled to attend**					
Executive Director						
Mr. Lo Chun Kit Andrew	5	–	1	1	1	8
Non-Executive Directors						
Ms. Lam Ching Man	5	–	–	–	1	6
Mr. Lui Hin Weng Samuel	5	–	–	–	1	6
Independent Non-Executive Directors						
Dr. Wu Wing Kuen *B.B.S.* (passed away on 17 February 2025)	4	3	–	–	1	8
Ms. Cheng Wai Sin (appointed on 16 May 2025)	–	–	–	–	–	–
Mr. Wong Ping Yiu	5	3	1	1	1	11
Mr. Chow Ka Wo Alex	5	3	–	–	1	9

ACCOUNTABILITY AND AUDIT

Directors' Responsibilities for the Consolidated Financial Statements

All Directors acknowledge their responsibility to prepare the Group's consolidated financial statements for each financial period to give a true and fair view of the state of affairs of the Group and of the results and cash flows for that period. In preparing the consolidated financial statements for the year ended 31 March 2025, the Board has selected suitable accounting policies and applied them consistently, made judgments and estimates that are prudent, fair and reasonable and prepared the consolidated financial statements of the Group on a going concern basis. The Directors are responsible for taking all reasonable and necessary steps to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

Auditor's Remuneration

During the year ended 31 March 2025, the remuneration paid or payable to the Company's auditor, KPMG, in respect of their audit was HK$930,000.

COMPANY SECRETARY

Mr. Li, our company secretary, possesses the necessary qualification and experience and is capable of performance of the functions of the company secretary. His biography is set out in the section "Biographical Details of Directors and Senior Management" of this annual report. During the year ended 31 March 2025, Mr. Li has confirmed that he has taken no less than 15 hours of relevant professional training in compliance with Rule 5.15 of the GEM Listing Rules.

INTERNAL CONTROL AND RISK MANAGEMENT

The Board acknowledges its responsibility for the Group's internal control systems and risk management. To fulfil its responsibility, the Board has set up policies and procedures which provide a framework for the identification and management of risks. 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 but not absolute assurance against material misstatement or loss.

The Group's internal control systems include a well-established organisational structure with clearly defined lines of responsibility and authority. The operation departments would entrust to related business department which is accountable for its own conduct and performance and is required to operate its own department's business within the scope of the delegated authority and to implement and strictly adhere to the strategies and policies set by the Company from time to time. Each department is also required to keep the Board informed of material developments of the department's business and implementation of the policies and strategies set by the Board on a regular basis.

The management is mainly responsible for the design, implementation and supervision of the internal control systems, while the Board and the Audit Committee are responsible for supervising the measures adopted by the management and the effectiveness of the implementation of monitoring measures on a going concern. The Board concluded that the Group's risk management and internal control systems are in place and effective.

Management rules on the inside information is also in place to provide guidelines on reporting and disseminating inside information, maintaining confidentiality and complying with dealing restrictions.

The Group regards periodic review of internal control system as an important part of the Board's oversight function. The Group has not set up an internal audit function, however, the Group has engaged an external consultant, OOP Advisory Limited, to conduct review on the internal control system of the Group. The review shall be conducted once every year. During the year ended 31 March 2025, a review has been conducted and the Directors considered the internal control system of the Group to be effective and adequate.

SHAREHOLDERS' RIGHTS

As one of the measures to safeguard Shareholders' interests and rights, the Shareholders are encouraged to participate at the general meetings of the Company and to vote thereat. All resolutions put forward at Shareholders' meeting will be voted by poll pursuant to the GEM Listing Rules except where the chairman decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands, and the poll voting results will be posted on the websites of the Stock Exchange and the Company after the relevant Shareholders' meeting.

Extraordinary general meeting may be convened by the Board on requisition of Shareholders holding not less than one-tenth of the paid up capital of the Company or by such Shareholders who made the requisition (the "**Requisitionists**") (as the case may be) pursuant to the Articles. Such requisition must state the object of business to be transacted at the meeting and must be signed by the Requisitionists and deposited at the registered office of the Company or the Company's principal place of business in Hong Kong. Shareholders should follow the requirements and procedures as set out in such Article for convening an extraordinary general meeting. Shareholders may put forward proposals at general meeting of the Company by sending the same to the Company at the principal place of business of the Company in Hong Kong.

Procedures for a Shareholder of the Company to Propose a Person for Election as a Director

Subject to the Articles and the Companies Law of the Cayman Islands (as amended from time to time), the Company may from time to time in general meeting by ordinary resolution elect any person to be a Director either to fill a casual vacancy on the Board, or as an addition to the existing Board.

Article 113 of the Articles provides that no person, other than a retiring Director, shall, unless recommended by the Board for election, be eligible for election to the office of Director at any general meeting, unless notice in writing of the intention to propose that person for election as a Director and notice in writing by that person of his/her willingness to be elected shall have been lodged at the Head Office (as defined in the Articles) or at the Registration Office (as defined in the Articles). The period for lodgment of the notices required under this Article will commence no earlier than the day after the dispatch of the notice of the general meeting appointed for such election and end no later than seven days prior to the date of such general meeting and the minimum length of the period during which such notices to the Company may be given will be at least seven days.

Accordingly, if a Shareholder wishes to nominate a person to stand for election as a Director, the following documents must be validly served at the Company's principal place of business in Hong Kong at Workshops B1 & B3, 11/F, Yip Fung Industrial Building, 28–36 Kwai Fung Crescent, Kwai Chung, New Territories, Hong Kong or at the Company's Hong Kong share registrar, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, including (i) a notice signed by the Shareholder for which such notice is given of his/her intention to propose a candidate for election; and (ii) a notice signed by the proposed candidate of the candidate's willingness to be elected together with (a) that candidate's information as required to be disclosed under Rule 17.50(2) of the GEM Listing Rules; and (b) the candidate's written consent to the publication of his/her personal data.

Procedures for Raising Enquiries

Shareholders who intend to put forward their enquiries about the Company to the Board could send their enquiries to Workshops B1 & B3, 11/F, Yip Fung Industrial Building, 28–36 Kwai Fung Crescent, Kwai Chung, New Territories, Hong Kong (email address: investor.enquiry@eftsolutions.com).

INVESTORS RELATIONS

The Company has established a range of communication channels between itself and its Shareholders, investors and other stakeholders to update the latest business development and financial performance including the publication of quarterly, interim and annual reports, notices, announcements and circulars on the Stock Exchange's website and the Company's website in a timely manner in order to maintain a high level of transparency and good investor relations.

DIVIDEND POLICY

The Board considers sustainable returns to Shareholders whilst retaining adequate reserves for the Group's future development to be an objective. Under the dividend policy adopted by the Company, dividends may be declared from time to time and be paid to shareholders provided that the Group is profitable and without affecting the normal operations of the Group. In summary, the declaration of dividends and the dividend amount shall be determined at the sole and absolute discretion of the Board taking into account the following factors:

- the Group's financial performance;
- the liquidity position and capital requirements of the Group; and
- any other factors that the Board may consider appropriate.

CHANGE IN CONSTITUTIONAL DOCUMENTS

There were no significant changes in the constitutional documents of the Company for the year ended 31 March 2025.

DIRECTORS' REPORT

The Directors are pleased to present their annual report and the audited consolidated financial statements of the Group for the year ended 31 March 2025.

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. The principal activities and other particulars of the Company's principal subsidiaries are set out in Note 33 to the consolidated financial statements.

BUSINESS REVIEW

Detailed business review is set out in the section headed "Management Discussion and Analysis" of this annual report on page 8. Future development of the Company's business is set out in the section headed "Chairman's Statement" of this annual report on page 5.

KEY PERFORMANCE INDICATORS ("KPIs") WITH THE STRATEGY OF THE GROUP

An analysis of the Group's performance during the year using financial KPIs is provided in the section "Financial Review" on pages 9 to 10 of this annual report and in Note 7 to the consolidated financial statements of the Company.

PRINCIPAL RISK AND UNCERTAINTIES

Details of principal risks and uncertainties is set out in the section headed "Management Discussion and Analysis" of this annual report on page 8.

RESULTS AND APPROPRIATIONS

The Group's results for the year ended 31 March 2025 and the state of affairs of the Company and the Group at that date are set out in the consolidated financial statements from pages 72 to 139 of this annual report.

The Board recommends payment of a final dividend of HK1.0 cent per Share to Shareholders whose names appear on the register of members of the Company on 22 August 2025. Subject to approval by the Shareholders in the forthcoming annual general meeting, the proposed final dividend is expected to be dispatched to Shareholders on 28 August 2025.

As at the date of this annual report, the Board is not aware of any Shareholders who have waived or agreed to waive any dividends.

ANNUAL GENERAL MEETING

The forthcoming annual general meeting is scheduled to be held on Friday, 8 August 2025 (the "**2025 AGM**"). Notice of the 2025 AGM will be published and despatched to Shareholders in due course.

PAYMENT OF FINAL DIVIDEND

The Board recommends the payment of a final dividend of HK1.0 cent per ordinary share for the year ended 31 March 2025 (the "**FY2025 Proposed Final Dividend**") (31 March 2024: HK2.0 cents). The FY2025 Proposed Final Dividend, if approved, shall be payable on Thursday, 28 August 2025 and is subject to the approval of the Shareholders at the 2025 AGM. The Shareholders whose names appear on the register of members of the Company at the close of business on Friday, 22 August 2025 will be entitled to the FY2025 Proposed Final Dividend.

CLOSURE OF REGISTER OF MEMBERS

a. For Determining the Entitlement of the Shareholders to Attend and Vote at the 2025 AGM

The register of members of the Company will be closed from Tuesday, 5 August 2025 to Friday, 8 August 2025 (both days inclusive), during which period no transfer of shares of the Company will be registered. In order to determine the identity of members who are entitled to attend and vote at the 2025 AGM, all share transfer documents accompanied by the relevant share certificates must be lodged with our Hong Kong branch share registrar, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration not later than 4:30 p.m. on Monday, 4 August 2025.

b. For Determining the Entitlement to the FY2025 Proposed Final Dividend

The register of members of the Company will be closed from Thursday, 21 August 2025 to Friday, 22 August 2025 (both days inclusive), during which no transfer of shares of the Company will be registered. In order to be eligible for the FY2025 Proposed Final Dividend, unregistered holders of shares of the Company should ensure that all transfer forms accompanied by the relevant share certificates must be lodged with our Hong Kong branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration no later than 4:30 p.m. on Wednesday, 20 August 2025.

DEED OF NON-COMPETITION

The deed of non-competition dated 23 November 2016 (as defined in the prospectus dated 5 December 2016 for the listing of Shares of the Company on GEM of the Stock Exchange ("**Prospectus**")) became effective from the date of listing. The controlling Shareholders (as defined in the Prospectus) have confirmed that, save as disclosed in this annual report, at any time during the year ended 31 March 2025, they have not whether as principal or agent and whether undertaken directly or indirectly (including through any close associate, subsidiary, partnership, joint venture or other contractual arrangement of theirs) and whether for profit or otherwise, carry on, participate or be interested, engage or otherwise be involved in or acquire or hold shares or interests in any business which is in competition, directly or indirectly, or is likely to be in competition, directly or indirectly, with the business referred to in the Prospectus that is carried on by the Group in Hong Kong, Macau and such other territories that the Group may conduct or carry on business from time to time, including but not limited to the sales of EFT-POS terminals and peripheral devices, provision of EFT-POS system support services, and development of project-based software solution services in Hong Kong and Macau. The controlling Shareholders have also confirmed that they have fully complied with the undertakings contemplated under the deed of non- competition during the year ended 31 March 2025.

The Company has received confirmations from the controlling Shareholders confirming their compliance with the deed of non-competition for the year ended 31 March 2025. The Independent Non-Executive Directors have reviewed the controlling Shareholders compliance with the deed of non-competition for the year ended 31 March 2025.

FIVE-YEAR FINANCIAL SUMMARY

A summary of the published results and assets and liabilities of the Group for the last five financial years, as extracted from the audited consolidated financial statements and the Prospectus of the Company, is set out on page 140 of this annual report. This summary does not form part of the audited consolidated financial statements of the Company.

PROPERTY, PLANT AND EQUIPMENT

Details of movements in the property, plant and equipment of the Group during the year are set out in Note 16 to the consolidated financial statements.

SHARE CAPITAL

Details of movements in the Company's share capital during the year are set out in Note 27 to the consolidated financial statements.

RESERVES

Details of movements in the reserves of the Group and the Company during the year are set out in the consolidated statement of changes in equity and Note 34 to the consolidated financial statements respectively of this annual report.

DISTRIBUTABLE RESERVES OF THE COMPANY

As at 31 March 2025, the Company's reserves available for distribution to the Shareholders amounted to approximately HK$53,748,000 (2024: approximately HK$53,617,000).

PRE-EMPTIVE RIGHTS

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

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

During the year ended 31 March 2025 and up to the date of this report, neither the Company nor any of its subsidiaries have purchased, sold or redeemed any of the Company's listed securities.

MAJOR CUSTOMERS AND SUPPLIERS

The Group's largest customer contributed approximately 15.9% (2024: 13.7%) of the total revenue for the year while the Group's five largest customers accounted for approximately 48.1% (2024: 49.0%) of the total revenue for the year.

The Group's largest supplier contributed approximately 27.6% (2024: 52.6%) of the total cost of goods and services for the year while the Group's five largest suppliers accounted for approximately 84.2% (2024: 83.8%) of the total cost of goods and services for the year.

None of the Directors, their respective close associates (as defined in the GEM Listing Rules) or any Shareholders (which to the best knowledge of the Directors, own more than 5% of the Company's issued shares) had any beneficial interest in any of the Group's five largest customers or suppliers referred to above.

SHARE OPTION SCHEME

A share option scheme was adopted and approved by the Shareholders on 23 November 2016 (the "**Share Option Scheme**").

As at the date of this annual report, there is no outstanding number of share options available, for granting under the Share Option Scheme to subscribe for shares. During the year ended 31 March 2025, no share options were granted, cancelled or lapsed in accordance with the terms of the Share Option Scheme.

The following is a summary of the principal terms of the Share Option Scheme. The terms of the Share Option Scheme are in compliance with the provisions of Chapter 23 of the GEM Listing Rules.

The Share Option Scheme is a share incentive scheme and is established to recognise and acknowledge the contributions the eligible participants have had or may have made to the Group. The Share Option Scheme is valid and effective for a period of ten years commencing from the date of adoption of the scheme.

Eligible participants of the Share Option Scheme include:

(i) any full-time or part-time employees, executives or officers of the Company or any of its subsidiaries;

(ii) any Directors (including Non-Executive Directors and Independent Non-Executive Directors) of the Company or any of its subsidiaries;

(iii) any advisers, consultants, suppliers, customers and agents to the Company or any of its subsidiaries; and

(iv) such other persons who, in the sole opinion of the Board, will contribute or have contributed to the Group, the assessment criteria of which are:

   (a) contribution to the development and performance of the Group;

   (b) quality of work performed for the Group;

   (c) initiative and commitment in performing his/her duties; and

   (d) length of service or contribution to the Group.

The maximum number of shares which may be issued upon exercise of all outstanding option granted and yet to be exercised under the Share Option Scheme and any other schemes for the time being of the Company shall not exceed 30% of the shares in issue from time to time. Share options (the "**Options**") of the Company which are lapsed or cancelled for the time being shall not be counted for the purpose of calculating the said 30% limit and the maximum number of shares which may be issued upon exercise of all Options granted and to be granted under the Share Option Scheme is an amount equivalent to 10% of the shares of the Company in issue as at the date of approval of the Share Option Scheme unless approval for refreshing the 10% limit from the Company's shareholders has been obtained. The total number of Shares issued and which may fall to be issued upon exercise of the Options granted under the Share Option Scheme and any other share option schemes of the Company (including exercised, outstanding Options and Shares which were the subject of Options which have been granted and accepted under the Share Option Scheme or any other scheme of the Company but subsequently cancelled (the "**Cancelled Shares**") to each eligible participant in any 12-month period up to the date of grant shall not exceed 1% of the Shares in issue as at the date of grant. Any further grant of Options in excess of this 1% limit shall be subject to the issue of a circular and the approval of the Shareholders in general meeting.

An Option may be exercised in accordance with the terms of the Share Option Scheme at any time after the date upon which the Option is deemed to be granted and accepted and prior to the expiry of ten years from that date.

Upon acceptance of an Option to subscribe for Shares granted pursuant to the scheme, the eligible participant shall pay HK$1.00 to the Company as consideration for the grant. The subscription price for the Shares subject to Options will be a price determined by the Board and notified to each participant and shall be the highest of:

(i) the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet on the date of grant of the Options;

(ii) the average closing price of the Shares as stated in the Stock Exchange's daily quotations sheets for the 5 trading days immediately preceding the date of grant of the Options; and

(iii) the nominal value of a Share.

DIRECTORS

The Directors during the year ended 31 March 2025 and up to the date of this report were:

Executive Director

Mr. Lo Chun Kit Andrew *(Chairman and CEO)*

Non-Executive Directors

Ms. Lam Ching Man
Mr. Lui Hin Weng Samuel

Independent Non-Executive Directors

Mr. Chow Ka Wo Alex
Dr. Wu Wing Kuen *B.B.S.* (passed away on 17 February 2025)
Mr. Wong Ping Yiu
Ms. Cheng Wai Sin (appointed on 16 May 2025)

Pursuant to the Articles, one-third of all Directors (whether executive or non-executive) shall retire from office by rotation provided that every Director shall be subject to retirement by rotation and re-election at each annual general meeting provided that every Director shall be subject to retirement at least once every three years. A retiring Director shall be eligible for re-election and continue to act as a Director throughout the meeting at which he/she retires. Further, according to the Articles, any Director appointed by the Board to fill a casual vacancy shall hold office only until the first general meeting of the Company after his appointment and be subject to re-election at such meeting. Any Director appointed by the Board as an addition to the existing Board shall hold office only until the next following annual general meeting of the Company and shall then be eligible for re-election.

BIOGRAPHIES OF DIRECTORS AND SENIOR MANAGEMENT

The biographies of the Directors and senior management are set out in the section "Biographical Details of Directors and Senior Management" of this annual report.

DIRECTORS' SERVICE CONTRACTS

There is no service contract, which is not determinable by the Company within one year without payment of compensation (other than statutory compensation), in respect of any director proposed for re-election at the annual general meeting.

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 ended 31 March 2025.

INDEPENDENT NON-EXECUTIVE DIRECTORS' CONFIRMATION OF INDEPENDENCE

The Company has received from each of the Independent Non-Executive Director an annual confirmation of their independence. The Nomination Committee has assessed the independence of the Independent Non-Executive Directors and affirmed that all Independent Non-Executive Directors remained independent.

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

As at 31 March 2025, the interests and short positions of the Directors and chief executive of the Company in the Shares and underlying shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "**SFO**")) which were notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or which were recorded in the register required to be kept by the Company under Section 352 of the SFO, or which were, pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules, notified to the Company and the Stock Exchange, were as follows:

Interests in the Shares of the Company

			Long position	
Name	**Capacity**	*Notes*	**Total interests in ordinary Shares**	**Percentage of total number of issued Shares**
Mr. Lo	Interest in a controlled corporation	1	350,640,000	73.05%
	Beneficial owner	1	5,780,000	1.20%
Ms. Lam	Interest of spouse	2	356,420,000	74.25%

Notes:

1. Mr. Lo is interested in the entire issued share capital of LCK Group Limited ("**LCK**") and he is therefore deemed to be interested in the 350,640,000 Shares held by LCK by virtue of the SFO.

2. Ms. Lam is the spouse of Mr. Lo and she is therefore deemed to be interested in the Shares held by Mr. Lo by virtue of the SFO.

As at 31 March 2025, none of the Directors or chief executive of the Company has any interest or short position in the shares, underlying shares or debentures of the Company or any of its associated corporations which were notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he will be taken or deemed to have under the SFO), or was required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein or which was required, pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules, to be notified to the Company and the Stock Exchange.

SUBSTANTIAL SHAREHOLDERS' INTERESTS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY

As at 31 March 2025, to the knowledge of the Directors, Shareholders (other than the Directors or chief executive of the Company) who had interests or short positions in the Shares, underlying shares or debentures of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO were as follows:

			Long position	
Name	**Capacity**	*Note*	**Number of ordinary Shares**	**Percentage of total number of issued Shares**
LCK	Beneficial owner	1	350,640,000	73.05%

Note:

1. The entire issued share capital of LCK is legally and beneficially owned by Mr. Lo who is deemed to be interested in the Shares held by LCK by virtue of the SFO.

Save as disclosed above, as at 31 March 2025, to the knowledge of the Directors, the Company has not been notified by any persons (other than the Directors or chief executive of the Company) who had interests or short positions in the shares, underlying shares or debentures of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO.

