Goldway Education Group Limited

(Incorporated in the Cayman Islands with limited liability)

Stock Code: 8160

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

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

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

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

*This report, for which the directors (the "**Director(s)**") of Goldway Education Group Limited (the "**Company**", together with its subsidiaries, the "**Group**") collectively and individually accept full responsibility, includes particulars given in compliance with the Rules governing the Listing of Securities on the GEM of the Stock Exchange (the "**GEM Listing Rules**") for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief, the information contained in this report is accurate and complete in all material respects and not misleading or deceptive and there are no other matters the omission of which would make any statement herein or this report misleading.*

This report will remain on the "Latest Listed Company Information" page of the website of the Stock Exchange at www.hkexnews.hk for at least seven days from the day of its publication. This report will also be published on the Company's website at www.goldwayedugp.com.

CONTENTS

CORPORATE INFORMATION

BOARD OF DIRECTORS (THE "BOARD")

Executive directors

Mr. Leung Wai Tai
Ms. Li Yan Lin

Independent non-executive director

Mr. Yu Lap Pan
Mr. Wong Chi Man
Mr. Wong Ming Fair Victor

AUDIT COMMITTEE

Mr. Yu Lap Pan *(Chairman)*
Mr. Wong Chi Man
Mr. Wong Ming Fair Victor

REMUNERATION COMMITTEE

Mr. Wong Ming Fair Victor *(Chairman)*
Mr. Yu Lap Pan
Mr. Wong Chi Man

NOMINATION AND CORPORATE GOVERNANCE COMMITTEE

Ms. Li Yan Lin *(Chairlady)*
Mr. Yu Lap Pan
Mr. Wong Ming Fair Victor

COMPANY SECRETARY

Mr. Leung Wai Tai

AUTHORISED REPRESENTATIVES

Mr. Leung Wai Tai
Ms. Li Yan Lin

COMPLIANCE OFFICER

Mr. Leung Wai Tai

AUDITOR

CCTH CPA Limited
Certified Public Accountants
Registered Public Interest Entity Auditor
Unit 1510–1517, 15/F Tower 2,
Kowloon Commerce Centre,
No.51 Kwai Cheong Road,
Kwai Chung, New Territories,
Hong Kong

REGISTERED OFFICE

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

HEADQUARTERS AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Shop B10, 1/F
Goodrich Shopping Arcade
Tuen Mun, New Territories
Hong Kong

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Conyers Trust Company (Cayman) Limited
Cricket Square, Hutchins Drive
P.O. Box 2681
Grand Cayman, KY1-1111
Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

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

COMPANY'S WEBSITE ADDRESS

www.goldwayedugp.com

GEM STOCK CODE

8160

PROFILE OF THE DIRECTORS

EXECUTIVE DIRECTORS

Mr. Leung Wai Tai (梁煒泰先生) ("**Mr. Leung**"), aged 43, is an executive director of the Company. Mr. Leung obtained a bachelor of arts degree in Accountancy in the Hong Kong Polytechnic University in 2003, and obtained his postgraduate degree in Accounting from the School of Accounting and Finance of Hong Kong Polytechnic University in 2006. Mr. Leung is a Fellow Certified Public Accountant (Practising) in Hong Kong and the Managing Practising Director of Blossoming Certified Public Accountant Limited. He has nearly over 21 years of experience in the accountancy profession. Mr. Leung is an executive director of Simplicity Holding Limited (Stock Code: 8367), and was an independent non-executive director of International Entertainment Corporation (Stock code: 1009) from June 2023 to December 2024, both of the issued shares of which are listed on the Stock Exchange. Mr. Leung joined the Group in February 2023. On April 2023, Mr. Leung has been further appointed as the Company Secretary of the Company.

Ms. Li Yan Lin (李燕林女士) ("**Ms. Li**"), aged 32, obtained a diploma of business administration in 2024 from Shenzhen University. Currently, Ms. Li is a marketing manager of a company in Shenzhen. She has extensive experience in sales and marketing, business development and operating management. Ms. Li joined the Group in January 2025.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Yu Lap Pan (余立彬先生) ("**Mr. Yu**"), aged 43, is an independent non-executive director, the chairman of the audit committee, a member of remuneration committee and a member of nomination and corporate government committee of the Company. Mr. Yu obtained a bachelor's degree in applied accounting from Oxford Brookes University in 2007 and a master's degree in corporate governance from the Hong Kong Polytechnic University in 2020. He is a fellow member of the Association of Chartered Certified Accountants, a member of the Hong Kong Institute of Certified Public Accountants and an associate of both The Hong Kong Chartered Governance Institute and The Chartered Governance Institute in the United Kingdom. Mr. Yu have extensive experience in the related fields of finance, auditing, accounting and corporate governance practices. Mr. Yu is currently the company secretary of a securities company listed on the Stock Exchange. He is also an independent non-executive director of Shanyu Group Holdings Limited (stock code: 8245), a company listed on the GEM of the Stock Exchange. Mr. Yu joined the Group in May 2022.

Mr. Wong Chi Man (黃志文先生) ("**Mr. CM Wong**"), aged 42, is an independent non-executive director, a member of audit committee and a member of remuneration committee of the Company. Mr. CM Wong holds a master of Applied Finance degree from Monash University and a bachelor degree in Commerce from Deakin University, Australia. Mr. CM Wong is currently the Responsible Officer of a securities company in Hong Kong. He has over 14 years of experience in the field of investment, finance and securities advisory. Mr. CM Wong did not hold any directorship in any other listed companies in the past three years. Mr. CM Wong joined the Group in August 2022.

Mr. Wong Ming Fair Victor (王明輝先生) ("**Mr. V Wong**"), aged 42, graduated from the University of British Columbia with a bachelor's degree in economics. He has served in several public and private positions. Mr. V Wong is currently a committee member of the Jiangsu Province Huai'an Municipal Political Consultative Conference (江蘇省淮安市政協) and the Guizhou Province Youth Federation (貴州省青年聯合會). Mr. V Wong has close to 10 years experience of financial service industry. He currently serve as a director of a globally renowned business in European fabric trade and tailor suit. Mr. V Wong is also an executive director of Capital Finance Holdings Limited (Stock Code: 8239), the issued shares of which are listed on the Stock Exchange. Mr. V Wong joined the Group in November 2023.

BUSINESS REVIEW

Tutorial Business

During the year ended 31 March 2025 (the "**Year**"), the Group remained to focus on provision of tutoring services to secondary school students and primary school students in Hong Kong.

During the Year, the revenue generated from tutoring services has increased to approximately HK$40.9 million, representing an increase of approximately 13.2% comparing to that of the same period last financial year.

As at 31 March 2025, the Group had a total of 12 centres.

Franchising Business

The Group recorded franchising income of approximately HK$1.5 million for the Year, representing an increase of 50.1%. The significant increase was mainly due to the further recovery from pandemic situation and thus more enrolments was resulted. As at 31 March 2025, we have 7 franchise centres covering Kowloon, the New Territories and Hong Kong Island.

Management Service Business

The Group is principally engaged in the provision of management services to 深圳借山館藝術有限公司 (Shenzhen Jieshanguan Art Co. Ltd.*) ("**JSG**"), a company incorporated in the PRC with limited liability. JSG is principally engaged in the provision of art and painting education services to children under the brand "借山畫館" ("**Jieshan Gallery**") in Shenzhen, China.

The Group recorded approximately HK8.8 million of revenue for the Year, representing an increase of approximately 1.7%.

Environmental Policies and Performance

The Board admits the responsibility to environmental protection. Over the years, the Group has committed to reduce pollution and waste with a view of efficient and effective resources utilisation in our tutorial centres. Staff are reminded from time to time to this direction of the Group in this respect.

Compliance with the Relevant Laws and Regulations

The Group endeavours to comply with all legal and regulatory requirements, especially Education Ordinance, Copyright Ordinance and Trade Descriptions Ordinance. In relation to the human resources, the Group is committed to comply with the requirements of the applicable laws and regulations, such as the Employment Ordinance, Mandatory Provident Fund Schemes Ordinance, ordinances in relation to discrimination, the Personal Data (Privacy) Ordinance and the Minimum Wage Ordinance.

During the Year, there was no material breach of or non-compliance with the applicable laws and regulations by the Group.