RIGHTS TO ACQUIRE SHARES OR DEBENTURES

At no time during the year ended 31 March 2025 and up to the date of this report, have the Directors and the chief executive of the Company and their respective close associates (as defined under the GEM Listing Rules) had any interest in, or had been granted, or exercised any rights to subscribe for shares or underlying shares of the Company and/or its associated corporations (within the meaning of the SFO).

At no time during the year ended 31 March 2025 and up to the date of this report was the Company, any of its subsidiaries, its associated companies or its holding companies a party to any arrangements to enable the Directors or the chief executive of the Company to hold any interests or short positions in the shares or underlying shares in, or debentures of, the Company and/or its associated corporations (within the meaning of the SFO).

DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTEREST IN COMPETING BUSINESS

During the year ended 31 March 2025 and up to the date of this report, none of the Directors, nor the substantial Shareholders of the Company nor their respective close associates (as defined under the GEM Listing Rules) had any interests (other than their interest in the Company or its subsidiaries) in any business which competed or may compete, either directly or indirectly, with the business of the Group or any other conflicts of interests with the Group.

DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS OF SIGNIFICANCE

Save as disclosed in Note 32 to the consolidated financial statements, there were no other transactions, arrangements or contracts of significance in relation to the Group's business to which the Company or any of its subsidiaries was a party and in which a Director had a material interest, whether directly or indirectly, subsisted at the end of or at any time during the year.

CONTRACTS OF SIGNIFICANCE WITH CONTROLLING SHAREHOLDERS

Save as disclosed in Note 32 to the consolidated financial statements, during the year ended 31 March 2025, there had been no contract of significance between the Company or any of their close associates and a Controlling Shareholder (as defined in the GEM Listing Rules) or any of its subsidiaries, nor any contract of significance for the provision of services to the Company or any of its subsidiaries by a controlling shareholder or any of their close associates.

RELATED PARTY TRANSACTIONS

Details of the related party transactions of the Group for the year ended 31 March 2025 are set out in Note 32 to the consolidated financial statements of this annual report. Save as mentioned in the section "Continuing Connection Transactions" as below, other related party transactions constituted exempted connected transactions and continuing connected transactions under Chapter 20 of the GEM Listing Rules. The Company has complied with the disclosure requirements in accordance with Chapter 20 of the GEM Listing Rules.

CONTINUING CONNECTED TRANSACTIONS

During the year ended 31 March 2025, certain lease transactions entered into by the Group with (i) Mr. Lo, the controlling shareholder and a Director; (ii) Ms. Lam, a Director and the spouse of Mr. Lo; and (iii) Affinity Corporation Limited ("**Affinity**"), LCKB Company Limited and Fillen Limited, all companies are wholly-owned by Mr. Lo, and certain transactions entered into by the Group with EFT Payments (Asia) Limited ("**EFT Payments**"), a company is 90% owned by Mr. Lo constituted continuing connected transactions of the Group under Chapter 20 of the GEM Listing Rules, details of which are as follows:

Continuing connected transactions	Connected Persons	Annual cap	Actual amount for the year ended 31 March 2025	*Notes*
Fully exempt				
Lease of warehouse, repair centre and office	Mr. Lo	HK$2,760,000 for (i), (ii), (iii), (iv), (v), (vi) & (viii)	846,000	(i), (vi)
Lease of office and carpark	Ms. Lam		324,000	(ii), (vi)
Lease of warehouse	Affinity Corporation Limited		336,000	(iii), (vi)
Lease of Director quarter	Fillen Limited		600,000	(v), (vi)
Lease of office and warehouse	LCKB Company Limited		654,000	(iv), (vi), (vii)
Business referral fee	EFT Payments	HK$2,500,000	1,441,000	(xi)
Non-exempt				
Sales of EFT-POS terminals and peripheral devices and provision of EFT-POS system support services	EFT Payments	HK$25,000,000	15,165,000	(viii), (ix), (x), (xii)

For reasons as disclosed in the section headed "Connected Transactions" in the Prospectus and the relevant announcements of the Company, a series of agreements (the "**Agreements**") were entered into between the Group and the Connected Persons with details set out below.

(i) On 17 June 2016, EFT, a wholly-owned subsidiary of the Company, (as tenant) and Mr. Lo (as landlord) entered into tenancy agreements (as supplemented and amended on 18 February 2019, 31 March 2021, 31 March 2022, 31 March 2023 and 2 May 2024), pursuant to which EFT agreed to rent the certain properties for a renewed term commencing on 1 April 2024 and expiring on 31 March 2025 (both days inclusive) for a deposit of HK$132,000 at an aggregate monthly rent of HK$66,000 (comprising HK$36,000 monthly rent for Workshop A3, 1/F, Yip Fung Industrial Building, Nos. 28–36 Kwai Fung Crescent, Kwai Chung, New Territories, Hong Kong and HK$30,000 monthly rent for Workshop B1, 11/F, Yip Fung Industrial Building, Nos. 28–36 Kwai Fung Crescent, Kwai Chung, New Territories, Hong Kong) (exclusive of utility charges), which was agreed after arm's length negotiations between the parties with regard to the prevailing market rates. The monthly rent is payable in advance on the first day of each and every successive calendar month.

(ii) On 17 June 2016, EFT (as tenant) and Ms. Lam (as landlord) entered into tenancy agreements (as supplemented and amended on 18 February 2019, 31 March 2021, 31 March 2022, 31 March 2023 and 2 May 2024), pursuant to which EFT agreed to rent certain properties for a renewed term commencing on 1 April 2024 and expiring on 31 March 2025 (both days inclusive) for a deposit of HK$54,000 at an aggregate monthly rent of HK$27,000 (comprising HK$22,500 monthly rent for Workshop B3, 11/F, Yip Fung Industrial Building, Nos. 28–36 Kwai Fung Crescent, Kwai Chung, New Territories, Hong Kong and HK$4,500 monthly rent for carpark V2, G/F, Yip Fung Industrial Building, Nos. 28–36 Kwai Fung Crescent, Kwai Chung, New Territories, Hong Kong) (exclusive of utility charges), which was agreed after arm's length negotiations between the parties with regard to the prevailing market rates. The monthly rent is payable in advance on the first day of each and every successive calendar month.

(iii) On 24 September 2018, EFT (as tenant) and Affinity (as landlord) entered into tenancy agreement (as supplemented on 31 March 2020, 31 March 2021, 31 March 2022, 31 March 2023 and 2 May 2024), pursuant to which EFT agreed to rent a property for a renewed term commencing on 1 April 2024 and expiring on 31 March 2025 (both days inclusive) for a deposit of HK$56,000 at an aggregate monthly rent of HK$28,000 for Workshop A4, 1/F, Yip Fung Industrial Building, Nos. 28–36 Kwai Fung Crescent, Kwai Chung, New Territories, Hong Kong (exclusive of utility charges), which was agreed after arm's length negotiations between the parties with regard to the prevailing market rates. The monthly rent is payable in advance on the first day of each and every successive calendar month.

(iv) On 18 February 2022, EFT (as tenant) and LCKB Company Limited (as landlord) entered into tenancy agreement (as supplemented and amended on 31 March 2023 and 2 May 2024), pursuant to which EFT agreed to rent the property with the term commencing from 1 March 2024 and expiring on 31 March 2025 (both days inclusive) for a deposit of HK$64,000 at an aggregate monthly rent of HK$32,000 for Workshop A1, 1/F, Yip Fung Industrial Building, Nos 28–36 Kwai Fung Crescent, Kwai Chung, New Territories, Hong Kong (exclusive of utility charges), which was agreed after arm's length negotiations between the parties with regard to prevailing market rates. The monthly rent is payable in advance on the first day of each and every successive calendar month.

(v) On 1 April 2022, EFT (as tenant) and Fillen Limited (as landlord) entered into tenancy agreement (as supplemented and amended on 31 March 2023 and 2 May 2024), pursuant to which EFT agreed to rent the property with term commencing from 1 April 2024 and expiring 31 March 2025 (both days inclusive) for a deposit of HK$100,000 at an aggregate monthly rent of HK$50,000 for Unit K, Block 10, Marina Cove, Sai Kung, Hong Kong (exclusive of utility charges), which was agreed after arm's length negotiations between the parties with regard to prevailing market rates. The monthly rent is payable in advance on the first day of each and every successive calendar month.

(vi) The above tenancy agreements are exempted continuing connected transactions following their respective renewal on 2 May 2024.

(vii) On 1 October 2024, EFT (as tenant) and LCKB Limited (as landlord) entered into tenancy agreement, pursuant to which EFT agreed to rent the property with term commencing from 1 October 2024 and expiring 31 March 2025 (both days inclusive) for a deposit of HK$90,000 at an aggregate monthly rent of HK$45,000 for Room 1106, 11/F, Lippo Sun Plaza. 28 Canton Road, Tsim Sha Tsui, Kowloon, Hong Kong (exclusive of utility charges), which was agreed after arm's length negotiations between the parties with regard to prevailing market rates. The monthly rent is payable in advance on the first day of each and every successive calendar month.

(viii) On 17 June 2016, the Company entered into a master supply and services agreement (the "**Previous Master Supply and Services Agreement**") (as supplemented and amended on 14 November 2016, 26 January 2018, 13 September 2018 and 26 November 2018) with EFT Payments, pursuant to which the Group agreed to (i) sell and EFT Payments agreed to purchase EFT-POS terminals and peripheral devices in accordance with the specifications and at the purchase price set out in each individual purchase order (the "**Purchase Order**") as may from time to time be offered by EFT Payments and accepted by the Group; and (ii) provide EFT-POS system support services to EFT Payments with effect from the date of the Listing. EFT-POS system support services comprise of installation, maintenance, collection and repair of EFT-POS terminals and peripheral devices deployed at merchants by EFT Payments. The Group also provides hotline services and merchant training. The terms of the Previous Master Supply and Services Agreement has been commenced since the date of the Listing and was expired on 31 March 2019 and the Company renewed the Previous Master Supply and Services Agreement on 26 November 2018 (refer to below). Either party may terminate the Master Supply and Services Agreement by serving a notice of not less than three months to the other. The purchase price in each Purchase Order placed by EFT Payments to the Group shall be determined after arm's length negotiations between EFT Payments and the Group from time to time with reference to the then prevailing market price of similar products in the market and that in any event shall be no less favourable to the Group than that offered to independent third parties by the Group. The monthly system support fee payable by EFT Payments to the Group is based on the number of terminals deployed by EFT Payments multiplied by a system support fee which was agreed after arm's length negotiations between the parties with regard to the prevailing market rates and that in any event shall be no less favourable to the Group than that offered to independent third parties by the Group. The monthly system support fee is payable in arrears within 30 days of the invoice issued by the Group on the first day of each and every successive calendar month.

(ix) On 26 November 2018, the Company entered into a master supply and services agreement (the "**Existing Master Supply and Services Agreement**") with EFT Payments to renew the Previous Master Supply and Services Agreement, pursuant to which the Company shall provide EFT Payments with EFT-POS terminals and peripheral devices and system support services for the EFT-POS terminals and peripheral devices, with effect from 1 April 2019 to 31 March 2022. EFT-POS system support service comprises of installation, maintenance, collection and repair of EFT-POS terminals and peripheral devices deployed at merchants by EFT Payments, as well as hotline services and merchant training. The Group will also provide software solution services to EFT Payments. Either party may terminate the New Master Supply and Services Agreement at any time by giving three months' prior written notice to other party. The purchase price for EFT-POS terminals shall be determined after arm's length negotiations between EFT Payments and the Group from time to time with reference to the model of EFT-POS terminals to be purchased, their various specifications and the then prevailing market price of similar products in the market and that in any event shall be no less favourable to the Group than that offered to independent third parties by the Group. For details of new master supply and services agreement, please refer to the circular dated 17 December 2018.

(x) On 17 February 2022, the Company entered into a new master supply and services agreement (the "**New Master Supply and Services Agreement**") with EFT Payments to renew the Existing Master Supply and Services Agreement, pursuant to which the Company shall provide EFT Payments with EFT-POS terminals and peripheral devices and system support services for the EFT-POS terminals and peripheral devices, with effect from 1 April 2022 to 31 March 2025. EFT-POS system support service comprises of installation, maintenance, collection and repair of EFT-POS terminals and peripheral devices deployed at merchants by EFT Payments, as well as hotline services and merchant training. The Group will also provide software solution services to EFT Payments. Either party may terminate the New Master Supply and Services Agreement at any time by giving three months' prior written notice to other party. The purchase price for EFT-POS terminals shall be determined after arm's length negotiations between EFT Payments and the Group from time to time with reference to the model of EFT-POS terminals to be purchased, their various specifications and the then prevailing market price of similar products in the market and that in any event shall be no less favourable to the Group than that offered to independent third parties by the Group. For details of new master supply and services agreement, please refer to the circular dated 16 March 2022.

(xi) On 11 November 2022, the Company entered into a business referral agreement (the "**Business Referral Agreement**") with EFT Payments, pursuant to which the EFT Payments is desirous to refer potential client that interested in using the gateway services to the Company. Either party may terminate the Business Referral Agreement at any time by giving one month' prior written notice to other party. The business referral fee shall be determined after arm's length negotiations between EFT Payments and the Group regards to the prevailing market rates of similar products in the market and that in any event shall be no less favourable to the Group than that offered to independent third parties by the Group.

(xii) On 5 March 2025, the Company entered into a new master supply and services agreement (the "**2025 Master Supply and Services Agreement**") with EFT Payments to renew the New Master Supply and Services Agreement, pursuant to which the Company shall provide EFT Payments with EFT-POS terminals and peripheral devices and system support services for the EFT-POS terminals and peripheral devices, with effect from 1 April 2025 to 31 March 2028. EFT-POS system support service comprises of installation, maintenance, collection and repair of EFT-POS terminals and peripheral devices deployed at merchants by EFT Payments, as well as hotline services and merchant training. The Group will also provide software solution services to EFT Payments. Either party may terminate the New Master Supply and Services Agreement at any time by giving three months' prior written notice to other party. The purchase price for EFT-POS terminals shall be determined after arm's length negotiations between EFT Payments and the Group from time to time with reference to the model of EFT-POS terminals to be purchased, their various specifications and the then prevailing market price of similar products in the market and that in any event shall be no less favourable to the Group than that offered to independent third parties by the Group. For details of new master supply and services agreement, please refer to the circular dated 28 March 2025.

Review of Continuing Connected Transactions by Independent Non-Executive Directors

In compliance with Rule 20.53 of the GEM Listing Rules, the Independent Non-Executive Directors have reviewed the above continuing connected transactions and confirmed that these transactions have been entered into:

(1) in the ordinary and usual course of business of the Group;

(2) on normal commercial terms and on terms no less favourable to the Group than terms available to or from (as appropriate) independent third parties; and

(3) according to the agreements governing them on the terms that are fair and reasonable and in the interests of the Shareholders as a whole.

Assurance Engagement on Continuing Connected Transactions

In compliance with Rule 20.54 of the GEM Listing Rules, the Company has engaged its auditor, KPMG, to report on the Group's non-exempt and non-fully exempt continuing connected transactions in accordance with "Hong Kong Standard on Assurance Engagements 3000 Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" and with reference to "Practice Note 740 – Auditor's Letter on Continuing Connected Transactions under the Hong Kong Listing Rules" issued by the Hong Kong Institute of Certified Public Accountants.

The auditor has issued their assurance report to the Board in respect of the Group's non-exempt and non-fully exempt continuing connected transactions and confirmed that nothing has come to their attention that causes them to believe that the non-exempt and non-fully exempt continuing connected transactions:

(1) have not been approved by the Board;

(2) were not, in all material respects, in accordance with the pricing policies of the Group;

(3) were not entered into, in all material respects, in accordance with the Agreements governing the transactions; and

(4) have exceeded the cap.

A copy of the aforesaid assurance report has been provided by the Company to the Stock Exchange.

CORPORATE GOVERNANCE

The Company has complied with all principles and the code provisions of the CG Code contained in Appendix C1 to the GEM Listing Rules (except for the deviation from CG code provision C.2.1).

Details of the Company's corporate governance practices are set out in the section "Corporate Governance Report" of this annual report.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE

The Group is committed to support environmental protection to ensure business development and sustainability. The Group has implemented green office practices to reduce the consumption of energy and natural resources. These practices include the use of energy-saving lightings and recycled paper, reduce energy consumption by switching off idle lightings, computers and electrical appliances and the use of environmentally friendly products whenever possible.

COMPLIANCE WITH RELEVANT LAWS AND REGULATIONS AND RELATIONSHIPS WITH KEY SHAREHOLDERS

The Company has complied with all applicable laws and regulations in all material respects and maintained good relationship with its customers, suppliers, employees and investors. During the year ended 31 March 2025, there were no material and significant dispute between the Group and its employees, customers and/or suppliers.

PERMITTED INDEMNITY PROVISIONS

At no time during the year ended 31 March 2025 and up to the date of this report was there any permitted indemnity provision being in force for the benefit of any of the Directors (whether made by the Company or otherwise), or an associated company (if made by the Company).

An associated company is defined in Section 2(1) of the Hong Kong Companies Ordinance.

EMOLUMENT POLICY

The remuneration policy of the Group is to reward its employees and executives based on, among other things, the Group's operating results, individual performance and comparable market statistics. Remuneration package typically comprises of salaries, contribution to pension schemes, discretionary bonuses and share options.

The Remuneration Committee will review annually the remuneration of all the Directors to ensure that it is attractive enough to attract and retain a competent team of executive members. The Director's fee for each of the Directors is subject to the Board's review from time to time in its discretion after taking into account the recommendation of the Remuneration Committee. The remuneration package of each of the Directors is determined by reference to market terms, seniority, experiences, duties and responsibilities of that Director within the Group.

REMUNERATION OF DIRECTORS AND FIVE INDIVIDUALS WITH HIGHEST EMOLUMENTS

Details of the Directors' remuneration and the five highest paid individuals for the year ended 31 March 2025 are set out in Note 13 to the consolidated financial statements of this annual report.

CHARITABLE DONATIONS

During the year ended 31 March 2025, the Group made donation of approximately HK$95,900 (2024: HK$47,500) to charitable and non-profit-making organisation.

PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors, the Company has maintained sufficient public float as at the latest practicable date prior to the issue of this annual report as required under the GEM Listing Rules.

EVENT AFTER THE REPORTING PERIOD

On 16 April 2025, the indirectly wholly-owned subsidiary of the Company (the "**Potential Purchaser**") entered into a non-legally binding memorandum of understanding with Hsu Ching Chung (the "**Potential Vendor**"), pursuant to which the Potential Purchaser intends to purchase and the Potential Vendor intends to sell the certain issued share capital of Airlink Technology Co. Ltd (the "**Proposed Acquisition**"). No legally binding agreement in relation to the Proposed Acquisition has been entered into up to the date of this report. Details are set out in the Company's announcement dated 16 April 2025.

On 16 May 2025, Ms. Cheng Wai Sin was appointed as an Independent Non-Executive Director, a member of the Audit Committee, a member of Remuneration Committee and a member of the Nomination Committee. Details are set out in the Company's announcement dated 16 May 2025.

Save as disclosed in the said announcements or elsewhere in this report, the Group has no material events after reporting period.

AUDITORS

KPMG will retire, and being eligible, offer themselves for re-appointment at the forthcoming annual general meeting. A resolution for their re-appointment as auditor of the Company will be proposed at the forthcoming annual general meeting.

By order of the Board
Lo Chun Kit Andrew
Chairman and Chief Executive Officer

Hong Kong, 30 June 2025

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

THIS REPORT

This is the Environmental, Social and Governance ("**ESG**") Report for the Group for the year ended 31 March 2025. This report is prepared in accordance with the "comply or explain" provisions of the Environmental, Social and Governance Reporting Guide (the "**ESG Reporting Guide**") in Appendix C2 of the GEM Listing Rules published by the Stock Exchange. An ESG Reporting Guide content index is set out in Appendix I of this ESG report. This ESG report serves as a record of our main ESG initiatives and performance highlights and focuses on areas that are material to our business and stakeholders.

SCOPE OF REPORTING

It should be read in conjunction with this annual report, in particular the Corporate Governance Report contained therein. Unless otherwise stated, consistent with the 2024 ESG Report, this ESG report covers the data of the Group's businesses in sourcing of EFT – POS terminals and peripheral devices, provision of EFT-POS system support services, software solution services and embedded system solution services for the financial year from 1 April 2024 to 31 March 2025.

The Board has overall responsibility for our ESG strategies and reporting, as well as overseeing and managing our ESG-related risks and ensuring the appropriate and effective ESG risk management. This report has been reviewed and approved by the Board.

ESG STRATEGY

We strive to incorporate ESG in all areas of the company including our products, our services and our business operations. The goal is to be recognized as a responsible information technology and payment solutions enterprise and to build a sustainable cooperation with society.

ESG FRAMEWORK

The Board plays a primary role in overseeing the Group's ESG endeavours. The Board reviews the ESG policy and oversees the execution of the Group's ESG strategy and issues, ensuring that the ESG strategy reflects the Company's core values. To assist the Group in managing daily ESG matters, the Group has established an ESG working group. The ESG working group, comprises of one Executive Director, members from the top management and head of various departments, which reports directly to the Board for any ESG improvement area and manages the risks and opportunities of ESG issues. All departments of the Group shall, based on their own functions, take charge of the implementation of ESG work and report ESG performance annually.

PRINCIPLES

This report was made under the following principles:

Materiality	Quantitative
Materiality was assessed based on the results obtained from stakeholder engagement. The material issues identified were verified by the Board.	We used quantitative methods to measure and disclose applicable key performance indicators ("**KPIs**"). The methodologies, assumption or calculation have been explained in the corresponding context, where applicable.
Balance	**Consistency**
The content and data provided in the report are unbiased. We discussed both our achievements and rooms for improvement in all the ESG aspects.	We adopted consistent methodologies to allow a fair comparison of our performance over time. Where applicable, changes to the methods or KPIs used have been explained in the corresponding section.

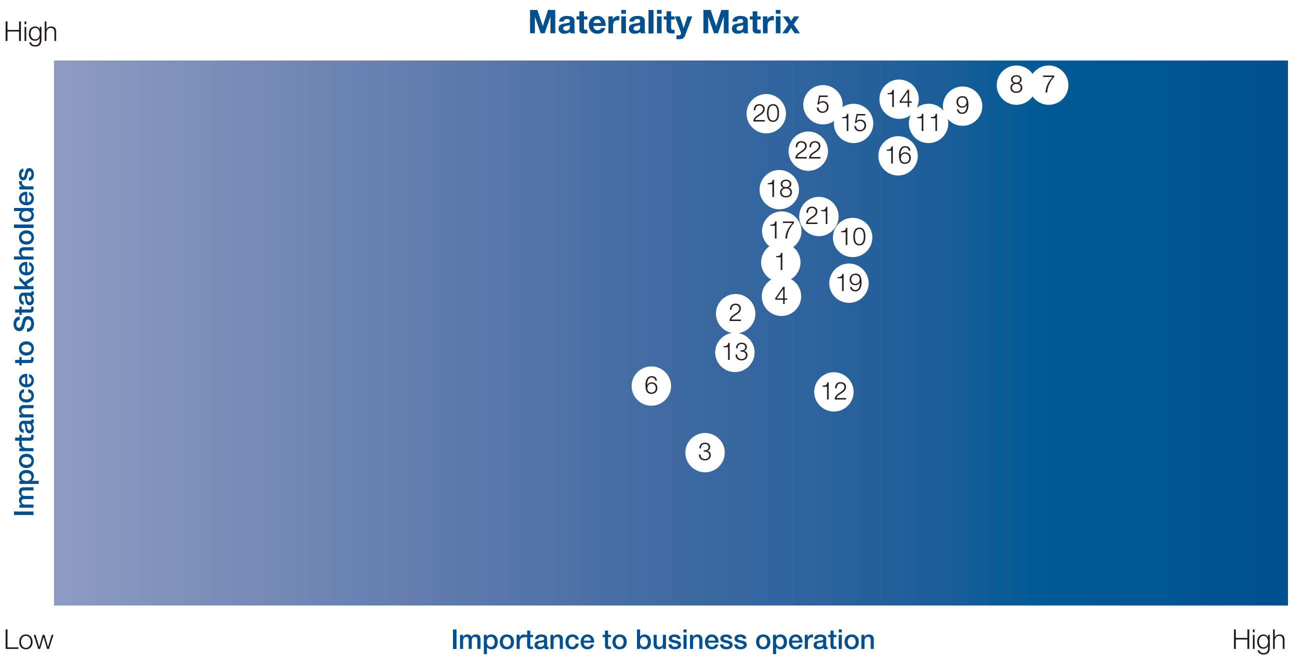
STAKEHOLDER ENGAGEMENT

Stakeholder engagement is essential to the Group's journey toward sustainability. We aim to respond to any material concerns from stakeholders in a timely manner. To evaluate our performance on ESG, we communicate with our stakeholders through various channels. Their feedback is reflected in the ESG report.

Stakeholders	Ways of Communication
Government and regulatory bodies	• Verbal and written communications on a need basis • Supervision on the compliance with local laws and regulations
Investors and shareholders	• Regular general meeting and notices • Regular financial reports and announcements • Circulars and press release • Company website
Customers	• Customer service hotline • Customer meetings • Regular communications with customers • On-site visits • Questionnaires
Suppliers and business partners	• Regular meetings • On-site visits • Questionnaires
Employees/Subcontractors	• Regular intranet communication • Internal staff training • Regular meetings • Questionnaires
Community	• Seminars and conference with market practitioners, peers and related associations • Press release

MATERIALITY ASSESSMENT

The Group conducts a materiality assessment that included an in-depth interviews and surveys with both our internal and external stakeholders. Based on communication with stakeholders, we realised that as an enterprise who focus on information technology and payment solutions, talent management, products responsibilities and services are the key concerns for most of our stakeholders, that could have a material impact on the sustainability of our operations and that are of interest to stakeholders. Given that there have been no significant changes in management, suppliers, or employees, our materiality assessment will remain consistent with the previous year.



According to the results from the materiality assessment, we have identified 10 material areas from the materiality matrix as follow:

7	Waste Management (Waste Batteries and Other General Waste Produced during Operations)
8	Labor Standards and Labor Relations (Prohibit Child Labor, Forced Labor)
9	Equal Rights (including Workforce Diversity, Equal Opportunities, Discrimination)
11	Employee Safety and Health
14	Employee Welfare (Community, Psychological Counseling, Holiday etc.)
16	Service Quality and After Sales Services
5	Green Office (Policies for Efficient Use of Resources, Use of Paper)
15	Responsible Business Compliance
20	Anti-Corruption and Whistleblowing
22	Protection of Personal Data and Customer Privacy

The ESG report will disclose the aspects with high importance in detail in response to major internal and external concerns based on the results of materiality assessment.

STAKEHOLDERS FEEDBACK

We value the opinion of different stakeholders. If you have any comments and suggestions on this ESG report, you may submit your feedback to us at: investor.enquiry@eftsolutions.com.

A WORKPLACE

Talent Management

The Group recognizes that employees are its greatest assets and are most valuable treasure for enterprise development. We pay attention to driving towards a more desirable workplace, enabling employees to excel, fair and dedicating ourselves to provide suitable working environment to all employees as well as enhancing their career development and unleashing their potential.

As at 31 March 2025, we have a total of 81 employees and 19 of subcontractors. All our employees are full-time staff. During the year ended 31 March 2025, the monthly turnover rate of the employees is 0.68%. All our employment is voluntary and strictly complies with the applicable employment laws in Hong Kong, Macau, Malaysia and Australia and we do not employ any child labour. The Group forbids all types of compulsory work. The Human Resources and Administrative Department would inspect the identification documents of candidates during the recruitment process to prevent recruiting any child labour. The Group was not aware of any non-compliance cases in relation to employment laws and regulations of Hong Kong, Macau, Malaysia and Australia.

The employee turnover rate is illustrated below:

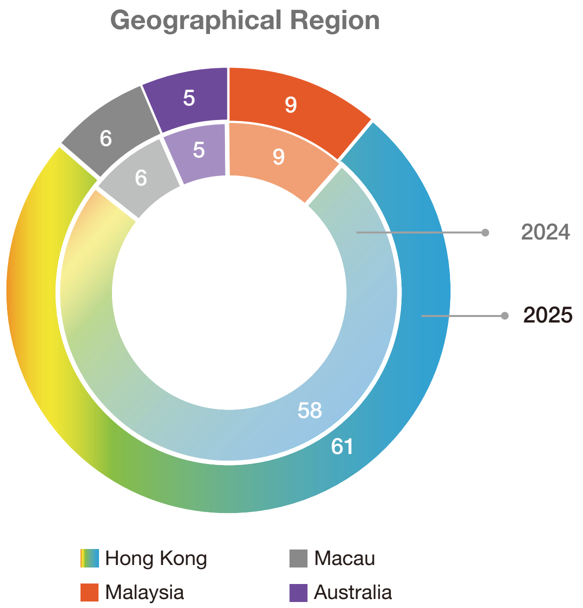
		2025	2024	2023
Monthly turnover rate by geographical location	Hong Kong	**0.68%**	0.71%	1.69%
	Macau	**–**	–	–
	Malaysia	**–**	–	–
	Australia	**–**	–	–
Monthly turnover rate by gender	Male	**0.56%**	0.15%	1.21%
	Female	**0.40%**	2.22%	0.48%
Monthly turnover rate by employment type	Full-time	**0.51%**	0.60%	1.69%
	Part-time	**–**	–	–
Monthly turnover rate by employment category	Senior Management	**0.93%**	–	–
	Middle Management	**–**	0.76%	–
	General and technical staff	**0.56%**	0.64%	1.69%
Monthly turnover rate by age group	30 or below	**–**	0.38%	0.49%
	31–40	**0.35%**	1.00%	0.72%
	41–50	**0.96%**	–	0.48%
	Over 50	**0.42%**	1.67%	–

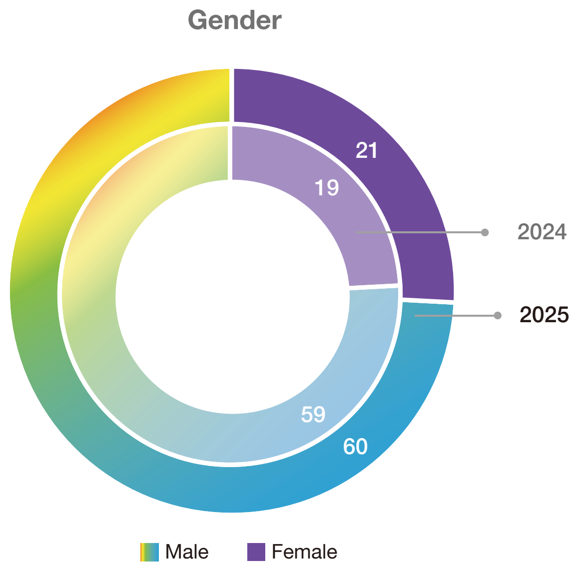
Diversity

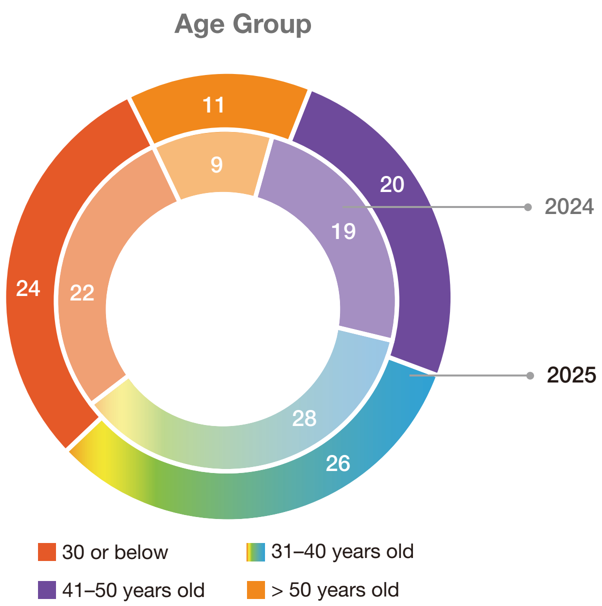
We recognize the benefits of having a diverse staff structure and believe it as one of the vital elements in sustaining a competitive advantage of the Group. We are committed to providing equal opportunities for all employees in different employment aspects, including remuneration, recruitment and promotion. We have zero tolerance for discrimination or harassment in any form. As at 31 March 2025, the gender diversity of Directors stands at 20% (1 female out of 5 Directors).

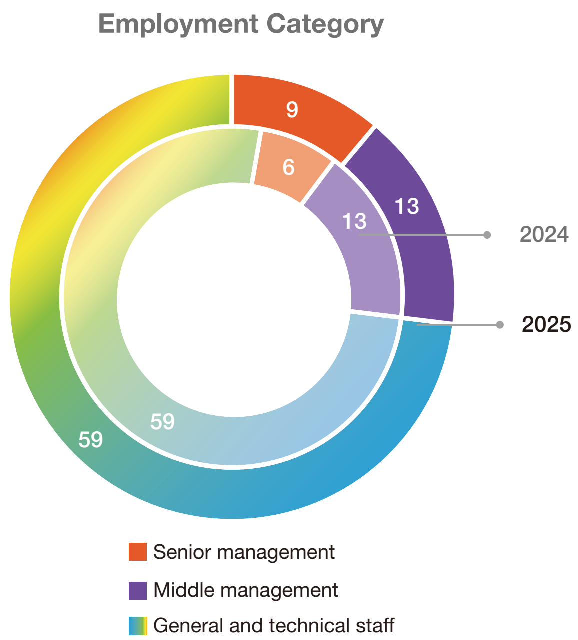
The Group is enhancing diversity and inclusion efforts through employee networks, mentoring programmes, equitable hiring practices, policies and awareness raising events and training for all employees to support inclusive behaviors.

Total Workforce by Gender, Geographical Region, Age Group and Employment Category









Compensation

We offer competitive remuneration package, including pay, welfare and other benefits in the form of bonus and healthcare benefits to attract and retain talent. The bonus system is performance-based and design to reward employees with high performance. Appraisals are reviewed on half-year basis to evaluate individual performance and contribution. The appraisal results will be used as a reference for salary adjustment, the determination of bonus and remuneration reward, promotion and placement. Besides the remuneration package, we adopt special scheme to recognise and reward employees who have made contribution to the development of the Group.

Talent Recruitment

We believe that a diversified employee background can help put forward the Group's development. Our Staff Handbook emphasizes the importance of equality of opportunities and commitment to ensure an equal employment environment for all staff, job applicants and other concerned parties. We consistently apply to all job applicants the same requirements level, irrespective of its gender, nationality, race, religious, age, sexual orientation or family status. Employment is offered only to the best suitable applicants with reference to their merits and abilities to meet the requirements of the jobs, irrespective of whether they are referrals or direct applicants.

Employee Departure

We value our relationship with our employees and handle employee departure strictly in accordance with applicable laws and regulations in Hong Kong, Macau, Malaysia and Australia. We arrange an exit interview with each of the departing employees (whether by resignation or dismissal) to understand the reasons for their departure and welcome any of their suggestions.

Employee Training and Development

Employee is our most important asset. We invest significantly in employee development and training. We embrace the fast-growing information technology and payment solutions industries by constantly bringing in new tools and technology know-how to our employees. All staff are encouraged to participate in personal and professional training to enhance their competitiveness and provide better service to our clients. We consider that our success is attributable to our employees and we provide the training to all staff according to the individual training program annually. Accordingly, we intend to continue investing in our personnel by:

Induction Training

In order to let our new employees to promptly adapt to the operation and working environment of the Group and their new positions, induction trainings are provided to any new employee when they join the Group to enable them to understand our culture, policies, rules and regulations.

On-the-job Coaching

With regard to our business needs, the Group organizes training regularly for our employees to gain a better understanding of the business and to keep them abreast of the latest knowledge and skills in order to pursue continuous development of the Group. We would also participate in trainings and seminars given by our suppliers and customers to equip our employees with the latest technical knowledge in the industry.

During the year ended 31 March 2025, we organized weekly in-house training for our employees. The number of employees trained, and average training hours completed per employee by gender and employee category are illustrated below:

		2025		2024	
		Number of employees trained	**Average training hours**	Number of employees trained	Average training hours
By Gender	Male	**60**	**6**	54	6
	Female	**21**	**6**	19	6
By Employee category	Senior management	**9**	**6**	5	6
	Middle management	**13**	**6**	11	6
	General and technical staff	**59**	**6**	57	6

Employee Communication

We emphasize the importance of open communication with our employees. The Group has established various communication channels for employees to file any complaints or concerns in the workplace. Our employees could file their comments and suggestions to our reporting mailbox or submit their comments directly to the Human Resources and Administrative Department.

Health and Safety

Although the operation of the Group does not involve production, we strive to provide a safe and comfortable work environment for our employees. The Group is dedicated to maintain a safe, hygienic and productive workplace by minimizing the potential risk of accidents, injuries and exposure in relation to health risks. These measures including but not limited to the well-established fire service systems in offices; all our employees are provided with Group medical insurance and dental check; the staffs and subcontractors are provided with suitcases to carry heavy equipment etc.. We have also established various safety guidelines and preventive measures for our employees to understand the appropriate use of office equipment and working at warehouses to enhance workplace safety.

To ensure employee awareness of safe and healthy workplace behaviours and maintain high occupational safety and health standard across the Group, we carried out several fire safety inspections and strictly implemented various safety management measures during the year to enhance employees' fire safety awareness and emergency response capability in an all-round manner.

We also encourage employees to wear masks as a precautionary measure during periods of high susceptibility to infection. In case of symptoms such as fever or cough, prompt medical attention should be sought.

During the year ended 31 March 2025, we have no reportable injuries nor any lost days due to work injury. The Group did not violate any health and safety laws and regulations of Hong Kong, Macau, Malaysia and Australia and we had not been subject to any fines or other penalties in relation to occupational health and safety.

B SUPPLY CHAIN MANAGEMENT

We mainly source from Hong Kong, Macau, Mainland China, Taiwan and Singapore. The Group's procurement for its core business mainly are EFT-POS terminals and peripheral devices. We procure the EFT-POS terminals and peripheral devices from the World's top manufacturers with high reputation and credibility. Those suppliers have already established sustainability policies related to the environmental and social aspects.

We put ethical sourcing into practice and encourage our suppliers to implement sustainability practices. In addition to quality, cost, service fulfilment of specifications and logistics arrangements requirements, we consider the business ethics, environmental protection, human rights and labour practices and performance when selecting suppliers.

We also undertake annual performance reviews with our suppliers. If any problem is identified, we will arrange meeting with the suppliers and require them to conduct corrective measures promptly. We have established a supplier exit mechanism for unqualified suppliers.

The number of suppliers by geographical region is illustrated below:

Geographical region	**2025 Number**	2024 Number	2023 Number
The PRC	**6**	6	9
Hong Kong	**4**	4	4
Macau	**–**	–	–
Overseas	**3**	3	4

During the year ended 31 March 2025, there were no significant changes in the number of suppliers we partnered with. We are not aware of any of our key suppliers having significant actual or potential negative impacts on business ethics, environmental protection, human rights, or labor practices, nor any non-compliance issues.

C PRODUCT RESPONSIBILITY

We continue to strive to provide reliable products and services, by acting responsibly and protecting the interests of various stakeholders.

Product Safety

Our EFT-POS terminals have passed stringent tests. The software of each model of our EFT-POS terminals complies with electronic payment standards acceptance certification of each of the acquirer (i.e. acquiring bank or payment processor that processes credit or debit card payments on behalf of a merchant) before the acquirer can purchase and deploy or lease the EFT-POS terminal to merchants for electronic payment in the market. Meanwhile, the security of electronic payment is an important component of the industry. With the certification of the Payment Card Industry Data Security Standard, our devices are validated with international standards to provide safe and reliable services to customers.

Quality Assurance

The Group is committed to providing customers with high-quality services and solutions. To this end, we have established internal operating guidelines to manage the quality control required for our business streams. To ensure that our EFT-POS system support services meet customers' requirements, we strictly adhere to the service standards set out in the agreement. In our sourcing of EFT-POS terminals and peripheral devices, although we rely on the quality control of our suppliers who are typically leading global EFT-POS terminal manufacturers possessing stringent quality control standards, we also conduct inspection of the received goods to ensure the quality with satisfactory result. We perform full check when we load the software to the EFT-POS terminals before deployment to customers.

We generally offer customers a hardware warranty of 12 months, which covers defects in the EFT-POS terminal. Our information technology team is responsible for the quality of the software solution services, conducting a series of pilot tests prior to deployment to our customers.

Customer Service

We provide 24/7 hotline services for our customers. Our operation department comprises of customer service and technical support expertise are responsible for our EFT-POS system support services. We establish comprehensive procedures in handling enquiries depending on different situations. We identify and prioritise each case based on the urgency. We set out procedures and timeframes within which each enquiry needs to be resolved. We ensure that the customers' concerns are properly addressed to foster a long-term relationship.

Complaints are transferred and handled directly by a designated customer service manager for investigation. An incident report with an action plan is prepared to prevent future occurrences. During the year ended 31 March 2025, we did not receive any complaints regarding our products or services from customers that had a material impact on the Group.

Customer Data and Privacy Protection

We act as the linkage between EFT-POS terminal manufacturers and acquirers, as well as between merchants and acquirers. Our EFT-POS terminals and electronic payment system do not retain any user's (individual card holder) personal information. For our software solution business, only authorised staff on a need-to-know basis can access and process personal data and access to records and data without authorisation is strictly prohibited. The Group has also developed an IT policy included in the Staff Handbook that regulates our staff in proper use of and handling of customer data.

We maintain suitable and sufficient security infrastructure, including anti-virus, anti-spam software, data security and backup, to minimise cyber threats. Our information technology employees are well-trained to monitor our network to detect any suspicious traffic and prevent potential cyber risk. During the year ended 31 March 2025, the Group had not been involved in any events of divulging customer data and private information.