Relationships with Employees, Customers and Suppliers

The Group recognises importance of retaining talents to ensure the continuity of business. The Group has established all-rounded staff policy and guidelines for staff welfare, support the development of talent and provide a safe workplace for staff. The Group encouraged employees to update their work-related knowledge, skill by providing training offered by external organisations. As at 31 March 2025, the number of employee was 97, which represented an increase of headcount compared to that of 96 as at 31 March 2024. During the Year, no violation of labour law was recorded. The customers of the Group included students and their parents considering the services are always paid by either one of them. During the Year, there was no material dispute between the Group and the customers/suppliers.

OUTLOOK

Hong Kong and Mainland China's economic outlooks are closely intertwined yet distinct. Hong Kong's faces challenges from geopolitical tensions. Growth is projected to be modest. Mainland China has set an economic growth target of 5% for 2025. According to the student enrolment statistics published by the Hong Kong Education Bureau, the number of student enrolment for primary and secondary school exhibited a downward trend in recent years. The impact of decreasing number of students was reflected in the soft demand for tutoring services in Hong Kong for primary and secondary education. Therefore the Group expects that the market for primary and secondary education tutoring services in Hong Kong to remain challenging in the coming years. In view of the uncertain prospects of the tutoring market in Hong Kong, the Group is always mindful to seek new business opportunities to diversify the income source of the Group.

The Group intends to engage in the new business which involves the provision of automated parking systems and related services in China. Initially the Group intends to engage in the sale/distribution of automated parking systems to car park owners in China through its connections with parking system suppliers and end customers.

Our experienced management team will also look for suitable investment opportunities continuously including but not limited to tutoring businesses and management service in Hong Kong and China to maintain the competitiveness of the Group and creating value for all stakeholders.

FINANCIAL REVIEW

Revenue

For the Year, the Group recorded total revenue of approximately HK$51.2 million, representing an increase of approximately 11.8% as compared to approximately HK$45.8 million for the year ended 31 March 2024. The increase was mainly due to the tutorial business income increased of approximately HK$4.8 million.

Depreciation expenses

Depreciation of property, plant and equipment comprises depreciation for right-of-use asset, leasehold improvements and other equipment. Depreciation of property, plant and equipment increased by approximately HK$0.2 million from approximately HK$0.7 million for the year ended 31 March 2024 to approximately HK$0.9 million for the Year. Depreciation for right-of-use asset increased by approximately HK$1.8 million for the year ended 31 March 2024 to approximately HK$6.8 million for the Year.

Employee benefits expense

Employee benefits expense mainly consist of wages and salaries, pension costs, share-based payment expenses and other benefits to the staff and the Directors. Employee benefits expense increased by 14.0% from approximately HK$35.8 million for the year ended 31 March 2024 to approximately HK$40.9 million for the Year, which was primarily resulted from the increase in working hours for extend business hours.

Other Operating Expenses

Other operating expenses for the year ended 31 March 2025 were approximately HK$12.0 million (2024: approximately HK$9.6 million) representing an increase of approximately 25%. The increase was primary due to short-term operating lease expenses, advertising expense and repair and maintenance increased.

Net loss for the year

The Group recorded a loss attributable to owners of the Company amounting to approximately HK$12.9 million for the Year (2024: Loss of approximately HK$6.4 million). Such change was primarily due to (i) depreciation of right-of-use asset increased to approximately HK$6.8 million (2024: approximately HK$5.0 million); (ii) employee benefit expenses increased to approximately HK$40.9 million (2024: approximately HK$35.8 million; and (iii) provision for ECL on account receivable increased to approximately HK$3.5 million (2024: approximately HK$0.8 million).

Cash and cash equivalents

As at 31 March 2025, the cash and cash equivalents amounted to approximately HK$14.3 million. The increase comparing to the balance as at 31 March 2024 was mainly due to cash inflow for the restricted bank deposits.

CONTINGENT LIABILITIES

As at 31 March 2025, the Group did not have any significant contingent liabilities.

LIQUIDITY AND FINANCIAL RESOURCES

During the Year, the Group mainly financed its operations with its own working capital. As at 31 March 2024 and 31 March 2025, the Group had net current assets of approximately HK$16.2 million and HK$17.8 million respectively.

As at 31 March 2025, the gearing ratio (calculated on the basis of promissory notes divided by the total equity) of the Group was Nil (2024: approximately 5.3%).

FOREIGN CURRENCY EXPOSURE

The Group's business is principally conducted in Hong Kong dollar. The Directors consider that potential foreign exchange exposure of the Group is limited. However, the management will monitor the foreign exchange exposure should the need arise.

SEGMENTAL INFORMATION

An analysis of the Group's performance for the Year by business segment is set out in note 6 to the consolidated financial statements.

CAPITAL STRUCTURE

Saved as disclosed in note 29 of the consolidated financial statements, no other changes in the capital structure of the Group during the year.

CHARGES ON THE GROUP'S ASSETS

As at 31 March 2025, the Group did not have charges on its assets (2024: Nil).

SIGNIFICANT INVESTMENT, ACQUISITIONS AND DISPOSALS

On 15 February 2023, Grand Popular Limited, a wholly owned subsidiary of the Company, entered into the sale and purchase agreement with Rainbow Kingdom Limited for the acquisition of 7.43% of the issued shares of Orange Financial Printing Limited ("**OFP**"), a company incorporated in Hong Kong at the consideration of approximately HK$9 million to be settled in cash and 129,629,630 new shares to be issued by the Company at the issue price of HK$0.054 per share pursuant to the agreement by the allotment and issue of the consideration shares. For details please refer to the announcement dated 15 February 2023, the supplemental announcement dated 22 February 2023 and circular dated 24 April 2023, poll result of the extraordinary general meeting dated 12 May 2023 and announcement of completion of disclosable transaction dated 30 June 2023.

As at 31 March 2025, the investment of OFP held by the Group save as follows:

Name of investee company	Number of shares held	Percentage of interest held	Cost HK$'000	Fair Value HK$'000	Accumulated unrealised loss arising on revaluation HK$'000	Change in fair value for the year HK$'000
Orange Financial Printing Limited	222,993	7.43%	9,389	5,010	(4,379)	(4,030)

OFP is a private company incorporated in Hong Kong with limited liability. The principal activities of OFP is provision of financial printing services in Hong Kong, specialising in IPO prospectuses, financial reports, circulars, announcements and other financial documents. As at 31 March 2025, the fair value of this investment amount to approximately HK$5,010,000 which accounted for approximately 8.6% of the total assets of the Group. The Group's investment strategy for this investment is for long-term capital appreciation.

The Group did not process any other significant investment, acquisition or disposal during the year.

FURTHER PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

Saved as disclosed in this annual report, the Group did not have any plans for material investments and capital assets.

FUND RAISING ACTIVITIES AND USAGE OF FUND PROCEEDS

Reference to announcement of the Company dated on 30 April 2024, the Company and a placing agent entered into a placing agreement in respect of the right issue 108,935,955 ordinary shares of HK$0.0005 each at a price of HK$0.145 per right issue, the raise gross proceeds of approximately HK$15.8 million before deducting the costs and expenses. The estimated net proceeds of the right issue will be up to approximately HK$15.0 million.

As at 31 March 2025, the net proceeds of the right issue had been utilized as follow:

	Allocation net proceeds disclosed in the announcement HK$ million	Actual net proceeds allocation HK$ million	Amount utilised as at 31 March 2025 HK$ million	Balance unutilised as at 31 March 2025 HK$ million
Automated parking business				
– office rental and related expenses	2.0	(0.3)	(0.3)	1.7
– salary and other administrative expenses	2.5	(0.2)	(0.2)	2.3
– working capital	5.5	(3.5)	(3.5)	2.0
General working capital of the Group	5.0	(5.0)	(5.0)	0.0
	15.0	(9.0)	(9.0)	6.0

The Directors present the annual report and audited consolidated financial statements for the year ended 31 March 2025.

PRINCIPAL ACTIVITIES

The Company is an investment holding company. The Group is principally engaged in providing education related tutoring services, franchising services and management services in Hong Kong and China.

BUSINESS REVIEW

Discussion and analysis of the principal activities of the Group as required by Schedule 5 to the Hong Kong Companies Ordinance can be found in the section headed "Management Discussion and Analysis" set out on pages 5 to 8 of this annual report. These discussions form part of this directors' report.