Intellectual Property Rights

We respect third party intellectual property rights. We enter into non-disclosure agreement with each of our business partners to protect the trade secrets for both of our business partners and ourselves. We have also adopted internal measures for overall source code protection and confidentiality management which specifies the relevant responsibilities of our employees, customers and other third parties when handling our proprietary and confidential information. Furthermore, our information technology employees are generally required to enter standard employment contracts, which contain provisions requiring them to keep confidential our proprietary information and business secrets which they are entitled to access to, and also provides that all intellectual property invented or produced by the employees during the course of their employment with us shall belong to us.

During the year ended 31 March 2025, the Group did not have any material disputes or any other pending legal proceedings of intellectual property rights with third parties.

D ANTI-CORRUPTION

The Group has complied with relevant laws and regulations including Hong Kong's Prevention of Bribery Ordinance and has included the Prevention of Bribery Policy in the Staff Handbook. The Group has established an "Anti-Money Laundering Policy" and "Anti-Corruption Policy" with reference to the applicable laws and regulations which require its business department officers to fully understand the background of potential customers in accordance with relevant internal guidelines before signing of contractual agreement.

The Group is committed to creating a corporate culture of integrity and justice by accepting internal complaints and whistleblowing. The Group encourages the reporting of suspected business irregularities. In terms of the reporting of abnormal and corruption behaviour, the Group has also established a whistleblowing policy. Reporting mailbox is set up to provide a channel for employees to report on violations, corruption, bribery and suspicious incidents.

The Group also encourages continuous training and stringent monitoring. Employees at all levels of the company possess a sense of risk, legal and compliance awareness with the knowledge of anti-money laundering and anti-corruption. Internal audit is conducted in order to ensure the Group's compliance with ethical standards.

In order to reinforce a culture of integrity and compliance among our employees, during the year ended 31 March 2025, we required all our directors and our employees to complete online anti-bribery and anti-corruption trainings to refresh their understanding of compliance obligations and strengthen their anti-bribery and anti-corruption awareness.

During the year ended 31 March 2025, there were no confirmed incidents or public legal cases regarding corruption against the Group or its employees.

E ENVIRONMENT

Greenhouse gas ("**GHG**") emissions from human activities are considered as one of the major causes of climate change. The Group adopts policies to minimize its environmental footprint in operation. We continue to reduce the environmental impact of our operations and to promote the energy-saving and environmentally friendly practices to our suppliers and business partners.

We participated in the Green Office Awards Labelling Scheme (GOALS) and the Eco-Healthy Workplace Awards Labelling Scheme, and attended training on UN responsible education, contributing to the global effort to achieve the Sustainable Development Goals. We are proud to have our achievements and commitment to enhancing our environmental performance recognized, as we received the WGO Green Office Label and the Eco-Healthy Workplace Label.

Climate Change

Our business operations could be significantly affected by climate change. In order to protect the long-term stable operation of the Company from climate change-related physical and transition risks, we actively identify and review risks and prioritise resources to mitigate and manage any emergent and significant risks and opportunities for our operations and businesses.

Risks

Transition Risks

Types	Climate-related Risks	Potential Impacts
Policy and Legal Risk	• Increased pricing of GHG emissions • Enhanced emissions reporting obligations • Mandates on and regulation of existing products and services	• Legal liability, disciplinary punishment or business reputation losses due to non-compliance with climate-related laws or regulations • Increased operating costs, such as higher compliance cost and increased insurance premiums • Asset impairment and write-off of existing assets due to policy changes
Market and Technology Risk	• Unsuccessful investment in new technologies • Costs to transition to lower emissions technology • Changing customer behaviour and aiming to lower emissions technology	• Research and development expenditures in new and alternative technologies and lower emissions technology • Reduced demand for goods and services • Increased production costs due to changing input prices (e.g. energy, water) and output requirements (e.g. waste treatment)
Reputational Risk	• Shifts in consumer preferences • Increased stakeholders concern or negative stakeholder feedback	• Reduced revenue from decrease demand for goods or services • Negative impacts on workforce management, such as employee attraction and retention • Reduction in capital availability

Physical Risks

Acute Risk	• Increased severity of extreme weather events such as typhoons and floods	• Decreased production capacity from transport difficulties and supply chain interruptions • Increased insurance premiums and maintenance costs • Damaged our offices
Chronic Risk	• Changes in precipitation patterns and extreme variability in weather patterns • Rising mean temperatures • Rising sea level	• Increase in temperature increase the energy consumption and operation costs

Opportunities

Types	Climate-related Opportunities	Potential Impacts
Resource and Energy Efficiency	• Move to more efficient buildings • Reduced water usage and consumption • Use of recycling • Use of lower-emission sources of energy • Use of new technologies	• Reduced operational costs through use of lowest cost abatement • Benefits to workforce management by improved health and safety and employee satisfaction • Reputational benefits
Products and Services	• Development of new products or services through research and development and innovation • Shift in consumer preferences	• Increase in demand for lower emissions services • Better competitive position to reflect shifting consumer preferences

Sustainability Targets

The Group has formulated environment-related targets to facilitate the monitoring and improvement of environmental performance. We provided training and circulated to our employees to aware and understand the climate change and our 2030 Targets. The detailed goals are as follows:

Category	Objective	2030 Targets as compared with 2025 baseline	Progress Updates
Carbon emission	Reduction of GHG intensity per floor area	25%	The target of 2025 has been achieved
Resource consumption	Reduction of electricity consumption per floor area	10%	The target of 2025 has been achieved
	Reduction of water consumption per floor area	5%	The target of 2025 has been achieved
	Reduction of use of paper per employee	10%	For the details, please see "Use of Paper" section

Sustainability Initiative

The Group set up various control measures to improve energy efficiency and to reduce wastage. These measures included:

- Maintaining the office room temperature at 25.5°C;
- Using energy-saving LED lighting;
- Sending out internal notices to remind employees to switch off electronic equipment before leaving the office;
- Turning off all lighting and air conditioners when not in use;
- Setting up recycling stations in the office to collect and recycle used papers, plastic bottles, aluminium, glass;
- Promoting the recycling of office paper; and
- Providing thermos cup to employees to reduce the use of bottled water and disposable cups.

Emissions

Due to our business nature, our operations do not have significant impact to the environment. The majority of GHG emissions are indirectly generated from electricity consumed at the Group's workplace. The following table sets out the data of the GHG emissions:

Type	Unit	2025	2024	2023
Scope 1 (Direct GHG emissions)[1]	tonnes of CO_2e	**0.94**	1.30	2.99
Scope 2 (Energy indirect GHG emissions)[2]	tonnes of CO_2e	**71.16**	66.51	67.63
Scope 3 (Indirect GHG emissions)[3]	tonnes of CO_2e	**20.88**	–	5.54
Total GHG emission (Scope 1, 2 and 3)	tonnes of CO_2e	**92.98**	67.81	76.16
GHG intensity per employee[4]	tonnes of CO_2e/employee	**1.13**	0.87	1.10
GHG intensity per floor area[4]	tonnes of CO_2e/square feet ("**sq.ft**")	**0.0071**	0.0046	0.0048
Nitrogen Oxide (NO_x)[5]	g	**299.10**	396.58	743.34
Sulphur Oxide (SO_x)[5]	g	**5.88**	8.07	16.26
Particulate Matter (PM)[5]	g	**22.02**	29.20	54.73

Notes:

1. The data covers emissions from combustion of fuels in mobile sources controlled by the Group.

2. The data covers emissions resulting from the generation of the electricity which the Group purchased. The emission factors of Macau are adopted from the Sustainability Report 2023 of Companhia de Electricidade de Macau (CEM). The electricity consumption in Malaysia and Australia is considered immaterial, as employees in these countries typically work from home.

3. During the year, the Group's Scope 3 emissions include other indirect emissions from business air travel. The Scope 3 data related to CO2 emissions generated from employee business air travel is derived from the calculation methodology established by the International Civil Aviation Organization (ICAO), a specialized agency of the United Nations. For more details, please refer to ICAO Carbon Emissions Calculator. Emission factors are referenced from the Greenhouse Gas Reporting: Conversion Factors 2024. We will begin collecting data on upstream transportation and distribution. This corresponding data will be included in next year's ESG report, highlighting our commitment to sustainable practices and transparency.

4. During the review period, the total gross floor area amounts to approximately 13,035 square feet, and this measurement will also be applied to other elements for calculation purposes. Additionally, the total number of employees during this period is 81.

5. Distance travel based on calculation of fuel consumption and vehicle specification.

During the year ended 31 March 2025, the Group was not aware of any non-compliance with relevant standards, rules and regulations that have a significant impact on the Group relating to air and GHG emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.

Use of Resources

The resources used by the Group are principally electricity, water and paper in offices. The Group recognises environmental conservation as one of the most important missions. We promote the green office practices with the 4Rs: Reduce, Recycle, Reuse and Replace, which aim to reduce and control environmental pollution arising from the day-to-day working practices and included all these requirements in our staff handbook.

The energy used during the year ended 31 March is as follows:

Type	Unit	2025	2024	2023
Fuel used for company vehicles	litres	**400**	549	1,106
Electricity consumed	kWh	**187,810**	184,744	178,490
Electricity consumed per floor area	kWh/sq.ft	**14.41**	12.40	11.25

Use of Water

In view of the principal business activities of the Group, we do not consume significant amounts of water. Although water consumption is considered minimal, we encourage saving water by driving behavioural changes in the workplace. We cultivate our staff's saving habits by posting "saving water" tips on the sink. The Group has also installed water dispenser machines to encourage staff to switch from drinking bottled water. The Group has also well maintained the water taps and pipes to prevent leakage of water.

The water consumed during the year ended 31 March is as follows:

Type	Unit	2025	2024	2023
Total water consumption	m^3	**190**	268	273
Water consumption per floor area	m^3/sq.ft	**0.015**	0.018	0.017

Note: The amount of water consumed represents the amount of water consumed according to the water bills received.

Waste Management

Our operations produced limited wastes which are mainly office wastes. The wastes are collected and managed by the property management office of the rented properties. Hazardous waste such as fluorescent tubes and electronic equipment are managed by approved specialist contractors. The Group did not generate any hazardous waste during the year.

We also encourage our employees to reuse and recycle the containers and utensils and designate the recycling boxes to collect the office's wastes and recyclables in order to reducing the office wastes.

We did not generate any industrial wastewater. The Group's office generates limited amount of domestic wastewater. All the wastewater has been connected to the municipal sewage pipeline network and entered the urban sewage treatment plant, which is discharged according to the required standards.

Use of Packaging Material

In case of the new EFT-POS terminal, we use manufacturer original paper box for delivering the terminals to the merchants. In order to further reducing the use of packaging material and waste, we reuse the plastic bag to wrap the EFT-POS terminals and peripheral devices. During the year ended 31 March 2025, the Company has used 200 kg of plastic bag (2024: 400 kg) as packaging material.

Use of Paper

The Group continuously promotes paperless office and encourages staff to reduce paper usage in their daily work to create a green office. We actively promoting the recycling of office paper. Staff are encouraged to print double side and use of e-channels to disseminate corporate information. Besides, the new CRM system for electronic filing of document records have been implemented during the year, which is a big step to turn us into paperless office.

During the year ended 31 March 2025, the Company has used 475 kg of paper (2024: 510 kg). The use of paper per employee is 5.86 kg per employee (2024: 6.54 kg per employee).

F COMMUNITY INVESTMENT

We are actively participating in activities to help protect the environment and encourage our employees to raise awareness of environmental issues. In addition, we also promote our employees to increase awareness of social issues.

During the year ended on 31 March 2025, our employees actively participated in the Shanghai Commercial Pok Oi Cycle for Millions 2025 event. The purpose of their participation was to advocate for a greener and more environmentally conscious lifestyle while encouraging the public to engage in regular exercise as a means of disease prevention. By promoting the sport of cycling, these employees aimed to enhance public awareness regarding cycling safety and road safety in general.

Shanghai Commercial Pok Oi Cycle for Millions 2025

Furthermore, we participated in "Run For Survival: Saving Giant Panda's Habitat Together!" staged at Ocean Park Hong Kong and Water World Ocean Park Hong Kong, which has raised their awareness about the threats giant pandas and promote the conservation of them and their habitats.

Run For Survival 2024: Saving Giant Panda's Habitat Together!

In the future, the Group will actively encourage employees to contribute time and skills to the communities in order to benefit local communities in respect of environmental protection, committing corporate social responsibilities and enhance the corporate value of the Group.

APPENDIX I – ESG REPORTING GUIDE CONTENT INDEX

Subject Area, Aspects, General Disclosures and KPIs		Disclosures or Remarks
A. Environmental		
Aspect A1: Emissions		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste	E – Environment
KPI A1.1	The types of emissions and respective emission data	E – Environment – Emissions
KPI A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions in total (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility)	E – Environment – Emissions
KPI A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility)	E – Environment – Emissions – Waste Management
KPI A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility)	The Group business activities did not generate significant non-hazardous wastes
KPI A1.5	Description of emission target(s) set and steps taken to achieve them	E – Environment – Sustainability Targets
KPI A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them	E – Environment – Waste Management

Subject Area, Aspects, General Disclosures and KPIs		Disclosures or Remarks
Aspect A2: Use of Resources		
General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials	E – Environment – Use of Resources
KPI A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility)	E – Environment – Emissions
KPI A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility)	E – Environment – Use of Water
KPI A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them	E – Environment – Use of Resources
KPI A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them	There is no issue in sourcing water for operation E – Environment –Sustainability Targets
KPI A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced	E – Environment – Use of Packaging Material
Aspect A3: The Environment and Natural Resources		
General disclosure	Policies on minimising the issuer's significant impact on the environment and natural resources	E – Environment
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them	The Group business activities do not cause significant impact to the environment and natural resources
Aspect A4: Climate Change		
General Disclosure	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer	E – Environment – Climate Change
KPI A4.1	Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them	E – Environment – Climate Change

Subject Area, Aspects, General Disclosures and KPIs		Disclosures or Remarks
B. Social		
Aspect B1: Employment		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare	A – Workplace
KPI B1.1	Total workforce by gender, employment type (for example, full-time or part-time), age group and geographical region	A – Workplace – Talent Management
KPI B1.2	Employee turnover rate by gender, age group and geographical region	A – Workplace – Talent Management
Aspect B2: Health and Safety		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards	A – Workplace – Health and Safety
KPI B2.1	Number and rate of work-related fatalities in each of the past three years including the reporting year	A – Workplace – Health and Safety
KPI B2.2	Lost days due to work injury	A – Workplace – Health and Safety
KPI B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored	A – Workplace – Health and Safety
Aspect B3: Development and Training		
General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities	A – Workplace – Employee Training and Development
KPI B3.1	The percentage of employees trained by gender and employee category	A – Workplace – Employee Training and Development
KPI B3.2	The average training hours completed per employee by gender and employee category	A – Workplace – Employee Training and Development

Subject Area, Aspects, General Disclosures and KPIs		Disclosures or Remarks
Aspect B4: Labour Standards		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour	A – Workplace – Talent Management
KPI B4.1	Description of measures to review employment practices to avoid child and forced labour	A – Workplace – Talent Management
KPI B4.2	Description of steps taken to eliminate such practices when discovered	A – Workplace – Talent Management
Operating Practices		
Aspect B5: Supply Chain Management		
General Disclosure	Policies on managing environmental and social risks of the supply chain	B – Supply Chain Management
KPI B5.1	Number of suppliers by geographical region	B – Supply Chain Management
KPI B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored	B – Supply Chain Management
KPI B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored	B – Supply Chain Management
KPI B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored	B – Supply Chain Management

Subject Area, Aspects, General Disclosures and KPIs		Disclosures or Remarks
Aspect B6: Product Responsibility		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress	C – Product Responsibilities
KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons	No material product sold or shipped was recalled for safety and health reasons during the year
KPI B6.2	Number of products and service related complaints received and how they are dealt with	C – Product Responsibilities – Customer Service
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights	C – Product Responsibilities – Intellectual Property Rights
KPI B6.4	Description of quality assurance process and recall procedures	C – Product Responsibilities – Quality Assurance
KPI B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored	C – Product Responsibilities – Customer Data and Privacy Protection
Aspect B7: Anti-corruption		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering	D – Anti-corruption
KPI B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases	D – Anti-corruption
KPI B7.2	Description of preventive measures and whistleblowing procedures, how they are implemented and monitored	D – Anti-corruption
KPI B7.3	Description of anti-corruption training provided to directors and employees	D – Anti-corruption

Subject Area, Aspects, General Disclosures and KPIs		Disclosures or Remarks
Community		
Aspect B8: Community Investment		
General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests	F – Community Investment
KPI B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport)	F – Community Investment
KPI B8.2	Resources contributed (e.g. money or time) to the focus area	F – Community Investment

INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF EFT SOLUTIONS HOLDINGS LIMITED

(incorporated in Cayman Islands with limited liability)

OPINION

We have audited the consolidated financial statements of EFT Solutions Holdings Limited (the "**Company**") and its subsidiaries (collectively referred to as the "**Group**") set out on pages 72 to 139, which comprise the consolidated statement of financial position as at 31 March 2025, the consolidated statement of profit or loss, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended and notes, comprising material accounting policy information and other explanatory information.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 March 2025 and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with HKFRS Accounting Standards issued by the Hong Kong Institute of Certified Public Accountants (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**") 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**"), together with any ethical requirements that are relevant to our audit of the consolidated financial statements in Cayman Islands, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

KEY AUDIT MATTERS

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

The Key Audit Matter	How the matter was addressed in our audit
Impairment assessment of trade receivables	
Refer to notes 22 and 30(a) to the consolidated financial statements and the accounting policy at note 4(g)(i). The Group has a wide range of customers with different individual characteristics which are exposed to their own risks. Therefore, there is a risk that certain of the Group's trade receivables may not be recoverable. As at 31 March 2025, the Group's gross trade debtors totalled HK$30,739,000, against which allowances for expected credit losses ("**ECL**") of HK$4,220,000 were recorded. At each reporting date, management measures the ECL allowance of trade receivables at an amount equal to lifetime ECLs by segmenting customers based on their credit risk characteristics. For key customers, individual assessments on the credit risk were performed to estimate the loss rates based information (including but not limited to external ratings and available information about customers). For other customers, management measures the ECL allowance based on estimated loss rates for each category of trade receivables grouped according to their credit risk characteristics. We identified the impairment of trade receivables as a key audit matter because the estimated loss rates take into account the ageing of trade receivable balances, the repayment history of the Group's customers of different risk characteristics, current market conditions and forward-looking information and these assessments involve significant management judgement and estimation.	Our procedures in relation to the impairment assessment of trade receivables included: • Obtaining an understanding of and assessing the design, implementation and operating effectiveness of management's key internal controls relating to credit control, debt collection, estimate of expected credit losses and recording related loss allowances in the financial statements; • Assessing the appropriateness of the expected credit loss model adopted by management with reference to the requirements of the prevailing accounting standards; • Assessing the reasonableness of management's basis of the segmentation of trade receivables and assumptions in estimating the historical loss rates and evaluating whether the historical loss rates are appropriately adjusted based on current economic conditions and forward-looking information; • Assessing, on a sample basis, whether items in the trade receivables' ageing report were classified within the appropriate ageing bracket by comparing individual items in the report with underlying documentation; • Assessing, on a sample basis, the appropriateness of expected loss rate assigned to key customers based on their respective credit ratings; and • Re-calculating the Group's loss allowance with reference to the expected loss rates.

The Key Audit Matter	How the matter was addressed in our audit

Impairment assessment of goodwill attributable to Faster Technology Service (Macau) Limited ("FTS")

Refer to note 19 to the consolidated financial statements and the accounting policy at note 4(g)(ii).

Goodwill attributable to FTS, a subsidiary acquired by the Group in June 2021, amounted to HK$10,351,000 as at 31 March 2025. Based on the impairment assessment performed by management, impairment losses of HK$3,563,000 were recognised on goodwill attributable to FTS as at 31 March 2025.

Management performs annual impairment assessment of the goodwill which arose from business combination.

In performing such impairment assessment, management compares the carrying value of the respective identifiable cash-generating unit ("**CGU**") to which such goodwill had been allocated with its respective recoverable amount, being the higher of fair value less costs of disposal and value in use, to determine if any impairment loss should be recognised. Value in use is assessed based on discounted cash flow forecasts.

The preparation of discounted cash flow forecasts involves the exercise of significant judgement, particularly in estimating the revenue growth rates and the discount rates applied.

We identified the assessment of impairment of the goodwill allocated to the CGU of FTS as a key audit matter because determining the recoverable amounts involves a significant degree of management judgment and may be subject to management bias.

Our procedures in relation to the impairment assessment of goodwill included:

- Assessing the management's identification of CGU, the allocation of assets to the CGU and the methodology adopted by management in the impairment assessment of goodwill with reference to the requirements of the prevailing accounting standards;

- Assessing the competence, capabilities and objectivity of the external valuer appointed by management;

- Involving our internal valuation specialists to assist us in evaluating the appropriateness of the methodology adopted by management in its impairment assessment with reference to the requirements of the prevailing accounting standards, and assessing whether the discount rates applied in the discounted cash flow forecasts were within the range adopted by other companies in the same industry;

- Evaluating the reasonableness of the revenue growth rates for income and expenses, with reference to our understanding of the business, historical trends and available industry information and available market data;

- Comparing the cashflow forecasts prepared at the end of last year with the actual performance of the businesses for the current year and making enquiries of management as to the reasons for any significant variations identified, to assess whether there were any indicators of management bias; and

- Assessing the impact of changes in the key assumptions, including revenue growth rates and the discount rates, adopted in the discounted cash flow forecasts on the conclusions reached in the impairment assessment and assessing whether there were any indicators of management bias in the selection of these assumptions; and assessing the disclosures in the consolidated financial statements in respect of the impairment assessment with reference to the requirements of the prevailing accounting standards.

INFORMATION OTHER THAN THE CONSOLIDATED FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The directors are responsible for the other information. The other information comprises all the information included in the annual report, other than the consolidated financial statements and our auditor's report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF DIRECTORS FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

The directors are assisted by the Audit Committee in discharging their responsibilities for overseeing the Group's financial reporting process.

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

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

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

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

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

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

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

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

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

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the 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 the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

The engagement partner on the audit resulting in this independent auditor's report is Lam Leong Wai (practising certificate number: P07793).

KPMG
Certified Public Accountants
8th Floor, Prince's Building
10 Chater Road
Central, Hong Kong

30 June 2025

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the year ended 31 March 2025

	Notes	**2025** **HK$'000**	2024 HK$'000
Revenue	6	**94,353**	127,749
Cost of sales		**(55,862)**	(65,523)
Gross profit		**38,491**	62,226
Other income	8	**2,620**	2,416
Other losses	9	**(1,962)**	(365)
Selling and administrative expenses		**(27,847)**	(26,507)
Profit from operations		**11,302**	37,770
Finance costs	10	**(11)**	(39)
Share of loss of an associate	20	**(271)**	–
Impairment loss on goodwill	19	**(3,563)**	–
Profit before tax	11	**7,457**	37,731
Income tax expense	12	**(1,894)**	(6,155)
Profit for the year		**5,563**	31,576
Profit for the year attributable to:			
Equity shareholders of the Company		**5,610**	31,231
Non-controlling interests		**(47)**	345
		5,563	31,576
Earnings per share			
– Basic and diluted (HK cents)	15	**1.17**	6.51

The notes on pages 80 to 139 from part of these financial statements. Details of dividends payable to equity shareholders of the Company attributable to the profit for the year are set out in note 14.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 March 2025

	2025 HK$'000	2024 HK$'000
Profit for the year	**5,563**	31,576
Other comprehensive income		
Item that may be subsequently reclassified to profit or loss:		
Exchange differences arising on translation of financial statements of operations outside Hong Kong	**(242)**	356
Other comprehensive income for the year	**(242)**	356
Total comprehensive income for the year	**5,321**	31,932
Total comprehensive income attributable to:		
Equity shareholders of the Company	**5,417**	31,500
Non-controlling interests	**(96)**	432
	5,321	31,932

The notes on pages 80 to 139 form part of these financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2025

	Notes	**2025** **HK$'000**	2024 HK$'000
NON-CURRENT ASSETS			
Property, plant and equipment	16	**8,661**	10,687
Right-of-use assets	17	**6,333**	6,659
Intangible assets	18	**203**	1,679
Goodwill	19	**7,015**	10,578
Interest in an associate	20	**7,428**	–
Deposits and prepayment	22	**69**	350
Deferred tax assets	26(b)	**1,120**	266
		30,829	30,219
CURRENT ASSETS			
Inventories	21	**3,137**	3,912
Trade and other receivables	22	**29,613**	60,798
Cash and cash equivalents	23	**84,800**	62,525
Tax recoverables	26(a)	**146**	–
		117,696	127,235
CURRENT LIABILITIES			
Trade and other payables	24	**14,321**	11,444
Lease liabilities	25	**–**	27
Tax payables	26(a)	**798**	3,498
		15,119	14,969
NET CURRENT ASSETS		**102,577**	112,266
TOTAL ASSETS LESS CURRENT LIABILITIES		**133,406**	142,485
NET ASSETS		**133,406**	142,485

	Notes	2025 HK$'000	2024 HK$'000
CAPITAL AND RESERVES			
Share capital	27	**4,800**	4,800
Reserves		**127,552**	136,535
TOTAL EQUITY ATTRIBUTABLE TO EQUITY SHAREHOLDERS OF THE COMPANY		**132,352**	141,335
Non-controlling interests		**1,054**	1,150
TOTAL EQUITY		**133,406**	142,485

Approved and authorised for issue by the board of directors on 30 June 2025.

Lo Chun Kit Andrew
DIRECTOR

Lam Ching Man
DIRECTOR

The notes on pages 80 to 139 form part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 March 2025

	Attributable to equity shareholders of the Company						Non-controlling interests	Total equity
	Share capital HK$'000	Share premium HK$'000	Special reserve HK$'000 *(Note a)*	Exchange reserve HK$'000 *(Note b)*	Retained earnings HK$'000	Sub-total HK$'000	HK$'000	HK$'000
As at 1 April 2023	4,800	53,545	(10,228)	(173)	76,291	124,235	718	124,953
Profit for the year	–	–	–	–	31,231	31,231	345	31,576
Other comprehensive income								
Exchange differences arising on translation of financial statements of operations outside Hong Kong	–	–	–	269	–	269	87	356
Total comprehensive income for the year	–	–	–	269	31,231	31,500	432	31,932
Dividends approved in respect of the previous year *(Note 14)*	–	–	–	–	(9,600)	(9,600)	–	(9,600)
Dividends approved in respect of the current year *(Note 14)*	–	–	–	–	(4,800)	(4,800)	–	(4,800)
As at 31 March 2024	4,800	53,545	(10,228)	96	93,122	141,335	1,150	142,485

	Attributable to equity shareholders of the Company						Non-controlling interests	Total equity
	Share capital HK$'000	Share premium HK$'000	Special reserve HK$'000 *(Note a)*	Exchange reserve HK$'000 *(Note b)*	Retained earnings HK$'000	Sub-total HK$'000	HK$'000	HK$'000
As at 1 April 2024	4,800	53,545	(10,228)	96	93,122	141,335	1,150	142,485
Profit for the year	–	–	–	–	5,610	5,610	(47)	5,563
Other comprehensive income								
Exchange differences arising on translation of financial statements of operations outside Hong Kong	–	–	–	(193)	–	(193)	(49)	(242)
Total comprehensive income for the year	–	–	–	(193)	5,610	5,417	(96)	5,321
Dividends approved in respect of the previous year *(Note 14)*	–	–	–	–	(9,600)	(9,600)	–	(9,600)
Dividends approved in respect of the current year *(Note 14)*	–	–	–	–	(4,800)	(4,800)	–	(4,800)
As at 31 March 2025	4,800	53,545	(10,228)	(97)	84,332	132,352	1,054	133,406

Notes:

(a) Special reserve represents the difference between the entire issued shares of EFT Solutions Limited ("**EFT**") acquired by the Group amounting to HK$100 and the consideration for acquiring EFT by EFT Solutions International Limited ("**EFT Solutions International**"), a wholly-owned subsidiary of the Group, amounting to approximately HK$10,228,000 pursuant to the reorganisation, the details of which are set out in the prospectus of the Company dated 5 December 2016.

(b) Exchange differences relating to the translation of the net assets of the Group's operations outside Hong Kong from their functional currencies to the Group's presentation currency are recognised directly in other comprehensive income and accumulated in the exchange reserve. Exchange differences accumulated in the exchange reserve are reclassified to profit or loss on the disposal of the operations outside Hong Kong.

The notes on pages 80 to 139 form part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 March 2025

	Notes	**2025 HK$'000**	2024 HK$'000
OPERATING ACTIVITIES			
Profit before tax		**7,457**	37,731
Adjustments for:			
Write down/(reversal of write down) of inventories, net	21(a)	**60**	(551)
Depreciation of property, plant and equipment	11	**5,741**	6,453
Depreciation of right-of-use assets	11	**326**	449
Bank interest income	8	**(1,590)**	(1,847)
Amortisation of intangible assets	11	**1,464**	1,931
Finance costs	10	**11**	8
Provision for/(reversal of) impairment loss on trade receivables	8, 9	**1,671**	(551)
Foreign exchange loss	9	**211**	365
Impairment loss on goodwill	19	**3,563**	–
Share of loss of an associate	20	**271**	–
Unrealised gain for sales to an associate		**101**	–
		19,286	43,988
Changes in working capital:			
Decrease in inventories		**715**	2,151
Decrease/(increase) in trade and other receivables		**29,180**	(28,223)
Decrease in trade and other payables		**(3,370)**	(3,209)
Cash generated from operations		**45,811**	14,707
Income taxes paid		**(5,585)**	(8,248)
NET CASH GENERATED FROM OPERATING ACTIVITIES		**40,226**	6,459
INVESTING ACTIVITIES			
Purchase of property, plant and equipment		**(3,366)**	(4,349)
Interest received		**1,590**	1,847
Investment in an associate		**(1,560)**	–
NET CASH USED IN INVESTING ACTIVITIES		**(3,336)**	(2,502)

	Notes	**2025** **HK$'000**	2024 HK$'000
FINANCING ACTIVITIES			
Capital element of lease rentals paid	31	**(27)**	(151)
Interest element of lease rentals paid	31	**–**	(8)
Dividend paid	14	**(14,400)**	(14,400)
NET CASH USED IN FINANCING ACTIVITIES		**(14,427)**	(14,559)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		**22,463**	(10,602)
CASH AND CASH EQUIVALENT AT 1 APRIL 2024/2023		**62,525**	73,120
EFFECT OF FOREIGN EXCHANGE RATE CHANGES		**(188)**	7
CASH AND CASH EQUIVALENTS AT 31 MARCH	23	**84,800**	62,525

The notes on pages 80 to 139 form part of these financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

1. GENERAL INFORMATION

EFT Solutions Holdings Limited (the "**Company**") was incorporated as an exempted company and registered in the Cayman Islands with limited liability under the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands on 26 May 2016. Its registered office is located at Ocorian Trust (Cayman) Limited, Windward 3, Regatta Office Park, P.O. Box 1350, Grand Cayman KY1-1108, Cayman Islands. The address of its principal place of business is located at Workshops B1 & B3, 11/F, Yip Fung Industrial Building, 28–36 Kwai Fung Crescent, Kwai Chung, New Territories, Hong Kong.

The Company's shares were listed on GEM of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") on 15 December 2016.

The Company is an investment holding company and its subsidiaries are principally engaged in sales of electronic fund transfer at point-of-sale ("**EFT-POS**") terminals and peripheral devices, provision of EFT-POS system support services, software solutions services and embedded system solution services. Its parent and ultimate holding company is LCK Group Limited ("**LCK**"), a private company incorporated in British Virgin Islands (the "**BVI**"). Its ultimate controlling party is Mr. Lo Chun Kit, Andrew ("**Mr. Lo**" or the "**Controlling Shareholder**").

2. STATEMENT OF COMPLIANCE AND BASIS OF PREPARATION

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

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

The consolidated financial statements for the year ended 31 March 2025 comprise the Company and its subsidiaries (together referred to as the "**Group**") and the Group's interest in an associate.

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

2. STATEMENT OF COMPLIANCE AND BASIS OF PREPARATION *(continued)*

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

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

Judgments made by management in the application of HKFRS Accounting Standards that have significant effect on the financial statements and major sources of estimation uncertainty are discussed in note 5.

3. CHANGES IN ACCOUNTING POLICIES

The Group has applied the following amendments to HKFRS Accounting Standards issued by the HKICPA to these financial statements for the current accounting period:

- Amendments to HKAS 1, *Presentation of financial statements – Classification of liabilities as current or non-current* ("**2020 amendments**") *and amendments to HKAS 1, Presentation of financial statements – Non-current liabilities with covenants* ("**2022 amendments**")

- Amendments to HKFRS 16, *Leases – Lease liability in a sale and leaseback*

- Amendments to HKAS 7, *Statement of cash flows* and HKFRS 7, *Financial instruments: Disclosures – Supplier finance arrangements*

None of these developments has had a material effect on how the Group's results and financial position for the current or prior periods have been prepared or presented. The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

4. MATERIAL ACCOUNTING POLICIES

(a) Subsidiaries and non-controlling interests

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Intra-group balances and transactions, and any unrealised income and expenses (except for foreign currency transaction gains or losses) arising from intra-group transactions, are eliminated. Unrealised losses resulting from intra-group transactions are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

For each business combination, the Group can elect to measure any non-controlling interests ("**NCI**") either at fair value or at the NCI's proportionate share of the subsidiary's net identifiable assets. NCI are presented in the consolidated statement of financial position within equity, separately from equity attributable to the equity shareholders of the Company. NCI in the results of the Group are presented on the face of the consolidated statement of profit or loss and the consolidated statement of profit or loss and other comprehensive income as an allocation of the total profit or loss and total comprehensive income for the year between NCI and the equity shareholders of the Company.

Changes in the Group's interests in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

When the Group loses control of a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in that former subsidiary is measured at fair value when control is lost.

In the Company's statement of financial position, an investment in a subsidiary is stated at cost less impairment losses (see note 4(g)(ii)), unless it is classified as held for sale (or included in a disposal group classified as held for sale).

(b) Goodwill

Goodwill arising on acquisition of businesses is measured at cost less accumulated impairment losses and is tested annually for impairment (see note 4(g)(ii)).

4. MATERIAL ACCOUNTING POLICIES *(continued)*

(c) Property, plant and equipment

Property, plant and equipment, including right-of-use assets arising from leases of underlying property, plant and equipment (see note 4(f)), are stated at cost, which includes capitalised borrowing costs, less accumulated depreciation and any accumulated impairment losses (see note 4(g)(ii)).

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components).

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss. Any related revaluation surplus is transferred from the revaluation reserve to retained profits and is not reclassified to profit or loss.

Depreciation is calculated to write off the cost or valuation of items of property, plant and equipment less their estimated residual values, if any, using the straight-line method over their estimated useful lives, and is generally recognised in profit or loss, at the rates per annum as follows:

– Leasehold land is depreciated over the unexpired term of lease.

– The Group's interests in buildings situated on leasehold land are depreciated over the shorter of the unexpired term of lease and the buildings' estimated useful lives.

– Leasehold improvements	20–33%
– Furniture and fixtures	20%
– Office equipment	30%

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

(d) Intangible assets (other than goodwill)

Expenditure on research activities is recognised in profit or loss as incurred. Development expenditure is capitalised only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable and the Group intends to and has sufficient resources to complete development and to use or sell the resulting asset. Otherwise, it is recognised in profit or loss as incurred. Capitalised development expenditure is subsequently measured at cost less accumulated amortisation and any accumulated impairment losses.

Other intangible assets, including patents and trademarks, that are acquired by the Group and have finite useful lives are measured at cost less accumulated amortisation and any accumulated impairment losses (see note 4(g)(ii)).

Expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred.

4. MATERIAL ACCOUNTING POLICIES *(continued)*

(d) Intangible assets (other than goodwill) *(continued)*

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values using the straight-line method over their estimated useful lives, if any, and is generally recognised in profit or loss, at the rates per annum as follows:

– Software system	30%
– Terminal management system	20%

Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

(e) Associates

An associate is an entity in which the Group or the Company has significant influence, but not control or joint control, over the financial and operating policies.

An interest in an associate is accounted for using the equity method, unless it is classified as held for sale (or included in a disposal Group classified as held for sale). They are initially recognised at cost, which includes transaction costs. Subsequently, the consolidated financial statements include the Group's share of the profit or loss and other comprehensive income ("**OCI**") of those investees, until the date on which significant influence ceases.

When the Group's share of losses exceeds its interest in the associate, the Group's interest is reduced to nil and recognition of further losses is discontinued except to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the investee. For this purpose, the Group's interest is the carrying amount of the investment under the equity method, together with any other long-term interests that in substance form part of the Group's net investment in the associate, after applying the ECL model to such other long-term interests where applicable (see note 4(g)(i)).

Unrealised gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent there is no evidence of impairment.

In the Company's statement of financial position, an investment in an associate is stated at cost less impairment losses (see note 4(g)(ii)), unless it is classified as held for sale (or included in a disposal Group classified as held for sale).

4. MATERIAL ACCOUNTING POLICIES *(continued)*

(f) Leased assets

At inception of a contract, the Group assesses whether the contract is, or contains, a lease. This is the case if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Control is conveyed where the customer has both the right to direct the use of the identified asset and to obtain substantially all of the economic benefits from that use.

As a lessee

At the lease commencement date, the Group recognises a right-of-use asset and a lease liability, except for leases that have a short lease term of 12 months or less, and leases of low-value items such as laptops and office furniture. When the Group enters into a lease in respect of a low-value item, the Group decides whether to capitalise the lease on a lease-by-lease basis. If not capitalised, the associated lease payments are recognised in profit or loss on a systematic basis over the lease term.

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

The right-of-use asset recognised when a lease is capitalised is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. The right-of-use asset is subsequently stated at cost less accumulated depreciation and impairment losses (see notes 4(c) and 4(g)(ii)).

Refundable rental deposits are accounted for separately from the right-of-use assets, in accordance with the accounting policy applicable to investments in non-equity securities carried at of amortised cost. Any excess of the nominal value over the initial fair value of the deposits is accounted for as additional lease payments made and is included in the cost of right-of-use assets.

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

4. MATERIAL ACCOUNTING POLICIES *(continued)*

(f) Leased assets *(continued)*

The lease liability is also remeasured when there is a lease modification, which means a change in the scope of a lease or the consideration for a lease that is not originally provided for in the lease contract, if such modification is not accounted for as a separate lease. In this case, the lease liability is remeasured based on the revised lease payments and lease term using a revised discount rate at the effective date of the modification.

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

(g) Credit losses and impairment of assets

(i) Credit losses from financial instruments and contract assets

The Group recognises a loss allowance for expected credit losses ("**ECLs**") on:

– financial assets measured at amortised cost (including cash and cash equivalent and trade receivables and other receivables); and

– contract assets (see note 4(i)).

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Generally, credit losses are measured as the present value of all expected cash shortfalls between the contractual and expected amounts.

The expected cash shortfalls are discounted using the effective interest rate determined at initial recognition or an approximation thereof, for fixed-rate financial assets, trade and other receivables and contract assets where the effect of discounting is material.

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

ECLs are measured on either of the following bases:

– 12-month ECLs: these are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months); and

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

4. MATERIAL ACCOUNTING POLICIES *(continued)*

(g) Credit losses and impairment of assets *(continued)*

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

Measurement of ECLs (continued)

The Group measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-months ECLs:

– financial instruments that are determined to have low credit risk at the reporting date; and

– other financial instruments for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables and contract assets are always measured at an amount equal to lifetime ECLs.

Significant increases in credit risk

When determining whether the credit risk of a financial instrument has increased significantly since initial recognition and when measuring ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment, that includes forward-looking information.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

The Group considers a financial asset to be in default when:

– the debtor is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or

– the financial asset is 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

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

4. MATERIAL ACCOUNTING POLICIES *(continued)*

(g) Credit losses and impairment of assets *(continued)*

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

Credit-impaired financial assets

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

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

– significant financial difficulties of the debtor;

– a breach of contract, such as a default or being more than 90 days past due; or

– it is probable that the debtor will enter bankruptcy or other financial reorganisation.

Write-off policy

The gross carrying amount of a financial asset or contract asset is written off to the extent that there is no realistic prospect of recovery. This is generally the case when the asset becomes 365 days past due or when the Group otherwise determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off.

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

(ii) Impairment of other non-current assets

At each reporting date, the Group reviews the carrying amounts of its non-financial assets (other than inventories and other contract costs and contract assets) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Goodwill is tested annually for impairment.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash-generating units ("**CGUs**"). Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

4. MATERIAL ACCOUNTING POLICIES *(continued)*

(g) Credit losses and impairment of assets *(continued)*

(ii) Impairment of other non-current assets *(continued)*

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs of disposal. Value in use is based on the estimated future cash flows, 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 CGU.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount.

Impairment losses are recognised in profit or loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. For other assets, an impairment loss is reversed only to the extent that the resulting carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(iii) Interim financial reporting and impairment

Under the GEM Listing Rules, the Group is required to prepare an interim financial report in compliance with HKAS 34, *Interim financial reporting*, in respect of the first six months of the financial year. At the end of the interim period, the Group applies the same impairment testing, recognition, and reversal criteria as it would at the end of the financial year (see notes 4(g)(i) and (ii)).