RESULT AND DIVIDENDS

The result of the Group for the Year are set out in the consolidated statement of profit or loss and other comprehensive income on page 44 of this annual report.

The Directors do not recommend the payment of final dividend for the Year (2024: Nil).

DIVIDEND POLICY

The Company has adopted a dividend policy which aims sets out principles and guidelines that the Company intends to apply in relation to the declaration, payment or distribution of its net profits as dividends to the Shareholders.

The Board shall also take into account the following factors of the Group when considering the declaration and payment of dividends:

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

Any dividend unclaimed shall be forfeited and shall revert to the Company in accordance with the articles of association of the Company (the "**Articles of Association**").

FINANCIAL SUMMARY

A summary of the published results and assets and liabilities of the Group for the last five years is set out on page 112 of this annual report. This summary does not form part of the audited consolidated financial statements.

PROPERTY, PLANT AND EQUIPMENT

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

MAJOR CUSTOMERS AND SUPPLIERS

The aggregate revenue attributable to the Group's largest customer and five largest customers were approximately 17.2% and approximately 17.3% respectively. Due to the nature of our business, we have 1 single customer and no supplier who account for more than 5% of our revenue and cost of sales respectively for the Year. To the best knowledge of the Directors, at no time during the Year, any Director or his associates or any shareholder (who owned more than 5% of the Company' issued share capital) has any interest in the above-mentioned customers or suppliers.

SHARE CAPITAL

Details of movements during the Year in the share capital of the Company are set out in Note 29 to the consolidated financial statements.

RESERVES

Details of movements in the reserves of the Group are presented in the consolidated statement of changes in equity on page 47 of this annual report.

As at 31 March 2025, the Company's reserves available for distribution represent the share premium and retained earnings amounting to approximately HK$4,062,000.

CLOSURE OF REGISTER OF MEMBERS

For ascertaining shareholders' right to attend and vote at the forthcoming annual general meeting (the "**AGM**").

Latest time to lodge transfers	4:30 p.m. on 15 August 2025 (Friday)
Book close date	18 August 2025 (Monday) to 21 August 2025 (Thursday)
AGM date and Record date	21 August 2025 (Thursday)

In order to qualify for the right to attend and vote at the AGM, all transfers accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch share registrar and transfer office, Tricor Investor Services Limited, at 17/F., Far East Finance Centre, 16 Harcourt Road, Hong Kong before the above latest time to lodge transfers.

SHARE OPTION SCHEME

We have conditionally adopted the share option scheme (the "**Share Option Scheme**") on 3 November 2016.

(i) Purpose of the Share Option Scheme

The purpose of which is to provide an incentive or a reward to eligible persons for their contribution to the Group and/or to enable the Group to recruit and retain high-calibre employees and attract human resources that are valuable to the Group or any entity in which the Group holds any equity interest (the "**Invested Entity**").

(ii) Who may join

Subject to the provisions in the Share Option Scheme, the Board shall be entitled at any time and from time to time within the period of ten (10) years after the date of adoption of the Share Option Scheme to make an offer to any of the following classes of persons (the "**Eligible Participant(s)**"):

(1) any employee (whether full-time or part-time) of the Company, any of its subsidiaries and any Invested Entity;

(2) any director (including executive, non-executive and independent non-executive directors) of the Company, any of the subsidiaries or any Invested Entity;

(3) any supplier of goods or services to any member of the Group or any Invested Entity;

(4) any customer of the Group or any Invested Entity;

(5) any consultant, adviser, manager, officer or entity that provides research, development or other technological support to the Group or any Invested Entity; or

(6) any person who, in the sole discretion of the Board, has contributed or may contribute to the Group or any Invested Entity eligible for options under the Share Option Scheme.

(iii) Maximum number of shares

(1) Notwithstanding anything to the contrary herein, the maximum number of shares which may be issued upon the exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other share option schemes of the Company must not, in aggregate, exceed 30% of the total number of shares in issue from time to time.

(2) The total number of shares in respect of which options may be granted under the Share Option Scheme and any other share option schemes of the Company shall not exceed 52,250,000 shares, being 10% of the total number of shares in issue as at the listing date unless the Company obtains the approval of the shareholders in general meeting for renewing the 10% limit (the "**Scheme Mandate Limit**") under the Share Option Scheme provided that options lapsed in accordance with the terms of the Share Option Scheme or any other share option schemes of the Company will not be counted for the purpose of calculating whether the Scheme Mandate Limit has been exceeded.

(3) The Company may seek approval of the shareholders in general meeting to renew the Scheme Mandate Limit such that the total number of shares in respect of which options may be granted under the Share Option Scheme and any other share option schemes of the Company as "renewed" shall not exceed 10% (the "**Renewal Limit**") of the total number of shares in issue as at the date of the approval of the shareholders on the renewal of the Scheme Mandate Limit, provided that options previously granted under the Share Option Scheme or any other share option schemes of the Company (including options outstanding, cancelled, lapsed in accordance with the terms of the Share Option Scheme or any other share option schemes of the Company or exercised) will not be counted for the purpose of calculating the Renewal Limit.

For the purpose of seeking the approval of the shareholders for the Renewal Limit, a circular containing the information and the disclaimer as required under the GEM Listing Rules must be sent to the shareholders.

(4) The Company may seek separate approval of the shareholders in general meeting for granting options beyond the Scheme Mandate Limit provided that the proposed grantee(s) of such option(s) must be specifically identified by the Company before such approval is sought. For the purpose of seeking the approval of the shareholders, the Company must send a circular to the shareholders containing a generic description of the specified proposed grantees of such options, the number and terms of the options to be granted, the purpose of granting such options to the proposed grantees with an explanation as to how the terms of options serve such purpose and the information as required under the GEM Listing Rules.

(iv) Maximum entitlement of each Eligible Participant

No option shall be granted to any Eligible Participant if any further grant of options would result in the shares issued and to be issued upon exercise of all options granted and to be granted to such person (including exercised, cancelled and outstanding options) in the 12-month period up to and including such further grant exceeding 1% of the total number of shares in issue, unless:

(1) such further grant has been duly approved, in the manner prescribed by the relevant provisions of Chapter 23 of the GEM Listing Rules, by resolution of the shareholders in general meeting at which the Eligible Participant and his/her/its associates shall abstain from voting;

(2) a circular regarding the further grant has been despatched to the shareholders in a manner complying with, and containing the information specified in, the relevant provisions of Chapter 23 of the GEM Listing Rules (including the identity of the Eligible Participant, the number and terms of the options to be granted and options previously granted to such Eligible Participant); and

(3) the number and terms (including the subscription price) of such option are fixed before the general meeting of the Company at which the same are approved.

(v) Exercise of an option

A consideration of HK$1 is payable on acceptance of the offer of grant of an option. Such consideration shall in no circumstances be refundable. An option may be exercised in whole or in part by the grantee (or his personal representative(s)) at any time before the expiry of the period to be determined and notified by the Board to the grantee which in any event shall not be longer than ten (10) years commencing on the date of the offer letter and expiring on the last day of such ten (10)-year period subject to the provisions for early termination as contained in the Share Option Scheme.

(vi) Subscription price for Shares

The subscription price of a share in respect of any particular option granted under the Share Option Scheme shall be a price determined by the Board in its absolute discretion and notified to an eligible participant, and shall be at least the highest of: (1) the closing price of the shares as stated in the Stock Exchange's daily quotations sheet on the date of the Board meeting at which the grant was proposed (the "**Offer Date**"), (2) the average closing price of the Shares as stated in the Stock Exchange's daily quotation sheets for the five consecutive business days immediately preceding the Offer Date, and (3) the nominal value of a Share on the Offer Date.

(vii) Period of the Share Option Scheme

Subject to any prior termination by the Company in a general meeting or by the Board, the Share Option Scheme shall be valid and effective for a period of ten (10) years commencing on the date of adoption of the Share Option Scheme, after which period no further option shall be granted but in respect of all options which remain exercisable at the end of such period, the provisions of the Share Option Scheme shall remain in full force and effect.

As at 31 March 2024 and for the year ended 31 March 2025, there were no share options granted, exercised, cancelled, lapsed or outstanding.

DIRECTORS

Biographical details of the Directors of the Group are set out on page 4 of this annual report.