Impairment losses recognised in an interim period in respect of goodwill are not reversed in a subsequent period. This is the case even if no loss, or a smaller loss, would have been recognised had the impairment been assessed only at the end of the financial year to which the interim period relates.

(h) Inventories

Inventories are measured at the lower of cost and net realisable value. Costs is calculated using a first in-first-out formula and comprises all costs of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

Net realisable value represents the estimated selling price for inventories less all estimated costs necessary to make the sale. Costs necessary to make the sale include incremental costs directly attributable to the sale and non-incremental costs which the Group must incur to make the sale.

4. MATERIAL ACCOUNTING POLICIES *(continued)*

(i) Contract assets and contract liabilities

A contract asset is recognised when the Group recognises revenue (see note 4(p) before being unconditionally entitled to the consideration under the terms in the contract. Contract assets are assessed for ECLs (see note 4(g)(i)) and are reclassified to receivables when the right to the consideration becomes unconditional (see note 4(j)).

A contract liability is recognised when the customer pays non-refundable consideration before the Group recognises the related revenue (see note 4(p)). A contract liability is also recognised if the Group has an unconditional right to receive non-refundable consideration before the Group recognises the related revenue. In such latter cases, a corresponding receivable is also recognised (see note 4(j)).

When the contract includes a significant financing component, the contract balance includes interest accrued under the effective interest method (see note 4(p)).

(j) Trade and other receivables

A receivable is recognised when the Group has an unconditional right to receive consideration and only the passage of time is required before payment of that consideration is due.

Trade receivables that do not contain a significant financing component are initially measured at their transaction price. Trade receivables that contain a significant financing component and other receivables are initially measured at fair value plus transaction costs. All receivables are subsequently stated at amortised cost (see note 4(f)(i)).

(k) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other financial institutions, and other short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition. Cash and cash equivalents are assessed for ECL (see note 4(g)(i)).

(l) Trade and other payables

Trade and other payables are initially recognised at fair value. Subsequent to initial recognition, trade and other payables are stated at amortised cost unless the effect of discounting would be immaterial, in which case they are stated at invoice amounts.

4. MATERIAL ACCOUNTING POLICIES *(continued)*

(m) Employee benefits

(i) Short-term employee benefits and contributions to defined contribution retirement plans

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Obligations for contributions to defined contribution retirement plans are expensed as the related service is provided.

(ii) Defined benefit plan obligations

The Group has a defined benefit plan of long services payment ("**LSP**") under the Hong Kong Employment Ordinance.

The Group's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods and discounting that amount. The estimated amount of future benefit is determined after deducting the negative service cost arising from the accrued benefits derived from the Group's MPF contributions that have been vested with employees, which are deemed to be contributions from the relevant employees.

The calculation of defined benefit obligation is performed using the projected unit credit method.

Remeasurements arising from defined benefit plans are recognised immediately in other comprehensive income. Net interest expense for the period is determined by applying the discount rate used to measure the defined benefit obligation at the beginning of the reporting period to the then net defined benefit liability, taking into account any charges in the net defined benefit liability during the period and other expenses related to defined benefit plans are recognised in profit or loss.

(iii) Termination benefits

Termination benefits are expensed at the earlier of when the Group can no longer withdraw the offer of those benefits and when the Group recognises costs for a restructuring.

(n) Income tax

Income tax expense comprises current tax and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in OCI.

Current tax comprises the estimated tax payable or receivable on the taxable income or loss for the year and any adjustments to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects any uncertainty related to income taxes. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax also includes any tax arising from dividends.

Current tax assets and liabilities are offset only if certain criteria are met.

4. MATERIAL ACCOUNTING POLICIES *(continued)*

(n) Income tax *(continued)*

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

– temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences;

– temporary differences related to investment in subsidiaries to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and

– taxable temporary differences arising on the initial recognition of goodwill.

The Group recognised deferred tax assets and deferred tax liabilities separately in relation to its lease liabilities and right-of-use assets.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans for individual subsidiaries in the Group. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Deferred tax assets and liabilities are offset only if certain criteria are met.

(o) Provisions and contingent liabilities

Generally provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessment of the time value of money and the risks specific to the liability.

A provision for warranties is recognised when the underlying products or services are sold, based on historical warranty data and a weighting of possible outcomes against their associated probabilities.

A provision for onerous contracts is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract, which is determined based on the incremental costs of fulfilling the obligation under that contract and an allocation of other costs directly related to fulfilling that contract. Before a provision is established, the Group recognises any impairment loss on the assets associated with that contract (see note 4(g)(ii)).

4. MATERIAL ACCOUNTING POLICIES *(continued)*

(o) Provisions and contingent liabilities *(continued)*

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

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

(p) Revenue and other income

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

The Group is the principal for its revenue transactions and recognises revenue on a gross basis, including the sales of EFT-POS terminals and peripheral devices that are sourced externally. In determining whether the Group acts as a principal or as an agent, it considers whether it obtains control of the products before they are transferred to the customers. Control refers to the Group's ability to direct the use of and obtain substantially all of the remaining benefits from the products.

Revenue is recognised when control over a product or service is transferred to the customer at the amount of promised consideration to which the Group is expected to be entitled, excluding those amounts collected on behalf of third parties such as value added tax or other sales taxes.

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

(a) Sale of EFT-POS terminals and peripheral devices

Revenue is recognised when the customer takes possession of and accepts the products. The Group takes advantage of the practical expedient in paragraph 63 of HKFRS 15 and does not adjust the consideration for any effects of a significant financing component as the period of financing is 12 months or less.

The Group offers warranties for its EFT-POS terminals for up to twelve months from the date of sale. A related provision is recognised in accordance with note 4(o).

(b) Provision of system support and software solution services

Revenue from provision of system support and software solution services is recognised over time as 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.

4. MATERIAL ACCOUNTING POLICIES *(continued)*

(p) Revenue and other income *(continued)*

(c) Interest income

Interest income is recognised using the effective interest method. The "effective interest rate" is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of the financial asset. In calculating interest income, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired). However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

(d) Government grants

Government grants are recognised in the statement of financial position initially when there is reasonable assurance that they will be received and that the Group will comply with the conditions attaching to them.

Grants that compensate the Group for expenses incurred are recognised as income in profit or loss on a systematic basis in the same periods in which the expenses are incurred.

Grants that compensate the Group for the cost of an asset are deducted from the carrying amount of the asset and consequently are effectively recognised in profit or loss over the useful life of the asset by way of reduced depreciation expense.

(q) Translation of foreign currencies

Transactions in foreign currencies are translated into the respective functional currencies of group companies at the exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Foreign currency differences are generally recognised in profit or loss.

The assets and liabilities of operations outside Hong Kong, including goodwill and fair value adjustments arising on acquisition, are translated into Hong Kong dollars at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into Hong Kong dollars at the exchange rates at the dates of the transactions.

Foreign currency differences are recognised in OCI and accumulated in the exchange reserve, except to the extent that the translation difference is allocated to NCI.

4. MATERIAL ACCOUNTING POLICIES *(continued)*

(q) Translation of foreign currencies *(continued)*

When a operation outside Hong Kong is disposed of in its entirety or partially such that control, significant influence or joint control is lost, the cumulative amount in the exchange reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. On disposal of a subsidiary that includes a foreign operation, the cumulative amount of the exchange differences relating to that operation outside Hong Kong that have been attributed to the NCI shall be derecognised, but shall not be reclassified to profit or loss. If the Group disposes of part of its interest in a subsidiary but retains control, then the relevant proportion of the cumulative amount is reattributed to NCI.

(r) Borrowing costs

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

(s) Related parties

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

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

(ii) has significant influence over the Group; or

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

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

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

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

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

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

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

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

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

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

4. MATERIAL ACCOUNTING POLICIES *(continued)*

(s) Related parties *(continued)*

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

(t) Segment reporting

Operating segments, and the amounts of each segment item reported in the financial statements, are identified from the financial information provided regularly to the Group's most senior executive management for the purposes of allocating resources to, and assessing the performance of, the Group's various lines of business and geographical locations.

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

5. KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies which are described in note 4, management of the Group is required to make estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. 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.

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 causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Provision of ECL for trade receivables measured at amortised cost

The Group measures the ECL allowance of trade receivables at an amount equal to lifetime ECLs by segmenting customers based on their credit risk characteristics. For key customers, individual assessments on the credit risk were performed to estimate the loss rates based information (including but not limited to external ratings and available information about customers). For remaining customers which are not assessed individually, the Group uses practical expedient in estimating ECL on trade receivables using provision matrices. The provision rates are based on aging of debtors as groupings of various debtors taking into consideration the Group's historical loss rates and forward-looking information that is reasonable and supportable available without undue costs or effort. At the end of every reporting period, the historical observed default rates for individually assessed customers are reassessed and changes in the forward-looking information are considered.

The provision of ECL is sensitive to changes in inputs and assumptions used in making the estimates. The information about the ECL are disclosed in note 22 and 30(a).

5. KEY SOURCES OF ESTIMATION UNCERTAINTY *(continued)*

Impairment for goodwill

Determining whether goodwill is impaired requires an estimation of the recoverable amount of the cash-generating units to which goodwill has been allocated. The recoverable amount of an asset, or of the cash-generating unit to which it belongs, is the greater of its fair value less costs of disposal and value in use. The value in use calculation requires the Group to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate the present value.

The net carrying amounts of goodwill as at 31 March 2025 was approximately HK$7,015,000 (2024: HK$10,578,000). Details of the impairment testing on goodwill are disclosed in note 19.

6. REVENUE

Disaggregation of revenue from contracts with customers for the year

	2025	2024
	HK$'000	HK$'000
Revenue from contracts with customers within the scope of HKFRS 15		
Sales of EFT-POS terminals and peripheral devices	**23,821**	40,044
Provision of system support and software solution services	**70,532**	87,705
	94,353	127,749

	2025	2024
	HK$'000	HK$'000
Timing of revenue recognition:		
At a point in time	**23,821**	40,044
Over time	**70,532**	87,705
	94,353	127,749

Transaction allocated to the remaining performance obligation for contracts with customers

The Group has applied the practical expedient in paragraph 121 of HKFRS 15 to its contract for sales of EFT-POS terminals and peripheral devices and provision of system support and software solution services such that the Group does not disclose information about revenue that the Group will be entitled to when it satisfies the remaining performance obligations under the contracts for sales of EFT-POS terminals and peripheral devices or provision of system support and software solution services that had an original expected duration of one year or less or the Group recognises revenue from the satisfaction of the performance obligation in accordance with paragraph B16 of HKFRS 15.

7. SEGMENT INFORMATION

Information reported to Mr. Lo, being the chief operating decision maker (the "**CODM**"), for the purpose of resource allocation and assessment of segment performance, focuses on types of goods delivered or services provided.

Specifically, the Group has presented the following two reportable segments. No operating segments have been aggregated to form the following reportable segments.

Sales of hardware devices	–	Sales of EFT-POS terminals and peripheral devices
System support and software solution services	–	Provision of system support, software solution services, POS software solutions services and embedded system solution services

During the year ended 31 March 2025, management changed the compositions of the segments in view of more diversified businesses the Group currently operates. The comparative information is also restated to conform with the current period's presentation.

Segment information about these reportable segments and respective reconciliations of segment profit or loss are presented below:

Year ended 31 March 2025

	Sales of hardware devices HK$'000	System support and software solution services HK$'000	Consolidated HK$'000
Segment revenue – external customers	23,821	70,532	94,353
Segment results	12,084	19,478	31,562
Other income			2,604
Finance costs			(11)
Unallocated expenses			(26,698)
Consolidated profit before tax			7,457

7. SEGMENT INFORMATION *(continued)*

Year ended 31 March 2024

	Sales of hardware devices HK$'000	System support and software solution services HK$'000	Consolidated HK$'000
Segment revenue – external customers	40,044	87,705	127,749
Segment results	20,848	40,003	60,851
Other income			2,408
Finance costs			(39)
Unallocated expenses			(25,489)
Consolidated profit before tax			37,731

There is no inter-segment sales for both years.

Segment results represent the profit earned by each segment without allocation of certain other income, finance costs, and other unallocated expenses including depreciation expenses, and directors' remuneration that are not directly attributable to segments as disclosed in the above table. This is the measure reported to the CODM for the purposes of resource allocation and performance assessment.

7. SEGMENT INFORMATION *(continued)*

Segment assets and liabilities

The following is an analysis of the Group's assets and liabilities by reportable and operating segments and respective reconciliations:

	2025 **HK$'000**	2024 HK$'000
Segment assets		
Sales of hardware devices	**13,272**	23,306
System support and software solution services	**27,618**	47,890
Total segment assets	**40,890**	71,196
Unallocated assets	**107,635**	86,258
Consolidated total assets	**148,525**	157,454
Segment liabilities		
Sales of hardware devices	**5,334**	3,098
System support and software solution services	**3,893**	4,013
Total segment liabilities	**9,227**	7,111
Unallocated liabilities	**5,892**	7,858
Consolidated total liabilities	**15,119**	14,969

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

- all assets are allocated to reportable segments other than property, plant and equipment, right-of-use assets, certain deposits and prepayment and other corporate assets.

- all liabilities are allocated to reportable segments other than certain other payables and accrued expenses, lease liabilities, tax payables and deferred tax liabilities.

7. SEGMENT INFORMATION *(continued)*

Other segment information

Year ended 31 March 2025

	Sale of hardware devices HK$'000	System support and software solution services HK$'000	Unallocated HK$'000	Consolidated HK$'000
Amounts included in the measure of segment profit or loss or segment assets:				
Impairment loss on trade receivables, net	407	1,264	–	1,671
Write-down of inventories, net	60	–	–	60
Amortisation of intangible assets	–	1,464	–	1,464
Impairment loss on goodwill	–	3,563	–	3,563
Share of loss of an associate	–	271	–	271
Amounts regularly provided to the CODM but not included in the measure of segment profit or loss or segment assets:				
Depreciation of property, plant and equipment	–	–	5,741	5,741
Depreciation of right-of-use assets	–	–	326	326
Additions to non-current assets *(Note)*	–	–	3,716	3,716

7. SEGMENT INFORMATION *(continued)*

Other segment information *(continued)*

Year ended 31 March 2024

	Sale of hardware devices HK$'000	System support and software solution services HK$'000	Unallocated HK$'000	Consolidated HK$'000
Amounts included in the measure of segment profit or loss or segment assets:				
Impairment loss of trade receivables, net of reversal	(61)	(490)	–	(551)
Reversal of write-down of inventories, net	(551)	–	–	(551)
Amortisation of intangible assets	–	1,931	–	1,931
Amounts regularly provided to the CODM but not included in the measure of segment profit or loss or segment assets:				
Depreciation of property, plant and equipment	–	–	6,453	6,453
Depreciation of right-of-use assets	–	–	449	449
Additions to non-current assets *(Note)*	–	–	4,981	4,981

Note: Non-current assets include property, plant and equipment, right-of-use asset and intangible assets.

7. SEGMENT INFORMATION *(continued)*

Geographical information

Non-current assets by geographical location

An analysis of the Group's non-current assets by geographical location is as follows:

	2025 **HK$'000**	2024 HK$'000
Hong Kong (place of domicile)	**14,154**	17,623
Macau	**7,614**	11,469
Australia	**444**	511
Mongolia	**7,428**	–
	29,640	29,603

Note: Non-currents assets excluded deposits, deferred tax asset and prepayment paid.

Revenue by geographical location

An analysis of the Group's revenue from external customers by geographical location, determined based on the shipment destination for the sale of hardware devices and the location of services rendered for system support and software solution services are detailed below:

	2025 **HK$'000**	2024 HK$'000
Hong Kong (place of domicile)	**78,716**	111,067
Australia	**6,153**	7,070
Macau	**4,259**	6,564
United States	**2,525**	1,512
Others	**2,700**	1,536
	94,353	127,749

7. SEGMENT INFORMATION *(continued)*

Information about major customers

Revenue from customers that individually contributed over 10% of the total revenue of the Group during the year are as follows:

	2025 HK$'000	2024 HK$'000
Customer A from sales of hardware devices and system support and software solution services segments	**15,035**	16,551
Customer B from system support and software solution services segment	**11,245**	12,615

Except for disclosed above, there are no other customers contributed for 10% or more of the Group's total revenue during the years ended 31 March 2025 and 2024.

8. OTHER INCOME

	2025 HK$'000	2024 HK$'000
Bank interest income	**1,590**	1,847
Income from delivery cost recharged to customers	**14**	8
Government grants	**1,001**	–
Reversal of impairment loss on trade receivables	**–**	551
Others	**15**	10
	2,620	2,416

During the year ended 31 March 2025, the Group recognised government grants of HK$1,001,000 in respect of (i) promoting business to overseas which relates to Dedicated Fund on Branding, Upgrading and Domestic Sales amounting to HK$501,000; and (ii) a grant scheme for Open-ended Fund Companies amounting to HK$500,000, both provided by Hong Kong SAR Government as a support. There were no unfilled conditions or contingencies related to these government grants.

9. OTHER LOSSES

	2025 HK$'000	2024 HK$'000
Net exchange losses	211	365
Impairment loss on trade receivables, net	1,671	–
Others	80	–
	1,962	365

10. FINANCE COSTS

	2025 HK$'000	2024 HK$'000
Interest on lease liabilities	–	8
Interest on long service payment liabilities	11	31
	11	39

11. PROFIT BEFORE TAX

Profit before tax is arrived at after charging:

	2025	2024
	HK$'000	HK$'000
Directors' remuneration		
– salaries and allowances	**1,951**	2,078
– discretionary bonus	**167**	320
– retirement benefits scheme contribution	**18**	23
Other staff costs		
– salaries and allowances *(Note)*	**26,255**	20,770
– discretionary bonus	**2,687**	2,886
– retirement benefits scheme contribution	**1,276**	1,245
– long service payment expenses	**371**	1,353
Total employee benefits expenses (including directors' emoluments)	**32,725**	28,675
Auditor's remuneration	**930**	868
Depreciation of property, plant and equipment *(Note 16)*	**5,741**	6,453
Depreciation of right-of-use assets *(Note 17)*	**326**	449
Amortisation of intangible assets *(Note 18)*	**1,464**	1,931
Expense relating to short-term leases *(Note 17)*	**3,006**	2,880
Cost of inventories *(Note 21(a))*	**11,691**	19,110

Note: Staff cost of approximately HK$16,549,000 (2024: HK$17,055,000) were included in the cost of sales for the year ended 31 March 2025.

12. INCOME TAX EXPENSE

	2025 **HK$'000**	2024 HK$'000
Current tax:		
Provision for the year:		
Hong Kong Profits Tax	**2,420**	6,497
Overseas income tax	**347**	491
(Over)/under-provision in respect of prior years:		
Hong Kong Profits Tax	**–**	204
Overseas income tax	**(19)**	25
	2,748	7,217
Deferred tax:		
Origination and reversal of temporary differences *(Note 26(b))*	**(854)**	(1,062)
Total income tax expense for the year	**1,894**	6,155

The provision for Hong Kong Profits Tax for 2025 is calculated at 16.5% (2024: 16.5%) of the estimated assessable profits for the year, except for one subsidiary of the Group which is a qualifying corporation under the two-tiered Profits Tax rate regime.

For this subsidiary, the first HK$2 million of assessable profits are taxed at 8.25% and the remaining assessable profits are taxed at 16.5%. The provision for Hong Kong Profits Tax for this subsidiary was calculated at the same basis in 2024.

The provision for Hong Kong Profits Tax for 2025 takes into account a reduction granted by the Hong Kong SAR Government of 100% of the tax payable for the year of assessment 2024/25 subject to a maximum reduction of HK$1,500 for each business (2024: a maximum reduction of HK$3,000 was granted for the year of assessment 2023/24 and was taken into account in calculating the provision for 2024).

Taxes on overseas profits in Australia and Macau have been calculated at the prevailing tax rates of 25% (2024: 25%) and 12% (2024: 12%) respectively based on existing legislation in respect thereof.

12. INCOME TAX EXPENSE *(continued)*

Reconciliation between tax expense and accounting profit at applicable tax rates:

	2025 **HK$'000**	2024 HK$'000
Profit before tax	**7,457**	37,731
Notional tax on profit before taxation, calculated at the prevailing tax rates applicable to profits in the jurisdiction concerned	**1,248**	6,212
Tax effect of non-taxable income	**(963)**	(3,500)
Tax effect of non-deductible expenses	**1,567**	529
Tax effect of temporary difference not recognised	**63**	2,692
(Over)/under-provision in respect of prior years	**(19)**	225
Statutory tax concession	**(2)**	(3)
Income tax expense for the year	**1,894**	6,155

13. DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS AND EMPLOYEES' REMUNERATION

Directors' and chief executive's emoluments

The emoluments paid or payable to each of the directors for the years ended 31 March 2024 and 2025 were calculated with reference to their employment as directors or for provision of other services to the Company and the Group, are set out below:

For the year ended 31 March 2025

	Directors' fees HK$'000	Salaries and other benefits HK$'000	Discretionary bonus HK$'000 *(Note a)*	Retirement benefits scheme contributions HK$'000	Total HK$'000
Executive Director					
Mr. Lo	240	1,003	167	18	1,428
Non-Executive Directors					
Ms. Lam Ching Man	144	–	–	–	144
Mr. Lui Hin Weng, Samuel	144	–	–	–	144
Independent Non-Executive Directors					
Dr. Wu Wing Kuen ("**Dr. Wu**") (passed away on 17 February 2025)	132	–	–	–	132
Mr. Wong Ping Yiu ("**Mr. Wong**")	144	–	–	–	144
Mr. Chow Ka Wo Alex ("**Mr. Chow**")	144	–	–	–	144
	948	1,003	167	18	2,136

13. DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS AND EMPLOYEES' REMUNERATION *(continued)*

Directors' and chief executive's emoluments *(continued)*

For the year ended 31 March 2024

	Directors' fees HK$'000	Salaries and other benefits HK$'000	Discretionary bonus HK$'000 *(Note a)*	Retirement benefits scheme contributions HK$'000	Total HK$'000
Executive Directors					
Mr. Lo	240	960	320	18	1,538
Mr. Lo Chun Wa (resigned on 8 May 2023)	15	143	–	5	163
Non-Executive Directors					
Ms. Lam Ching Man	144	–	–	–	144
Mr. Lui Hin Weng, Samuel	144	–	–	–	144
Independent Non-Executive Directors					
Dr. Wu Wing Kuen *B.B.S.* (passed away on 17 February 2025)	144	–	–	–	144
Mr. Tso Ping Cheong Brian ("**Mr. Tso**") (resigned on 18 January 2024)	115	–	–	–	115
Mr. Wong Ping Yiu ("**Mr. Wong**")	144	–	–	–	144
Mr. Chow Ka Wo Alex ("**Mr. Chow**") (appointed on 18 January 2024)	29	–	–	–	29
	975	1,103	320	23	2,421

Note:

(a) The bonus is determined having regard to the Group's and the respective member's performance for each year.

Mr. Lo acts as chief executive of the Company and his emoluments disclosed above include those for services rendered by him as chief executive.

The Executive Directors' emoluments shown above were for their services in connection with the management of the affairs of the Company and the Group. The Non-Executive Directors and Independent Non-Executive Directors' emoluments shown above were for their services as director.

13. DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS AND EMPLOYEES' REMUNERATION *(continued)*

Directors' and chief executive's emoluments *(continued)*

No emolument were paid by the Group to the directors or five highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office during both years. None of the directors or five highest paid individuals has waived or agreed to waive any emoluments during both years.

Except for those disclosed in material related party transactions in note 32 to the consolidated financial statements, no other transactions, arrangements and contracts in relation to the Group's business to which the Company or any subsidiaries of the Company was a party and in which a director had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

The five highest paid individuals with the highest emoluments in the Group include 1 (2024: 1) director, details of their emoluments are set out in the disclosure above. The aggregate remuneration for the remaining 4 (2024: 4) individuals is as follows:

	2025 HK$'000	2024 HK$'000
Salaries and allowances	**3,348**	3,213
Discretionary bonus	**558**	959
Retirement benefits scheme contributions	**72**	72
	3,978	4,244

The emoluments of the highest paid individual fell within the following band:

	2025 Number of employees	2024 Number of employees
Nil to HK$1,000,000	**3**	1
HK$1,000,001 to HK$1,500,000	**1**	3
	4	4

14. DIVIDENDS

	2025 HK$'000	2024 HK$'000
Dividends recognised as distribution during the year		
Final dividend proposed after the end of the reporting period of HK2.00 cents per ordinary share (2024: HK2.00 cents per ordinary share)	**9,600**	9,600
Interim dividend declared and paid of HK1.00 cent per ordinary share (2024: HK1.00 cent per ordinary share)	**4,800**	4,800
	14,400	14,400

Subsequent to the end of the reporting period, a final dividend of HK1.00 cent (2024: HK2.00 cents) per share, in respect of the year ended 31 March 2025 has been proposed by the directors and are subject to approval by the shareholders at the forthcoming annual general meeting.

15. EARNINGS PER SHARE

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

	2025 HK$'000	2024 HK$'000
Earnings		
Earnings for the purposes of basic and diluted earnings per share	**5,610**	31,231

	2025 '000	2024 '000
Number of shares		
Weighted average number of ordinary shares for the purpose of basic and diluted earnings per share	**480,000**	480,000

The diluted earnings per share for the years ended 31 March 2025 and 2024 were the same as basic earnings per share as there were no potential outstanding shares for both years.

16. PROPERTY, PLANT AND EQUIPMENT

	Owned properties HK$'000	Leasehold improvements HK$'000	Furniture and fixtures HK$'000	Office equipment HK$'000	Motor vehicles HK$'000	Total HK$'000
COST						
As at 1 April 2023	1,590	10,034	1,072	15,326	–	28,022
Additions	–	3,485	–	1,496	–	4,981
Exchange realignment	–	–	–	(3)	–	(3)
As at 31 March 2024 and 1 April 2024	1,590	13,519	1,072	16,819	–	33,000
Additions	–	915	–	1,985	816	3,716
Exchange realignment	–	–	(1)	(5)	–	(6)
As at 31 March 2025	**1,590**	**14,434**	**1,071**	**18,799**	**816**	**36,710**
ACCUMULATED DEPRECIATION						
As at 1 April 2023	122	6,380	793	8,568	–	15,863
Charge for the year	64	2,513	186	3,690	–	6,453
Exchange realignment	–	–	–	(3)	–	(3)
As at 31 March 2024 and 1 April 2024	186	8,893	979	12,255	–	22,313
Charge for the year	63	1,703	92	3,699	184	5,741
Exchange realignment	–	–	(1)	(4)	–	(5)
As at 31 March 2025	**249**	**10,596**	**1,070**	**15,950**	**184**	**28,049**
NET BOOK VALUE						
As at 31 March 2025	**1,341**	**3,838**	**1**	**2,849**	**632**	**8,661**
As at 31 March 2024	1,404	4,626	93	4,564	–	10,687

17. RIGHT-OF-USE ASSETS

	Leasehold land HK$'000	Leased properties HK$'000	Total HK$'000
COST			
As at 1 April 2023, 31 March 2024, 1 April 2024 and 31 March 2025	7,510	298	7,808
ACCUMULATED DEPRECIATION			
As at 1 April 2023	576	124	700
Charge for the year	300	149	449
As at 31 March 2024 and 1 April 2024	876	273	1,149
Charge for the year	301	25	326
As at 31 March 2025	**1,177**	**298**	**1,475**
NET BOOK VALUE			
As at 31 March 2025	**6,333**	**–**	**6,333**
As at 31 March 2024	6,634	25	6,659

The Group is the registered owner of the office premises, including the underlying leasehold land. Lump sum payments were made upfront to acquire these property interests. The leasehold land and building components of the office premises are presented separately in right-of-use assets and property, plant and equipment of approximately HK$7,510,000 and HK$1,590,000, respectively.

	2025 HK$'000	2024 HK$'000
Interest on lease liabilities	**–**	8
Expense related to short-term leases	**3,006**	2,880
Total cash outflow for leases	**3,006**	2,888

The Group has obtained the right to use certain properties as its office premises through tenancy agreements. The leases typically run for an initial period of 1 to 2 years. The leases do not include options to renew the leases for an additional period after the end of the contract term or contain variable lease payment terms.

18. INTANGIBLE ASSETS

	Software system HK$'000 (Note a)	Terminal management system HK$'000 (Note b)	Total HK$'000
COST			
As at 1 April 2023	5,650	2,450	8,100
Exchange realignment	–	(76)	(76)
As at 31 March 2024 and 1 April 2024	5,650	2,374	8,024
Exchange realignment	–	(106)	(106)
As at 31 March 2025	**5,650**	**2,268**	**7,918**
ACCUMULATED AMORTISATION AND IMPAIRMENT			
As at 1 April 2023	2,543	1,931	4,474
Charge for the year	1,695	236	1,931
Exchange realignment	–	(60)	(60)
As at 31 March 2024 and 1 April 2024	4,238	2,107	6,345
Charge for the year	1,412	52	1,464
Exchange realignment	–	(94)	(94)
As at 31 March 2025	**5,650**	**2,065**	**7,715**
NET BOOK VALUE			
As at 31 March 2025	**–**	**203**	**203**
As at 31 March 2024	1,412	267	1,679

Notes:

(a) It represented the software system acquired by the Group during the year ended 31 March 2022.

(b) It represented the technologies in relation to the management of EFT-POS terminals through cloud computing.

19. GOODWILL

	2025 HK$'000	2024 HK$'000
Cost, accumulated impairment losses and carrying amounts		
Newport	**227**	227
FTS	**10,351**	10,351
Less: impairment loss on FTS	**(3,563)**	–
	7,015	10,578

Notes:

(a) During the year ended 31 March 2019, the Group acquired 75% issued share capital of Newport Tek Pty Ltd ("**Newport**") and therefore goodwill of approximately HK$227,000 was recognised upon completion of the acquisition.

Management performed assessments on the recoverable amounts of the cash generating unit ("**Newport CGU**") based on the cash flow forecast of the business. Management considered that there was no impairment of goodwill in relation to these operations as at 31 March 2025 (31 March 2024: Nil).

(b) During the year ended 31 March 2022, the Group acquired 100% issued share capital of Faster Technology Service (Macau) Limited (the "**FTS**") and therefore goodwill of approximately HK$10,351,000 was recognised upon completion of the acquisition.

Management performed assessments on the recoverable amounts of the cash generating unit ("**FTS CGU**") based on the cash flow forecast of the business. Management considered that there was an impairment of goodwill of approximately HK$3,563,000 in relation to these operations as at 31 March 2025 (31 March 2024: Nil).

Impairment testing on goodwill

Goodwill has been allocated for impairment testing purposes to the following groups of cash generating units:

– Provision of embedded system solution services

– Provision of maintenance services of EFT-POS system

19. GOODWILL *(continued)*

Impairment testing on goodwill *(continued)*

Newport

The goodwill of Newport arose from the acquisition of Newport during the year ended 31 March 2019. Newport principally engaged in software and application development on payment system and provision of the embedded system solutions services since 2016. Newport has tailor-made the software and application on the payment system to customers. The services provide to the customers in Australia, and provides system support and software solution services income to the Group.

In preparing the consolidated financial statements for the year ended 31 March 2025, the Group has engaged an external valuer to perform valuation on the recoverable amount of Newport CGU for embedded system solution services based on a value in use calculation. The valuation had used cash flows projection based on financial budgets approved by management which covered a 5-year period, and incorporated therein, a discount rate of pre-tax 20.0% (2024: 20%); in addition, those expected cash flows beyond 5-year period contain 2% (2024: 2%) growth rate. This growth rate is based on the industry in which the Newport CGU operates.

The Group estimates the recoverable amounts of Newport CGU based on higher of fair value less costs of disposal and value in use. The carrying amount of the relevant assets does not exceed the recoverable amount based on value in use and no impairment has been recognised. Management believes that any reasonably possible change in the key assumptions would not result in an impairment.

FTS

The goodwill of FTS arose from the acquisition of FTS during the year ended 31 March 2022. FTS principally engaged in provision of maintenance services of EFT-POS system since 2018. FTS provided the EFT-POS maintenance services in Macau, and provides system support and software solution services income to the Group.

As anticipated by management, there will be a slowdown in development and keen competition in the software and gateway market in Macau. The management considered these developments as impairment indicators and had performed the impairment assessment.

In preparing the consolidated financial statements for the year ended 31 March 2025, the Group has engaged an external valuer to perform valuation on the recoverable amount of FTS CGU for provision of maintenance services based on a value in use calculation.

19. GOODWILL *(continued)*

Impairment testing on goodwill *(continued)*

FTS *(continued)*

The key assumptions used in estimating the recoverable amount are as follows:

	2025 **HK$'000**	2024 HK$'000
Annual revenue growth rate during the forecast period *(note (i))*:	**2.00%–7.15%**	2.00%–8.04%
Growth rate beyond the forecast period *(note (ii))*	**2%**	2%
Pre-tax discount rate	**15.7%**	17%

Notes:

(i) The decrease in revenue growth rate is due to economic downturn and keen competition in Macau.

(ii) Cash flows beyond the five-year period are extrapolated using an estimated weighted average growth rate which is consistent with the forecasts included in industry reports and generally in line with 2024.

The impairment loss of HK$3,563,000 recognised in "impairment loss on goodwill" during the year solely relates to business of FTS. As the CGU has been reduced to its recoverable amount of HK$6,788,000, any adverse change in the assumptions used in the calculation of recoverable amount would result in further impairment losses.

20. INTEREST IN AN ASSOCIATE

On 31 December 2024, the Group has completed the acquisition of 16.7% of the issued share capital of Bonum LLC, with cash consideration of US$200,000 (equivalent to approximately HK$1,560,000), software consideration of US$280,000 (equivalent to approximately HK$2,184,000) and hardware consideration of US$520,000 (equivalent to approximately HK$4,056,000).

The following list contains the particulars of the associate, which is an unlisted corporate entity whose quoted market price is not available:

				Proportion of ownership interest				
				Group's effective interest		Held by a subsidiary		
Name of associate	**Form of business structure**	**Place of incorporation and business**	**Particulars of issued and paid up capital**	**2025**	2024	**2025**	2024	**Principal activity**
Bonum LLC	Incorporated	Mongolia	5,602,000 ordinary shares of MNT1,000 each	**16.7%**	–	**16.7%**	–	Information technology and software development *(Note)*

Note: The investment in Bonum LLC, a company specialised in payment solutions services, in particular on the areas of payment card issuing and acquiring of merchants in usage of point-of-sales terminals for payment transactions in Mongolia, enables the Group to have exposure to this market through local expertise.

The above associate is accounted for using the equity method in the consolidated financial statements.

Information of the associate that is not individually material:

	2025 HK$'000
Carrying amount of the individually immaterial associate in the consolidated financial statements	**7,428**
Amounts of the Group's share of the associate's	
Loss from continuing operations	**(271)**
Total and other comprehensive income	**(271)**

The Group is still in the process of identifying and valuing intangible assets that can be recognised separately from goodwill. Adjustments to those provisional values of identifiable assets and liabilities, including any additional depreciation, amortisation, and other profit or loss effect, if any, will be recognised on the completion of the initial accounting.

21. INVENTORIES

	2025 HK$'000	2024 HK$'000
Finished goods	**3,137**	3,912

(a) The analysis of the amount of inventories recognised as an expense and included in profit or loss is as follows:

	2025 HK$'000	2024 HK$'000
Carrying amount of inventories sold	**11,631**	19,661
Write down of inventories	**129**	490
Reversal of write-down of inventories	**(69)**	(1,041)
	11,691	19,110

The reversal of write-down of inventories made in prior years arose due to an increase in the estimated net realisable value of inventories as a result of change in market condition and sales of certain products which had been written down to net realisable value in prior years.

22. TRADE AND OTHER RECEIVABLES AND DEPOSITS AND PREPAYMENT

	2025 HK$'000	2024 HK$'000
Current assets		
Trade receivables from contracts with customers	**30,739**	57,841
Less: allowance for credit losses	**(4,220)**	(2,577)
	26,519	55,264
Prepayment, deposits and other receivables	**2,899**	5,339
Rental deposits paid to the Lo's family *(Note a)*	**195**	195
Total	**29,613**	60,798

	2025 HK$'000	2024 HK$'000
Non-current assets		
Deposits and prepayment	**69**	–
Prepayment for purchase of property, plant and equipment	**–**	350
Total	**69**	350

Note:

(a) The properties owned by Mr. Lo and his spouse, Ms. Lam Ching Man ("**Ms. Lam**", collectively referred to as the "**Lo's Family**") are used as the office premises of the Group in Hong Kong.

Apart from the deposits and prepayment of HK$69,000, all of the trade and other receivables are expected to be recovered or recognised as expense within one year.

22. TRADE AND OTHER RECEIVABLES AND DEPOSITS AND PREPAYMENT *(continued)*

The Group in general allows credit periods of 30 days to 45 days to its trade customers from sales of EFT-POS terminals and peripheral devices, and provision of EFT-POS system support services and software solution services, while a longer credit period is granted to key customers based on individual credit evaluation performed.

The following is an aged analysis of trade receivables net of allowance for credit losses presented based on the invoice date at the end of the reporting period:

	2025 **HK$'000**	2024 HK$'000
Within 30 days	**8,078**	14,798
31–60 days	**6,949**	12,455
61–90 days	**1,339**	722
91–180 days	**3,135**	9,182
181–365 days	**3,788**	12,363
Over 365 days	**3,230**	5,744
	26,519	55,264

Further details on the Group's credit policy and credit risk arising from trade receivables are set out in note 30(a).

Contract assets

The contract assets arising from provision of system support and software solution services. It primarily relates to the Group's right to consideration for work completed and not billed because the rights are conditioned on the Group's future performance. The contract assets are transferred to trade receivables when the rights become unconditional.

The contract assets are expected to be recovered within one year.

23. CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise:

	2025 **HK$'000**	2024 HK$'000
Deposits with banks and other financial institutions within three months of original maturity	**49,911**	44,421
Cash at bank and on hand	**34,889**	18,104
	84,800	62,525

24. TRADE AND OTHER PAYABLES

	2025 HK$'000	2024 HK$'000
Trade payables	**3,124**	5,367
Contract liabilities	**7,153**	3,505
Other payables and accrued expenses	**4,044**	2,572
	14,321	11,444

The average credit period on trade payables is 30 days. The aging analysis of the Group's trade payables below is presented based on the invoice date at the end of the reporting period.

	2025 HK$'000	2024 HK$'000
Within 30 days	**2,187**	3,233
31–60 days	**362**	153
61–90 days	**2**	312
Over 90 days	**573**	1,669
	3,124	5,367

Contract liabilities represented advance payments received from customers for provision of system support and software solution services. The Group received the entire consideration in advance before providing relevant services to customers.

The following table shows how much of the revenue recognised relates to carried-forward contract liabilities.

	2025 HK$'000	2024 HK$'000
As at 1 April 2024 and 2023	**3,505**	8,382
Decrease in contract liabilities as a result of recognising revenue during the year that was included in the contract liabilities at the beginning of the reporting period	**(2,837)**	(8,047)
Increase in contract liabilities as a result of receiving sales deposits during the year	**1,528**	3,170
Increase in contract liabilities as a result for non-cash considerations to be settled through hardware and software sales for the acquisition of Bonum LLC	**4,957**	–
As at 31 March 2025 and 2024	**7,153**	3,505

The amount of contract liabilities expected to be recognised as income after more than one year is HK$Nil (2024: HK$1,060,000). All of the other contract liabilities are expected to be recognised as income within one year.

25. LEASE LIABILITIES

	2025 HK$'000	2024 HK$'000
Lease liabilities payables:		
Within one year	–	27

26. INCOME TAX IN THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(a) Current taxation in the consolidated statement of financial position represents:

	2025 HK$'000	2024 HK$'000
Provision for Hong Kong Profits Tax for the year	2,420	6,988
Provisional Profits Tax paid	(3,894)	(4,167)
	(1,474)	2,821
Balance for oversea taxes	(142)	491
Balance of Profits Tax provision relating to prior years	2,268	186
	652	3,498

26. INCOME TAX IN THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION *(continued)*

(b) Deferred tax assets and liabilities recognised

The followings are the deferred tax (assets)/liabilities recognised and movements thereon during the current and prior years:

	Loss allowance for trade receivables	Depreciation allowances in excess of the related depreciation	Total
	HK$'000	HK$'000	HK$'000
As at 1 April 2023	(416)	1,212	796
Charged/(credited) to profit or loss *(Note 12)*	36	(1,098)	(1,062)
As at 31 March 2024 and 1 April 2024	(380)	114	(266)
Credited to profit or loss *(Note 12)*	(217)	(637)	(854)
As at 31 March 2025	**(597)**	**(523)**	**(1,120)**

(c) Deferred tax assets not recognised

In accordance with the accounting policy set out in note 4(n), the group has not recognised deferred tax assets in respect of cumulative tax losses of HK$4,965,000 (2024: HK$3,228,000) as it is not probable that future taxable profits against which the losses can be utilised will be available in the relevant tax jurisdiction and entity. The tax losses do not expire under current tax legislation.

27. SHARE CAPITAL

	Number of shares	Amount
		HK$'000
Ordinary shares of HK$0.01 each		
Authorised:		
As at 1 April 2023, 31 March 2024, 1 April 2024 and 31 March 2025	780,000,000	7,800
Issued and fully paid:		
As at 1 April 2023, 31 March 2024, 1 April 2024 and 31 March 2025	480,000,000	4,800

28. SHARE-BASED PAYMENT TRANSACTION

A share option scheme was adopted and approved by the Shareholders on 23 November 2016 (the "**Share Option Scheme**").