Each of the executive Directors, has entered into a service contract with the Company for an initial term of three years and will continue thereafter until terminated by not less than three months' notice in writing served by either party on the other. Each of the executive Directors is entitled to their respective basic salary (subject to an annual increment, which will be made one year after the commencement date of the service agreement at the discretion of the Directors) and may receive a discretionary bonus, the amount of which will be determined by the Board at its absolute discretion having regard to the operation results of the Company and the performance of the Directors.

Each of the independent non-executive Directors has entered into a letter of appointment with the Company. The terms and conditions of each of such letters of appointment are similar in all material respects. Each of the independent non-executive Directors is appointed with a term of three years subject to termination in certain circumstances as stipulated in the relevant letters of appointment.

Each of the above remunerations is determined by the Company with reference to duties and level of responsibilities of each Director, the remuneration policy of the Company and the prevailing market conditions.

None of the Directors proposed for re-election at the forthcoming annual general meeting of the Company has a service contract which is not determinable by the Group within 1 year without payment of compensation (other than statutory compensation).

The appointments of the executive Directors, and the independent non-executive Directors are subject to the provisions of retirement and rotation of Directors under the Articles of Association.

Pursuant to article 84 of the Articles of Association, at each annual general meeting one-third of the Directors for the time being (or, if their number is not a multiple of three (3), the number nearest to but not less than one-third) shall retire from office by rotation provided that every Director shall be subject to retirement at an annual general meeting at least once every three years and the retiring Directors shall be eligible for re-election.

INDEPENDENCE OF INDEPENDENT NON-EXECUTIVE DIRECTORS

Pursuant to Rule 5.09 of the GEM Listing Rules, the Company has received from each of the existing independent non-executive Directors and annual confirmation of independence. Based on these confirmations, the Company considers all of the independent non-executive Directors are independent from the Group.

DIRECTORS' INTERESTS IN CONTRACTS

No transaction, arrangement or contract of significance, to which the Company, any of its controlling entities or its subsidiaries was a party, and in which a Director or an entity connected with a Director had a material interest, directly or indirectly, subsisted during or at the end of the Year.

MANAGEMENT CONTRACTS

No contract concerning the management and administration of the whole or any substantial part of the business of the Company was entered into or existed during the Year.

EMOLUMENTS OF DIRECTORS AND FIVE HIGHEST PAID INDIVIDUALS

The Directors' fees and other emoluments shall be subject to shareholders' approval at general meetings or determined by the Board with reference to the Directors' duties and level of responsibilities, the remuneration policy of the Company and the prevailing market conditions. Details of the emoluments of the Directors and the five highest paid individuals of the Group are set out in Note 10 to the consolidated financial statements.

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

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

INTERESTS AND SHORT POSITIONS OF SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS IN THE SHARES OR UNDERLYING SHARES OF THE COMPANY OR ITS ASSOCIATED CORPORATIONS

As at 31 March 2025, so far as the Directors are aware, the interests or short positions owned by any persons (other than the Directors or chief executive of the Company) in the Shares or underlying Shares of the Company which were required to be notified to the Company under Divisions 2 and 3 of Part XV of the SFO, or who will be, directly or indirectly, interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of the Company or any other members of the Group.

Long position in the Shares of the Company

Name of Shareholder	Capacity/ Nature of interest	Number of shares	Approximate percentage of issued shares
Wealthy View Investment Holdings Limited	Beneficial Owner	30,720,000	21.15%

Save as disclosed above, the Directors are not aware of any interests or short positions owned by any persons (other than the Directors or chief executive of the Company) in the Shares or underlying Shares of the Company which were required to be disclosed under Divisions 2 and 3 of Part XV of the SFO, or who will be, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of the Company or any other members of the Group.

DIRECTORS' INTERESTS IN COMPETING BUSINESSES

During the Year, none of the Directors or any of their respective associates has engaged in any business that competes or may compete with the business of the Group, or has any other conflict of interest with the Group.

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

Neither the Company nor any of its subsidiaries have purchased, sold or redeemed any securities of the Company during the Year.

RELATED PARTY TRANSACTIONS

Details of the related party transactions during the Year are set out in Note 35 to the consolidated financial statements.

PRE-EMPTIVE RIGHTS

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

CORPORATE GOVERNANCE PRACTICES

During the Year, the Company has complied with all the code provisions as set out in the Corporate Governance Code and Corporate Governance Report contained in Appendix 15 to the GEM Listing Rules except for certain deviations. For further information on the Company's corporate governance practices and details of deviations, please refer to the Corporate Governance Report of this annual report.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE

Details of the Company's environmental, social and governance practices are set out in the "Environmental Social and Governance Report" section of this annual report.

EMOLUMENT POLICY

All of our employees' remunerations are fixed and in the form of a monthly basic salary. Their remuneration packages vary according to factors such as experience, qualification, education background, previous performance in evaluations and market circumstances, with discretionary performance linked bonus. The Group provides employees with competitive and comprehensive remuneration packages and long term career development opportunities.

The Group has adopted a share option scheme as an incentive to employees. Details of the scheme are set out under the section headed "Share Option Scheme" section in this directors' report.

RETIREMENT BENEFIT PLANS

The Group participates in the defined contribution scheme (the "**MPF Scheme**") under the Mandatory Provident Fund Schemes Ordinance which is available to its employees in Hong Kong. Contributions to the MPF Scheme by the Group and employees are made based on a percentage of employees' basic salaries and are charged to profit or loss as they become payable in accordance with the rules of the MPF Scheme. The assets of the MPF Scheme are held separately from those of the Group in an independently administered fund. The Group's employer contributions vest fully with the employees when contributed into the MPF Scheme.

CHANGES OF DIRECTORS' INFORMATION

The change in the Directors' information subsequent to the date of the annual report for the year ended 31 March 2025, as required to be disclosed pursuant to rule 17.50A(1) of the GEM Listing Rules, is as follows:

Name of Director	Details of Changes
Ms. Ip Sin Nam Ingrid *Executive Director*	Resigned as executive Director on 26 July 2024.
Mr. Cheung Tung Tsun Billy *Executive Director*	Resigned as executive Director on 24 January 2025.
Ms. Li Yan Lin *Executive Director*	Appointed as executive Director on 24 January 2025.

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the best knowledge of the Directors, the Company has maintained a sufficient public float as required under the GEM Listing Rules during the Year and up to the date of this annual report.

AUDIT COMMITTEE

The Audit Committee was established with written terms of reference in compliance with Rule 5.28 to 5.33 of the GEM Listing Rules pursuant to a resolution of the Directors passed on 3 November 2016. The primary duties of the audit committee are mainly to make recommendations to the Board on the appointment and removal of the external auditors, review the financial statements and material advice in respect of financial reporting and oversee the internal control procedures of the Company. At present, the audit committee comprises Mr. Yu Lap Pan, Wong Chi Man and Mr. Wong Ming Fair Victor, all being the independent non-executive Directors. Mr. Yu Lap Pan is the Chairman of the audit committee. The audit committee, together with the Board, has reviewed the audited consolidated financial statements of the Group for the Year and was of the opinion that the preparation of such statements complied with applicable accounting standards and that adequate disclosure has been made in respect thereof.

AUDITOR

On 1 November 2022, Moore Stephens CPA Limited resigned as auditor of the Company and McMillan Woods (Hong Kong) CPA Limited was appointed as the appointed as the auditor of the Company.

On 31 October 2024, McMillan Woods (Hong Kong) CPA Limited resigned, and CCTH CPA Limited was appointed as the auditor of the Company. Save as aforesaid, there has been no change in auditors of the Company in the three years preceding the date of this annual report. A resolution will be proposed at the forthcoming annual general meeting of the Company to re-appoint CCTH CPA Limited as the auditor of the Company.

By order of the Board
Leung Wai Tai
Executive Director

Hong Kong, 27 June 2025

CORPORATE GOVERNANCE REPORT

The Board and the management of the Company are committed to the maintenance of good corporate governance practices and procedures. The corporate governance principles of the Company emphasise a quality Board, sound internal control, transparency and accountability to all Company's shareholder.

CORPORATE GOVERNANCE PRACTICES

During the Year, the Company has complied with all the code provisions as set out in the Corporate Governance Code and Corporate Governance Report (the "**CG Code**") contained in Appendix 15 to the GEM Listing Rules except the following deviations:

Pursuant to the code provision C.2.1, the roles of Chairman (the "**Chairman**") and chief executive officer (the "**CEO**") should be separate and should not be performed by the same individual. The division of responsibilities between the Chairman and the CEO should be clearly established and set out in writing.

The Group currently has no Chairman and CEO. The daily operation and management of the Group is monitored by executive Directors. The Board is of the view that although there is no chairman and chief executive officer, the balance of power and authority is ensured by the operation of the Board, which comprises experienced individuals who would meet from time to time to discuss issues affecting operation of the Group. This arrangement can still enable the Group to make and implement decisions promptly, and thus achieve the Group's objectives efficiently and effectively in response to the changing environment.

The Group will, the appropriate time, arrange for the election of the new chairman and CEO of the Board.

Besides, the Company announced on 26 July 2024 that with effect from 26 July 2024, Ms. Ip Sin Nam Ingrid has resigned as executive Director of the Company. Following the resignation of Ms. Ip, the Company has a single gender board which does not meet the requirement under Rule 17.104 of the GEM Listing Rules.

On 25 January 2025, Ms. Li Yan Lin was appointed as an executive Director. Following the appointment of Ms. Li Yan Lin, the Company appointed at least a director of a different gender on the board, thus meet the requirement with Rule 17.104 of the GEM Listing Rules.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers on terms no less exacting than the required standard of dealings as set out in Rules 5.48 to 5.67 of the GEM Listing Rules (the "**Model Code**") as its own code governing securities transactions of the Directors. Specific enquiries have been made to all Directors and all Directors have confirmed that they have fully complied with the required standard of dealings as set out in the Model Code during the Year.

BOARD OF DIRECTORS

The Board currently comprises five Directors, including two executive Directors and three independent non-executive Directors.

Executive directors

Mr. Leung Wai Tai
Ms. Ip Sin Nam Ingrid (resigned with effect from 26 July 2024)
Mr. Cheung Tung Tsun Billy (resigned with effect from 24 January 2025)
Ms. Li Yan Lin (appointed with effect from 24 January 2025)

Independent Non-executive directors

Mr. Yu Lap Pan
Mr. Wong Chi Man
Mr. Wong Ming Fair Victor

The Company has received from each of the independent non-executive Director the annual confirmation of independence and the Board considers them to be independent under Rule 5.09 of the GEM Listing Rules.

The Directors' biographical information is set out on page 4 in this annual report. To the best knowledge of the Company, save as disclosed under the section headed "Profile of the Directors", there is no financial, business, family or other material or relevant relationships among members of the Board. All executive Directors have given sufficient time and attention to the affairs of the Group. Each executive Director has sufficient experience to hold the position so as to carry out his/her duties effectively and efficiently.

The Company has arranged its Directors' and officers' liabilities an insurance coverage in respect of any legal actions which may be taken against its Directors and officers in the execution and discharge of their duties or in relation thereto.

BOARD DIVERSITY POLICY

The Company is committed to adopt a board diversity policy (the "**Board Diversity Policy**") on 2 December 2016 and revised on 27 June 2025 to complement the Company's corporate strategy. The Company considers that having a Board with diverse culture would assure Directors that their views are heard and their concerns are attended to and thus would enhance the effectiveness of the Board and maintain high standards of corporate governance. The Board achieves diversity on the Board through engaging Directors based on merit and candidates are considered against objective criteria, having due regard for the benefits of diversity on the Board including, but not limited to, gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service.

The nomination and corporate governance committee of the Company has reviewed the Board's composition, experience and balance of skills of the Board under diversified perspectives, and will monitor the implementation of the Board Diversity Policy to ensure its continued effectiveness on an annual basis.

DIRECTOR NOMINATION POLICY

Director nomination policy of the Company (the "**Nomination Policy**") is in place and was adopted in writing. The Nomination Policy sets out the procedures, process, and criteria for identifying and recommending candidates for election to the Board.

RESPONSIBILITIES OF THE BOARD

The Board is responsible for leadership and control of the Group and be collectively responsible for promoting the success of the Group by directing and supervising the Group's affairs. All the Directors should make decisions objectively in the interests of the Group. The Board focuses on formulating the Group's overall strategies, authorising the development plan and budget; monitoring financial and operating performance; supervising and managing management's performance of the Group; and setting the Group's values and standards. The Board also assumes the responsibilities of maintaining high standard of corporate governance including, among others, developing and reviewing the effectiveness of the internal control system; reviewing and monitoring the policies and practices of the Group on compliance with legal and regulatory requirements, and reviewing the compliance of the Company with the CG Code. The Board delegates the day-to-day management, administration and operation of the Group to management. The delegated functions are reviewed by the Board periodically to ensure that they accommodate the needs of the Group.

BOARD PRACTICES

The Board held meetings from time to time whenever a board-level decision on a particular matter is required. At least 14 days' notice of regular Board meetings is given to all directors and they can include matters for discussion in the agenda as they think fit. The agenda accompanying Board papers are sent to all the Directors at least 3 days before the date of every Board meeting in order to allow sufficient time for the directors to review the documents. All Directors may access the advice, regulatory updates on governance and regulatory matters from professional parties if necessary.

The company secretaries of the Company are responsible to take and keep minutes of all Board meetings and committee meetings and ensure compliance with the procedures of Board meetings and general meetings of the Company. Minutes of every Board meeting and committee meeting are circulated to Directors for their perusal and comments prior to confirmation of the minutes. The Board also ensures that it is supplied in a timely manner with all necessary information in a form and of a quality appropriate to enable it to discharge its duties.

BOARD MEETINGS AND DIRECTORS' ATTENDANCE

The Board meets regularly at least four times a year to review the financial and operating performance of the Group.

For the Year, the Board held fourteen meetings. Details of the attendance record of each Director at the Board and general meetings of the Company during the Year are set out in the table below:

	Number of attendance/ number of meetings	
	Board meetings	**Shareholder meetings**
Executive directors		
Mr. Leung Wai Tai	14/14	2/2
Ms. Li Yan Lin (appointed with effect from 24 January 2025)	1/1	0/0
Ms. Ip Sin Nam Ingrid (resigned with effect from 26 July 2024)	5/5	1/1
Mr. Cheung Tung Tsun Billy (resigned with effect from 24 January 2025)	12/13	1/1
Independent Non-executive directors		
Mr. Yu Lap Pan	14/14	2/2
Mr. Wong Chi Man	14/14	2/2
Mr. Wong Ming Fair Victor	14/14	2/2

APPOINTMENT AND RE-ELECTION OF DIRECTORS

The Articles of Association provide that subject to the manner of retirement by rotation of directors as from time to time prescribed by the GEM Listing Rules, at each annual general meeting (the "**AGM**"), one-third of the directors for the time being (or, if their number is not a multiple of three, the number nearest to but not less than one-third) shall retire from office by rotation and that every Director shall be subject to retirement at an AGM at least once every three years.

Independent non-executive Directors are appointed for a specific term subject to retirement by rotation and re-election in accordance with the Articles of Associations. Each Independent non-executive Director is required to inform the Company as soon as practicable if there is any change that may affect their independence and must provide an annual confirmation of their independence to the Company.

CONTINUES PROFESSIONAL DEVELOPMENT

To assist Directors' continuing professional development, the Company provides each appointed Director with necessary and updated induction and information to ensure that he/she has a proper understanding of the Group's businesses, operations and regulatory environments in which the Group operates as well as his/her responsibilities under the relevant statutes, laws, rules and regulations. In order to keep the Directors remain informed and refresh their relevant knowledge and skills, the Company provided regular updates and presentations on changes and developments relating to the Group's business and the legislative and regulatory environments to the Directors and encouraged Directors to participate in continuous professional developments. Records of the training are required to be provided by Directors and the company secretary(ies) is required to keep and update the training records on a yearly basis.

The Board are committed to complying with code provision A.6.5 of the CG Code (subsequently rearranged and renumbered as C.1.4 in the New CG Code) on Directors' training. All Directors have participated in continuous professional development to develop and refresh their knowledge and skills in relation to their contribution to the Board during the Year.

All of the Directors have either attended seminars organised by external professionals relevant to the business or directors' duties or read professional materials publicised by regulators or professional bodies for the Year.

COMPANY SECRETARY

Mr. Leung Wai Tai is the company secretary of the Company. Pursuant to Rules 5.15 of the GEM Listing Rules, Mr. Leung has taken no less than 15 hours of relevant professional training during the Year.