The Share Option Scheme is a share incentive scheme and is established to recognise and acknowledge the contributions the eligible participants have had or may have made to the Group. The Share Option Scheme is valid and effective for a period of ten years commencing from the date of adoption of the scheme.

Eligible participants of Share Option Scheme include:

(i) any full-time or part-time employees, executives or officers of the Company or any of its subsidiaries;

(ii) any directors (including Non-Executive Directors and Independent Non-Executive Directors) of the Company or any of its subsidiaries;

(iii) any advisers, consultants, suppliers, customers and agents to the Company or any of its subsidiaries; and

(iv) such other persons who, in the sole opinion of the board of directors (the "**Board**"), will contribute or have contributed to the Group, the assessment criteria of which are:

(a) contribution to the development and performance of the Group;

(b) quality of work performed for the Group;

(c) initiative and commitment in performing his/her duties; and

(d) length of service or contribution to the Group.

The maximum number of shares which may be issued upon exercise of all outstanding Options granted and yet to be exercised under the Share Option Scheme and any other schemes for the time being of the Company shall not exceed 30% of the shares in issue from time to time. Share options of the Company which are lapsed or cancelled for the time being shall not be counted for the purpose of calculating the said 30% limit and the maximum number of shares which may be issued upon exercise of all Options granted and to be granted under the Share Option Scheme is an amount equivalent to 10% of the shares of the Company in issue as at the date of approval of the Share Option Scheme unless approval for refreshing the 10% limit from the Company's shareholders has been obtained. The total number of Shares issued and which may fall to be issued upon exercise of the Options granted under the Share Option Scheme and any other share option schemes of the Company (including exercised, outstanding Options and Shares which were the subject of Options which have been granted and accepted under the Share Option Scheme or any other scheme of the Company but subsequently cancelled (the "**Cancelled Shares**") to each eligible participant in any 12-month period up to the date of grant shall not exceed 1% of the Shares in issue as at the date of grant. Any further grant of Options in excess of this 1% limit shall be subject to the issue of a circular and the approval of the Shareholders in general meeting.

28. SHARE-BASED PAYMENT TRANSACTION *(continued)*

An Option may be exercised in accordance with the terms of the Share Option Scheme at any time after the date upon which the Option is deemed to be granted and accepted and prior to the expiry of ten years from that date. Upon acceptance of an Option to subscribe for Shares granted pursuant to the scheme, the eligible participant shall pay HK$1.00 to the Company as consideration for the grant. The subscription price for the Shares subject to the Options will be a price determined by the Board and notified to each participant and shall be the highest of:

(i) the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet on the date of grant of the Options;

(ii) the average closing price of the Shares as stated in the Stock Exchange's daily quotations sheets for the 5 trading days immediately preceding the date of grant of the Options; and

(iii) the nominal value of a Share.

As at 31 March 2025 and 2024, there were no outstanding number of share options available, for granting under the Share Option Scheme to subscribe for shares.

29. CAPITAL RISK MANAGEMENT

The Group manages its capital which includes all capital and reserve of the Group to ensure that entities in the Group will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and the equity balance. The Group's overall strategy remains unchanged throughout the year and from prior years.

The Directors reviews the capital structure from time to time. As a part of this review, the management considers the cost of capital and the risks associated with each class of capital. Based on recommendations of the management, the Group will balance its overall capital structure through dividend paid to shareholders, issue of new shares, repurchase of existing shares, issue of new debts or redemption of existing debts.

30. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS

Exposure to credit, liquidity, interest rate and currency risks arises in the normal course of the Group's business.

The Group's exposure to these risks and the financial risk management policies and practices used by the Group to manage these risks are described below.

(a) Credit risk

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

The Group does not provide any other guarantees which would expose the Group to credit risk.

Trade receivables

The Group has established a credit risk management policy under which individual credit evaluations are performed on all customers requiring credit over a certain amount. These evaluations focus on the customer's past history of making payments when due and current ability to pay, and take into account information specific to the customer as well as pertaining to the economic environment in which the customer operates. Trade receivables are in general due within 30–45 days from the date of billing, while a longer credit period is granted to key customers based on individual credit evaluation performed. Normally, the Group does not obtain collateral from customers.

The Group segmented its trade receivables based on geographic regions, due to different loss patterns experienced in the different regions.

At 31 March 2025, the exposure to credit risk for trade receivables by geographic region was as follows:

	2025 HK$'000	2024 HK$'000
Hong Kong	**26,177**	51,314
Australia	**4,556**	6,340
Others	**6**	187
Gross carrying amount of trade receivables	**30,739**	57,841

Loss allowance for trade receivables due from customers in Australia and others is insignificant as at 31 March 2025 and 2024.

At the end of the reporting period, 18% (2024: 30%) and 55% (2024: 54%) of the total trade receivables was due from the Group's largest customer and the five largest customers respectively.

30. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS *(continued)*

(a) Credit risk *(continued)*

Expected credit loss assessment for key customers in Hong Kong

The Group allocates each exposure to a credit risk grade based on available information about the customers (including but not limited to their external ratings). Credit risk grades are aligned to external credit rating definitions from Moody's. The Group assesses expected credit losses of the key customers individually by considering their loss given default and probabilities of default. The probabilities of default are assigned to individual customers based on their respective credit ratings.

The following table provides information about the exposure to credit risk and ECLs for trade receivables for key customers in Hong Kong by credit ratings that are aligned to external credit rating definition from Moody's as at 31 March 2025:

	2025			2024		
Credit rating	**Weighted-average expected loss rate %**	**Gross carrying amount HK$'000**	**Loss allowance HK$'000**	Weighted-average expected loss rate %	Gross carrying amount HK$'000	Loss allowance HK$'000
A1–A3	**0.07%**	**5,740**	**(4)**	0.06%	6,321	(4)
Baa1–Baa3	**0.19%**	**4,653**	**(9)**	0.16%	9,666	(15)
Ba1–Ba2	**0.48%**	**1,663**	**(8)**	0.55%	9,431	(52)
B3	**3.38%**	**5,650**	**(191)**	3.65%	18,068	(659)
		17,706	**(212)**		43,486	(730)

30. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS *(continued)*

(a) Credit risk *(continued)*

Expected credit loss assessment for other customers in Hong Kong

The Group measures loss allowances for trade receivables from other customers equal to lifetime ECLs, which is calculated using a provision matrix. Expected loss rates are based on actual loss experience over the past 12 months.

The following table provides information about the exposure to credit risk and ECLs for trade receivables for other customers in Hong Kong as at 31 March 2025:

	2025			2024		
	Expected loss rate %	**Gross carrying amount HK$'000**	**Loss allowance HK$'000**	Expected loss rate %	Gross carrying amount HK$'000	Loss allowance HK$'000
Current (not past due)	**2.5%**	**3,284**	**(83)**	2.8%	2,833	(80)
1 month past due	**16.4%**	**55**	**(9)**	12.3%	2,111	(259)
2 months past due	**23.8%**	**126**	**(30)**	19.8%	1,137	(225)
3 months past due	**31.6%**	**38**	**(12)**	21.9%	114	(25)
More than 3 months past due	**65.9%**	**4,968**	**(3,273)**	60.0%	1,633	(980)
		8,471	**(3,407)**		7,828	(1,569)

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

	HK$'000
Balance at 1 April 2023	3,143
Impairment losses reversed	(551)
Exchange realignment	(15)
Balance at 31 March and 1 April 2024	2,577
Impairment losses recognised	1,671
Exchange realignment	(28)
Balance at 31 March 2025	**4,220**

30. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS *(continued)*

(b) Liquidity risk

Individual operating entities within the Group are responsible for their own cash management, including the short-term investment of cash surpluses, and the raising of loans to cover expected cash demands. The Group's policy is to regularly monitor its liquidity requirements to ensure that it maintains sufficient reserves of cash and readily realisable marketable securities and adequate committed lines of funding from major financial institutions to meet its liquidity requirements in the short and longer term.

All of the Group's financial liabilities are expected to be repaid within 12 months from the end of the reporting period.

(c) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's interest rate risk arises primarily from its cash and cash equivalents. The directors considered that the overall interest rate risk is not significant as the fluctuation of the interest rates on cash and cash equivalents is considered minimal. Accordingly, no sensitivity analysis is prepared and presented.

(d) Currency risk

The Group is exposed to currency risk primarily through sales and purchases which give rise to receivables, payables and cash balances that are denominated in a foreign currency, i.e. a currency other than the functional currency of the operations to which the transactions relate. The currencies giving rise to this risk are primarily Renminbi ("**RMB**"), United States dollars ("**USD**"), and Australian dollars ("**AUD**"). The Group currently does not have a foreign currency hedging policy. However, the directors monitor foreign exchange exposures and will consider hedging significant foreign currency exposures should such need arise.

The following table details the Group's exposure at the end of the reporting period to currency risk arising from recognised assets or liabilities denominated in a currency other than the functional currency of the entity to which they relate. For presentation purposes, the amounts of the exposure are shown in Hong Kong dollars, translated using the spot rate at the year end date.

	Exposure to foreign currencies (expressed in Hong Kong dollars)					
	2025			2024		
	RMB HK$'000	**USD HK$'000**	**AUD HK$'000**	RMB HK$'000	USD HK$'000	AUD HK$'000
Trade and other receivables	**–**	**1,710**	**1**	–	1,449	1
Cash and cash equivalents	**2,008**	**555**	**3,956**	2,306	71	4,238
Trade and other payables	**(138)**	**(1,123)**	**(42)**	(1,015)	(1,431)	(42)
Gross exposure arising from recognised assets and liabilities	**1,870**	**1,142**	**3,915**	1,291	89	4,197

30. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS *(continued)*

(d) Currency risk *(continued)*

Sensitivity analysis

The following table indicates the instantaneous change in the Group's profit after tax (and retained profits) that would arise if foreign exchange rates to which the Group has significant exposure at the end of the reporting period had changed at that date, assuming all other risk variables remained constant. In this respect, it is assumed that the pegged rate between the Hong Kong dollar and the United States dollar would be materially unaffected by any changes in movement in value of the United States dollar against other currencies.

	2025		2024	
	Increase/ (decrease) in foreign exchange rates	**Effect on profit after tax and retained profits HK$'000**	Increase/ (decrease) in foreign exchange rates	Effect on profit after tax and retained profits HK$'000
RMB	**10%**	**187**	10%	129
	(10%)	**(187)**	(10%)	(129)
AUD	**10%**	**392**	10%	420
	(10%)	**(392)**	(10%)	(420)

The sensitivity analysis assumes that the change in foreign exchange rates had been applied to re-measure those assets or liabilities denominated in foreign currency held by the Group which expose the Group to foreign currency risk at the end of the reporting period. The analysis is performed on the same basis as at 31 March 2024.

(e) Fair value measurement

The carrying amounts of the Group's financial instruments carried at amortised cost were not materially different from their fair value as at 31 March 2025 and 2024.

31. 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 in the Group's consolidated statement of cash flows as cash flows from financing activities.

	Lease liabilities HK$'000
As as at 1 April 2023	178
Financing cash flow	(159)
Interest expense	8
As at 31 March 2024 and 1 April 2024	27
Financing cash flow	(27)
As at 31 March 2025	**–**

32. RELATED PARTY TRANSACTIONS

Apart from details of the balances with related parties disclosed in the consolidated statement of financial position and other details disclosed elsewhere in the consolidated financial statements, the Group also entered into the following significant transactions with related parties during the year:

Name of related party	Nature of transactions/balance	2025 HK$'000	2024 HK$'000
Affinity Corporation Limited *(Note i)*	Rental expense paid	**336**	336
	Rental deposit	**56**	56
EFT Payments (Asia) Limited *(Note i)*	Sales of EFT-POS terminals and peripheral devices *(Note ii)*	**3,636**	4,836
	Provision of EFT-POS system support services	**11,529**	11,715
	Referral fee paid	**1,441**	2,024
	Trade and other receivables	**5,650**	18,068
LCKB Company Limited *(Note i)*	Rental expenses paid	**654**	384
	Rental deposit	**154**	64
Mr. Lo	Rental expenses paid	**846**	846
	Rental deposit	**141**	141
Ms. Lam Ching Man *(Note iii)*	Rental expenses paid	**324**	324
	Rental deposit	**54**	54
Fillen Limited *(Note i)*	Rental expenses paid	**600**	600
	Rental deposit	**100**	100

Notes:

i Mr. Lo is the ultimate shareholder of Affinity Corporation Limited, LCKB Company Limited, Fillen Limited and EFT Payments (Asia) Limited.

ii The prices were made with reference to transactions prices of EFT-POS terminals products of comparable quality, quantity, specifications and delivery deadline and arrangements offered to at least 2 independent third parties in the ordinary and usual course of business.

iii Ms. Lam Ching Man is a Non-Executive Director and the spouse of Mr. Lo.

Compensation of key management of personnel

Key management personnel include the directors, and their compensation during the year is set out in Note 13.

33. PARTICULARS OF SUBSIDIARIES OF THE COMPANY

Details of the Company's subsidiaries as at 31 March 2025 and 2024 are as follows:

Name of subsidiaries	Place/country of incorporation	Place/country of operations	Particulars of issued share capital/registered capital	Proportion of ownership/interest and voting power held by the Company – Directly 2025	Directly 2024	Indirectly 2025	Indirectly 2024	Principal activities
Direct Assistance Limited	BVI	Hong Kong	100 ordinary shares of US$100	100%	100%	–	–	Investment holding
Effective Enrich Limited	BVI	Hong Kong	100 ordinary shares of US$100	100%	100%	–	–	Investment holding
EFT Solutions International Limited	BVI	Hong Kong	1 ordinary share of US$1	100%	100%	–	–	Investment holding
Golden Trophy Limited	BVI	Hong Kong	100 ordinary shares of US$100	100%	–	–	–	Investment holding
Mass Zone Limited	BVI	Hong Kong	50,000 ordinary shares of US$50,000	100%	100%	–	–	Investment holding
Mission Strike Limited	BVI	Hong Kong	100 ordinary share of US$100	100%	–	–	–	Investment holding
Rich Giant Group Limited	BVI	Hong Kong	50,000 ordinary shares of US$50,000	100%	100%	–	–	Investment holding
Success Creation Limited	BVI	Hong Kong	100 ordinary shares of US$100	100%	100%	–	–	Investment holding
Maxwell Focus Limited	BVI	Hong Kong	100 ordinary shares of US$100	100%	100%	–	–	Investment holding
Smashing Express Limited	BVI	Hong Kong	100 ordinary shares of US$100	100%	–	–	–	Investment holding
EFT Solutions Limited	Hong Kong	Hong Kong	100 ordinary shares of HK$100	–	–	100%	100%	Sales of EFT-POS terminals and peripheral devices and provision of EFT-POS system support services and software solution services
EFT Services International Limited	Hong Kong	Hong Kong	1 ordinary share of HK$1	–	–	100%	100%	Investment holding

33. PARTICULARS OF SUBSIDIARIES OF THE COMPANY *(continued)*

Name of subsidiaries	Place/country of incorporation	Place/country of operations	Particulars of issued share capital/registered capital	Proportion of ownership/interest and voting power held by the Company Directly 2025	Directly 2024	Indirectly 2025	Indirectly 2024	Principal activities
LCKA Company Limited	Hong Kong	Hong Kong	1 ordinary share of HK$1	–	–	100%	100%	Property holding
Newport Tek Pty Ltd	Australia	Australia	480 ordinary shares of AUD480	–	–	75%	75%	Provision of embedded system solution services
俊盟信息科技(廣州)有限公司	PRC	PRC	HK$500,000 registered capital	–	–	100%	100%	Sales of EFT-POS terminals and peripheral devices and provision of EFT-POS system support services and software solution services
Faster Technology Service (Macau) Limited	Macau	Macau	MOP25,000 registered capital	–	–	100%	100%	Provision of EFT-POS system support service in Macau
EFT Solutions (Malaysia) Sdn. Bhd.	Malaysia	Malaysia	100 ordinary share of RM100	–	–	100%	100%	Provision of information communication technology system security
EFT Solutions (SEA) Pte Ltd	Singapore	Singapore	100 ordinary share of SGD100	–	–	100%	100%	Sales of EFT-POS terminals and peripheral devices and provision of EFT-POS system support services and software solution services
EFT Solutions Limited (Taiwan)	Taiwan	Taiwan	500,000 ordinary shares of TWD5,000,000	–	–	100%	–	Sales of EFT-POS terminals and peripheral devices and provision of EFT-POS system support services and software solution services

None of the subsidiaries had issued any debt securities subsisting at the end of both years or any time during both years.

All of the subsidiaries are private companies with limited liabilities.

The directors consider that the Group's non-controlling interests were insignificant to the Group and thus are not separately presented in these consolidated financial statements for the both years. In addition, no separate financial information of this non-wholly owned subsidiary is required to be presented.

34. INFORMATION ABOUT FINANCIAL POSITION OF THE COMPANY

Information about the statement of financial position of the Company at the end of the reporting period includes:

	Notes	2025 HK$'000	2024 HK$'000
Non-current asset			
Investments in subsidiaries	33	**15,110**	15,109
Current assets			
Prepayment and other receivables		**232**	198
Amounts due from subsidiaries		**50,837**	50,837
Bank balances and cash		**353**	353
		51,422	51,388
Current liabilities			
Accruals		**1,240**	1,349
Amounts due to subsidiaries		**6,744**	6,731
		7,984	8,080
Net current assets		**43,438**	43,308
Net assets		**58,548**	58,417
Capital and reserves			
Share capital	27	**4,800**	4,800
Reserves *(Note)*		**53,748**	53,617
Total equity		**58,548**	58,417

Approved and authorised for issue by the board of directors on 30 June 2025.

Lo Chun Kit Andrew
DIRECTOR

Lam Ching Man
DIRECTOR

34. INFORMATION ABOUT FINANCIAL POSITION OF THE COMPANY *(continued)*

Note: **Movement in reserves**

	Share premium HK$'000	Retained earnings HK$'000	Total HK$'000
As as at 1 April 2023	53,545	82	53,627
Profit and total comprehensive income for the year	–	14,390	14,390
Dividend recognised as distribution *(Note 14)*	–	(14,400)	(14,400)
As at 31 March 2024 and 1 April 2024	53,545	72	53,617
Profit and total comprehensive income for the year	–	14,531	14,531
Dividend recognised as distribution *(Note 14)*	–	(14,400)	(14,400)
As at 31 March 2025	**53,545**	**203**	**53,748**

35. NON-ADJUSTING EVENTS AFTER THE REPORTING PERIOD

On 16 April 2025, the indirectly wholly-owned subsidiary of the Company (the "**Potential Purchaser**") entered into a non-legally binding memorandum of understanding with Hsu Ching Chung (the "**Potential Vendor**"), pursuant to which the Potential Purchaser intends to purchase and the Potential Vendor intends to sell the certain issued share capital of Airlink Technology Co. Ltd (the "**Proposed Acquisition**"). No legally binding agreement in relation to the Proposed Acquisition has been entered into up to the date of this report.

36. POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 MARCH 2025

Up to the date of issue of these financial statements, the HKICPA has issued a number of new or amended standards, which are not yet effective for the year ended 31 March 2025 and which have not been adopted in these financial statements. These developments include the following which may be relevant to the Group.

	Effective for accounting periods beginning on or after
Amendments to HKAS 21, *The effects of changes in foreign exchange rates – Lack of exchangeability*	1 January 2025
Amendments to HKFRS 9, *Financial instruments* and HKFRS 7, *Financial instruments: disclosures – Amendments to the classification and measurement of financial instruments*	1 January 2026
Annual improvements to HKFRS Accounting Standards – Volume 11	1 January 2026
HKFRS 18, *Presentation and disclosure in financial statements*	1 January 2027
HKFRS 19, *Subsidiaries without public accountability: disclosures*	1 January 2027

The Group is in the process of making an assessment of what the impact of these developments is expected to be in the period of initial application. So far, the Group considers that the adoption of them is unlikely to have a significant impact on the Group's consolidated financial statements, except for HKFRS 18, where the structure of the Group's consolidated statement of profit or loss is expected to change.

FINANCIAL SUMMARY

A summary of the results and assets and liabilities of the Group for the last five financial years, as extracted from the Group's audited consolidated financial statements is set out below:

RESULTS

	Year ended 31 March				
	2025	2024	2023	2022	2021
	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000
Revenue	**94,353**	127,749	111,347	103,735	103,967
Profit before tax	**7,457**	37,731	23,330	13,375	29,216
Income tax expense	**(1,894)**	(6,155)	(3,714)	(2,681)	(2,467)
Profit for the year	**5,563**	31,576	19,616	10,694	26,749

ASSETS AND LIABILITIES

	As at 31 March				
	2025	2024	2023	2022	2021
	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000
Total assets	**148,525**	157,454	145,303	151,847	128,264
Total liabilities	**(15,119)**	(14,969)	(20,350)	(31,511)	(13,812)
Net assets	**133,406**	142,485	124,953	120,336	114,452