REMUNERATION COMMITTEE

The Company established the remuneration committee pursuant to a resolution of the Directors passed on 3 November 2016 in compliance with Rule 5.34 of the GEM Listing Rules with written terms of reference in compliance with the CG Code.

The role and function written in terms of reference of the remuneration committee are no less exacting terms than the CG Code. The primary functions of the remuneration committee are to make recommendation to the Board on the overall remuneration policy and structure relating to all Directors and senior management of the Group, review performance based remuneration and ensure none of the Directors determine their own remuneration.

At the date of this annual report, the remuneration committee comprises Mr. Wong Ming Fair Victor, Mr. Yu Lap Pan and Mr. Wong Chi Man, Mr. Wong Ming Fair Victor is the Chairman of the remuneration committee.

For the Year, the remuneration committee held four meetings to review the remuneration packages of the Directors. Details of the attendance of the meeting are as follows:

Name of Members	Number of attendance/ number of meetings
Mr. Wong Ming Fair Victor (chairman)	2/2
Mr. Yu Lap Pan	2/2
Mr. Wong Chi Man	2/2

NOMINATION AND CORPORATE GOVERNANCE COMMITTEE

The Company established the nomination and corporate governance committee pursuant to a resolution of the Directors passed on 3 November 2016 with written terms of reference in compliance with the CG Code.

The primary functions of the nomination and corporate governance committee are to review the structure, size, composition and diversity (including but not limited to gender, age, cultural and educational background, professional experience, skills, knowledge and length of service) of the Board at least annually; to make recommendations to the Board on the selection of, individuals nominated for directorships; to review the Nomination Policy of Directors as appropriate; to assess the independence of the independent non-executive Directors; to review the Board Diversity Policy as well as monitor its implementation so as to ensure its effectiveness; to make recommendations to the Board regarding policies/practices on corporate governance of the Group; to develop, review and monitor the code of conduct and compliance manual applicable to employees and Directors; and to review the Company's compliance with the CG Code.

At the date of this annual report, the nomination and corporate governance committee comprises Ms. Lin Yan Lin, Mr. Yu Lap Pan and Mr. Wong Ming Fair Victor. Ms. Li Yan Lin is the chairlady of the nomination and corporate governance committee.

For the Year, the nomination and corporate governance committee held two meetings to review the independence of the independent non-executive Directors and to make recommendation regarding practice on corporate governance of the Group. Details of the attendance of the meeting are as follows:

Name of Members	Number of attendance/ number of meetings
Ms. Li Yan Lin (chairlady) (appointed with effect from 27 June 2025)	0/0
Mr. Leung Wai Tai (chairman) (appointed with effect from 26 July 2024 and resigned with effect from 27 June 2025)	1/1
Ms. Ip Sin Nam Ingrid (chairlady) (resigned with effect from 26 July 2024)	1/1
Mr. Yu Lap Pan	2/2
Mr. Wong Ming Fair Victor	2/2

CORPORATE GOVERNANCE FUNCTION

The nomination and corporate governance committee is responsible for the following corporate governance functions:

- to develop and review the Company's policies and practices on corporate governance and make recommendations on changes and updating;

- to review and monitor the training and continuous professional development of Directors and senior managements;

- to review and monitor the Company's policies and practices on compliance with legal and regulatory requirements;
- to develop, review and monitor the code of conduct and compliance manual (if any) applicable to employees and Directors;
- to review the Company's compliance with the CG Code and disclosure in corporate governance reports; and
- such other corporate governance duties and functions set out in the CG Code (as amended from time to time) for which the Board is responsible.

AUDIT COMMITTEE

The Company established the audit committee with written terms of reference in compliance with Rule 5.28 of the GEM Listing Rules pursuant to a resolution of the Directors passed on 3 November 2016.

The primary duties of the audit committee are mainly to make recommendations to the Board on the appointment and removal of the external auditors; to review and monitor the external auditors' independence and objectivity; to review the financial statements and material advice in respect of financial reporting system and to oversee the risk management and internal control systems of the Group.

At the date of this report, the audit committee comprises Mr. Yu Lap Pan, Mr. Wong Chi Man and Mr. Wong Ming Fair Victor, all being the independent non-executive Directors. Mr. Yu Lap Pan is the chairman of the audit committee.

For the Year, the audit committee held four meetings to review and supervise the financial reporting process, to review the internal control system of the Group and to review the quarterly results of the Group as well as to recommend to the Board for their consideration and approval. The audit committee of the Company was of the opinion that the preparation of such results complied with applicable accounting standards and that adequate disclosure has been made. Details of the attendance of the meeting are as follows:

Name of Members	Number of attendance/ number of meetings
Mr. Yu Lap Pan (chairman)	4/4
Mr. Wong Chi Man	4/4
Mr. Wong Ming Fair Victor	4/4

AUDIT REMUNERATION

For the Year, the fee paid or payable to the auditor of the Company, CCTH CPA Limited, for the annual audit services provided were HK$488,000.

ACCOUNTABILITY AND AUDIT

The Board acknowledges its responsibility to prepare the consolidated financial statements that give a true and fair view in accordance with applicable accounting standards and ordinances. In preparation of the audited consolidated financial statements for the Year, the Board has prepared on a going concern basis, selected appropriate accounting policies and applied them consistently, made judgements and estimates that are prudent, fair and reasonable. The Directors are responsible for taking all necessary and reasonable steps to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

The auditor of the Company, CCTH CPA Limited, acknowledges and sets out its responsibilities in the independent auditor's report on the consolidated financial statements of the Group for the Year.

INTERNAL CONTROLS AND RISK MANAGEMENT

The Board acknowledges that it has overall responsibility for the establishment, maintenance and review of the risk management and internal control systems of the Group to safeguard shareholder investments and the assets of the Group. Such risk management and internal control systems of the Group aim to facilitate effective and efficient operations and are designed for managing risks rather than eliminating the risk of failure to achieve business objectives. Such systems can only provide reasonable but not absolute assurance against material misstatement or loss.

The Board has conducted a review of the implemented systems and procedures, covering financial, operational and legal compliance controls and risk management functions and in particular, the adequacy of resources, qualifications and experience of staff, and training programmes and budget of the Company's accounting and financial reporting function. The Board is satisfied with the effectiveness and efficiency of the internal control systems of the Group.

NON-COMPETITION UNDERTAKINGS

The independent non-executive Directors have reviewed the status of compliance of the terms and the enforcement and confirmed that all of these non-competition undertakings have been complied with by the relevant covenantors.

SHAREHOLDERS' RIGHTS

The general meetings of the Company provide an opportunity for communication between the shareholders and the Board. An AGM of the Company shall be held in each year and at the place as may be determined by the Board. Each general meeting, other than an AGM, shall be called an extraordinary general meeting (the "**EGM**").

RIGHT TO CONVENE EGM

The following procedures for shareholders to convene an EGM are subject to the Articles of Associations (as amended from time to time), and the applicable legislations and regulations, in particular the GEM Listing Rules (as amended from time to time):

(a) any one or more shareholders holding at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company (the "**Eligible Shareholder(s)**") carrying the right of voting at general meetings of the Company shall at all times have the right, by written requisition to the Board or the company secretary, to require an EGM to be called by the Board for the transaction of any business specified in such requisition; and such meeting shall be held within two (2) months after the deposit of such requisition;

(b) the Requisition must state clearly the name of the Eligible Shareholder(s) concerned, his/her/their shareholding, the reason(s) to convene an EGM and the details of the business(es) proposed to be transacted in the EGM, and must be signed by the Eligible Shareholder(s) concerned together with a deposit of a sum of money reasonable sufficient to meet the Company's expenses in serving the notice of the resolution and circulating the statement submitted by the shareholders concerned in accordance with the statutory requirements to all the registered shareholders;

(c) Eligible Shareholders who wish to convene an EGM must deposit a written requisition (the "**Requisition**") signed by the Eligible Shareholder(s) concerned to the head office and principal place of business of the Company in Hong Kong at Shop B10, 1/F, Goodrich Shopping Arcade, Tuen Mun, New Territories, Hong Kong or Hong Kong branch share registrar and transfer office of the Company, Tricor Investor Services Limited, 17/F., Far East Finance Centre, 16 Harcourt Road, Hong Kong, for the attention of the Board and/or the company secretary(ies);

(d) the Requisition will be verified with Hong Kong branch share registrar and transfer office of the Company and upon their confirmation that the Requisition is proper and in order, the Board will convene an EGM by serving sufficient notice in accordance with the requirements under the Articles of Associations to all the registered Shareholders. On the contrary, if the Requisition has been verified as not in order or the Shareholders concerned have failed to deposit sufficient money to meet the Company's expenses for the said purposes, the Eligible Shareholder(s) concerned will be advised of this outcome and accordingly, the Board will not call for an EGM; and

(e) if within twenty one days of such deposit of the Requisition the Board fails to proceed to convene such EGM, the Eligible Shareholder(s) himself/herself/themselves may do so in the same manner, and all reasonable expenses incurred by the Eligible Shareholder(s) concerned as a result of the failure of the Board shall be reimbursed to the Eligible Shareholder(s) by the Company.

RIGHT TO PUT FORWARD PROPOSALS AT GENERAL MEETINGS

There are no provisions allowing shareholders to move new resolutions at the general meetings under the Companies Law (Revised) of Cayman Islands. However, pursuant to the Articles of Associations, shareholders who wish to move a resolution may by means of Requisition convene an EGM following the procedures set out above.

RIGHT TO PUT ENQUIRIES TO THE BOARD

Shareholders have the right to put enquiries to the Board. All enquiries shall be in writing and sent by post to the principal place of business of the Company in Hong Kong or by e-mail to info@goldwayedugp.com for the attention of the company secretary(ies) of the Company.

Shareholders are reminded to lodge their questions together with their detailed contact information for the prompt response from the Company if it deems appropriate.

INVESTORS RELATIONS

The Company has established a range of communication channels between itself and its shareholders, investors and other stakeholders. These include the AGM, the publication of annual, interim and quarterly reports, notices, announcements and circulars and the Company's website at www.goldwayedugp.com and meetings with investors and shareholders. News update of the Group's business development and operation are also available on the Company's website.

CONSTITUTIONAL DOCUMENTS

There had been no changes in the Company's constitutional documents for the Year.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

ABOUT THE REPORT

Goldway Education Group Limited (the "**Company**" or "**We**") is pleased to publish the Environmental, Social and Governance ("**ESG**") Report. The ESG Report intends to disclose the performance of the Company and its subsidiaries (collectively as "**the Group**" or "**We**") in terms of ESG issues in a transparent and open manner in financial year ended 31 March 2025, in response to all stakeholders' concerns and expectations for the Group's long-term viability.

SCOPE OF THE REPORT

The report is prepared in accordance with the Environment, Social and Governance Reporting Guide contained in Appendix C2 of the Rules Governing the Listing of Securities on The Hong Kong Stock Exchange ("**Listing Rules**") and written in principle of "comply or explain".

The Group is principally engaged in the provision of tutoring services, franchising services and management services in Hong Kong and the People's Republic of China ("**PRC**"). The Group provides private tutoring services including primary and secondary tutoring services under the trade name of "Logic Tutorial Centre" and "Pedagog Education Centre". This report has included ESG performance of these core businesses of the Group in Hong Kong during the Year. The disclosure of the key performance indicators ("**KPIs**") in the Year covers the Group's leased office in Hong Kong.

REPORTING PRINCIPLES

This report has also been prepared in accordance with the reporting principles of "Materiality", "Quantitative", "Consistency", and "Balance". We are dedicated to fairly disclosing material ESG matters.

The Group has used consistent reporting and calculation procedures as far as reasonably practicable, with consideration of relevance and significance of ESG factors in relation to the Group. This report includes quantitative environmental and social KPIs to help stakeholders understand the Group's ESG performance.

SUSTAINABLE GOVERNANCE STRUCTURE

We established a top-down ESG organizational structure to apply the Group's sustainable development concept. The Board is responsible for developing ESG strategies, assessing and identifying the Group's ESG risks, and guaranteeing risk management and internal control effectiveness. The Board has endorsed and approved this report. The Board is dedicated to monitoring and publishing the Group's sustainability performance through the annual release of the ESG Report and is responsible for overseeing and managing all ESG topics.

The Board
- Determine and approve risk assessment
- Review and approve ESG report

AC Committee
- Review and approve ESG strategies & risk setting
- Review ESG report

ESG Work group
- Identify & determine ESG risk & strategy
- Formulate & update ESG policies
- Perform ESG risk assessment and assess corresponding control

The Group has established a cross-functional ESG working group, comprising senior management and external advisors with specialized expertise, to drive sustainability strategy implementation and foster organization-wide ESG engagement. This multidisciplinary team — spanning operations, human resources, and finance — ensures systematic integration of environmental and social governance considerations into both strategic decision-making and operational processes.

STAKEHOLDERS ENGAGEMENT

The Board has prioritized ESG strategy alignment with stakeholder priorities, initiating a structured materiality assessment conducted by third-party experts that incorporates stakeholder surveys, industry benchmarks, and directors' strategic input to identify material ESG factors. Multi-channel engagement mechanisms ensure efficient integration of stakeholder perspectives, with the Board maintaining oversight through regular reviews of both assessment outcomes and communication efficacy.

MATERIALITY ASSESSMENT

Based on materiality, quantitative metrics, balance, and consistency, our senior management examined and analyzed the importance of ESG problems to the Group's stakeholders during the Year, as well as the scope and structure of this report. In the preparation of the ESG Report, information gathered from different departments is not only a summary of the environmental and social initiatives carried out by the Group during the Year, but also the basis for mapping out its short-term and long-term sustainable development strategies.

Based on our risk and materiality assessment, among all ESG issues, we further evaluate and prioritize them by their relevancy and significance. Below tabled the significant ESG issues of the Group:

Significant ESG issues	Related ESG Aspects
1. Employee's benefits	B1 — Employment
2. Occupational health and safety	B2 — Health and Safety
3. Anti-corruption and Whistle-blowing policies	B7 — Anti-corruption

Considering our business model and stakeholder interests, the Group faces relatively low environmental and climate-related risks associated with energy consumption and emissions. Our sustainability targets are:

Target	We aim to achieve 100% gender-specific training coverage across all staff categories by 2035.
2025 progress	Training completion rates stand at 50% for female employees and 89% for male employees.
Our plan	We will enhance professional development through regular in-house workshops to strengthen occupational skills training, provide updates on regulatory requirements, and improve accessibility to learning resources.

INFORMATION AND FEEDBACKS

Your opinions and feedbacks on our ESG performance are highly valued. Should you have any advice or suggestions, please share with us via email at info@goldwayedugp.com.

A. ENVIRONMENTAL PROTECTION

We understand the importance of maintaining environmental sustainability in our daily operation. Our GHG emissions generated from our energy and paper consumption.

A1: Emissions

We act in strict compliance with local laws and regulations relating to environmental protection and pollution control. However, our business nature is service-oriented and posed insignificant impact to the environment when compared with other industries.

GHG emissions

As a service-based enterprise, the Group does not directly generate industrial exhaust gas. Our direct environmental impact is not material in the process of our daily operation and business development. We conduct our business in local office premise. The emission of the Group is the indirect greenhouse gas emission mainly generated from the purchased electricity and paper consumption at office setting. During the Year, the Scope 2 and Scope 3 of GHG emissions were recorded to be 54.88 Tonnes CO_2e (2024: 75.7 Tonnes) and 42.4 Tonnes CO_2e (2024: 56.9 tonnes) respectively. To further reduce emissions, the Group promotes electronic interactions with stakeholders, such as use of email and e-conference as much as possible, to reduce unnecessary business travels. The major wastewater generated by the Group is domestic sewage, which is directly discharged to the public drainage system.

Waste Management

For non-hazardous waste, the Group produce paper and generate domestic waste. Domestic waste is collected and handled by the property management office. Some of our paper waste is collected for delivery to recycling companies. Therefore, the overall amount of non-hazardous wastes is considered minimal after adopting waste reduction measures in our daily operation:

1. Set duplex printing as the default mode for our network printers
2. Encourage employees in using papers on both sides
3. Use smaller font size and adjust line spacing when printing
4. Disseminate information via electronic means
5. Encourage employees to bring their own mugs instead of disposable paper cups

For hazardous wastes, our used toner cartridges is collected and handled safely by the toner suppliers.

Overall compliance

During the Year, the Group has complied with relevant laws and regulations, including but not limited to those listed below, that have a significant impact on the Group relating to air and greenhouse gas emissions, and generation of hazardous, non-hazardous waste and sewage.

A2: Use of Resources

The Group is fully aware of the high values of natural resources and committed to reducing the waste of resources in its daily operation. We encourage employees to use the natural resources in an effective and efficient way. Our resource consumption mainly occurs in the use of electricity for its daily office operation, and the consumption of other resources includes the use of 15.3 Tonnes (2024: 15.8 Tonnes) printing paper. In line with the business nature. We does not use packaging materials.

Energy consumption

The Group deploys multiple energy saving initiatives to improve the operating efficiency of equipment or devices and reduce energy consumption. In terms of lighting system, the Group has separated light switches for different light zones, keeps the lighting fixture clean. To reduce the use of air conditioning, employees are required to set the air-conditioners at 25.5ºC as indoor temperature and allowed to dress casually. The Group also encourages employees to turn off unused electrical devices, including air-conditioners and lighting system, before leaving the office. During the Year, the total energy consumption were recorded to be 153,480 kWh (2024: 144,037 kWh).

Water consumption

We do not consume significant volume of water through its business activities thus we do not have maintain a record on both water consumption and waste water produced. During the Year, the Group did not face any difficulties in sourcing water, which is supplied by the government.

A3: The Environment and Natural Resources

The Group recognizes importance of environmental and natural resource stewardship, having embedded sustainability principles into both internal management systems and daily operational practices to minimize ecological impact. We actively cultivate employee environmental awareness through adherence to the "reduce, reuse, recycle, and replace" framework, while maintaining a minimal environmental footprint through resource efficiency — with electricity and paper constituting our primary operational resource inputs. As detailed in the "Use of Resources" section, rigorous monitoring and optimization of these consumables remain central to our environmental management strategy.

Compliance Operation

Our management systematically monitors operational compliance with all applicable Hong Kong environmental regulations, including the Water Pollution Control Ordinance, Waste Disposal Ordinance, and Environmental Protection Ordinance.

A4: Responding to Climate Change

Hong Kong is densely populated sub-tropical city which is threatened by the impacts of climate change and variability. The typical effects of climate change in Hong Kong include:

- Hong Kong has been warming up in the last century or so.
- The number of hot nights is increasing while the number of cold days is decreasing.

Warmer Weather

- Extreme precipitation events have become more frequent.
- The sea level is rising in Victoria Harbour

Heavy Rainfall

- Higher temperatures may affect human health and healthcare operations

Impact on Human Health

We understand that vector and pest populations could increase from a result of higher temperatures and rainfall, increasing the incidence of diseases. However, the Board considers that the Group is not subject to material climate change-related risks and impacts based on our business nature.

The Group takes reference to the recommendations and approach set out by The Task Force of Climate-related Financial Disclosure ("**TCFD**") in assessing the climate changes impacts on the Group. We have assessed a series of risks, including:

1. **Transition risks** that may entail extensive policy, legal, technology, and market changes to address mitigation and adaptation requirements related to climate change in the course of Transitioning to a lower-carbon economy. There are four sub-risks, namely Policy and Legal Risks, Technology Risk, Market Risk and Reputation Risk.

2. **Physical risks** that may have financial implications for the Group, such as direct damage to assets and indirect impacts from supply chain disruption, which can be driven by acute events ("**Acute Events**") or longer-term chronic shifts ("**Chronic Shift**") in climate patterns.

Climate Change Impact Assessment

The Board has instructed the ESG Working Group to perform an assessment on the climate-change-related risks and opportunities of the Group. The following table presents the summary of the Group's assessment.

Type	Climate-Related Risks and Opportunities	Our measures or approach	Potential Financial Impacts when risks are realized
Transition Risk	Policy and Legal Technology	The Group consider that there are no regulatory or market policies or technology changes required or on the trend that would have significant impact on the Group.	**Remote** • The risks and impacts are considered remote.
	Market Reputation	Increasing green financing needs in the market and the trend of paperless security market.	**Possible** • There is a possible impact on the reputation of the Group.
Physical Risk	Acute events Chronic shifts	The Group consider that it is not subject to physical risks brought alone from climate change. However, the Group will take a monitoring approach and will continuously monitor the change in physical risks.	**Remote** • The risks and impacts are considered remote.
Opportunities	Resource Efficiency Energy Source Services	The Group consider that there are no regulatory or market policies or technology changes required or on the trend that would have significant impact on the Group.	**Remote** • The opportunities and benefits are considered remote.
	Market Resilience	Increasing green financing needs in the market and the trend of paperless security market.	**Possible** • There is a possible market if we can adopt the green financing into our business.

The Directors are well aware of certain collateral effects driven by climate change, such as the increasing green financing needs and paperless security market recently promoted in the financial industry. On that, the Directors are formulating a plan to pace up with such trends, including a plan to upgrade our IT systems, to enhance our digitalized procedures and to better equip our employees with the green financing knowledge.

In the past years, our emission and resource-use efficiency targets (Scope 2) are steadily proportionate to operation. We takes a prudent approach in the target setting and aim to maintain a reasonable level of consumption level in the foreseeable future.

B. EMPLOYMENT AND LABOUR PRACTICES

B1: Employment

Equal Opportunity

Our employee is the most valuable asset to drive the long-term development of our Group. The Group respects every employee and treats them equally without regard to race, color, religion, gender, national origin, age, marital or family status, pregnancy, disability and sexual orientation. The non-discriminatory approach applies to all employment activities and human resources related matters. If any unfair treatment is discovered, the concerned employees should report the incident to the human resources and administration department directly.

The Group's working hour policies for our employees have been in complete conformity with local laws and regulations in order to preserve employees' legitimate rights and interests. Our employees work standardized hours and have access to paid leave, maternity leave, sick leave, public holidays, and specified rest intervals. If any unfair treatment is discovered, the concerned employees can report the incident to the head of Human Resources Department directly. The Group also gives much effort to safeguard the legitimate rights and interests of employees, and cater for the developmental needs of employees.

The Human Resources Policy and Code of Conduct are established for regulating recruitment, promotion, discipline, working hours and vacations. Our Human Resources Department is responsible for such implementation confirms that our employees have a full understanding of the contents of both documents. Employees who fail to comply with the company's regulations are first given a warning notice and, in serious cases, are dismissed. We have created a harmonious working environment as well as a safe and comfortable workplace to build a business platform for every employee to grow with the Group. Our employment documents and practices are formulated in compliance with relevant local law and regulations and reviewed on a regular basis.

Recruitment

We recruit employees from the open market, mainly from the publication of job advertisements and referrals. The Group's hiring process considers criteria including the applicants' academic background, experience, skills, integrity and expertise needed for our business operations. Regardless of gender, age, ethnicity, religion, disability, or sexual orientation, applicants who match the requirements for a position are given equal interview opportunities. Applicants with relatives working in the Group must clarify personal relationships and ensure that their relatives' work in the Group is unaffected.

Remuneration and Benefits

We are committed to offering competitive remuneration as well as complete benefits and protections to our employees. Apart from statutory holidays, all employees are entitled to sick leave, annual leave, marriage leave, maternity leave, paternity leave and jury service leave. The Group makes contributions to mandatory provident fund schemes for eligible employees that work for a certain period of time. Employees are also entitled to discretionary bonus, medical insurance and labour insurance offered by the Group.

Employees' performance is assessed on a regular basis in terms of employees' working performance, technical knowledge, management skills and communication skills of employees and so on. We also offer attractive remuneration package, comprising basic salaries and bonuses. The remuneration package is subject to annual review which is conducted annually taking into account of the employee's job performance, department performance and the Company's business performance.

During the Year, the overall workforce turnover rate is 33% (2024: 48%), which is considered as a healthy and normal turnover in overall or by categories of age group, gender and location of operations.

B2: Health and Safety

The Group strives to provide and maintain a safe, healthy and hygienic workplace for our employees and protect them from occupational hazards. We have developed proper occupational safety procedures, including adhering to an agreed reporting structure and investigation methodology in the event of an incident occurring within the workplace. We have also implemented several occupational safety measures as below:

- Encourage employees to maintain a good and correct posture, while maintaining an appropriate eye level with the computer screen to reduce stress and strain on their bodies;
- Ensure that all employees are familiar with the fire protection equipment and fire escape routes;
- Provide clear and comprehensive guidelines to all employees on how to handle bad weathers, injuries and work-related injuries;
- Keep passages clear and the working environment clean and tidy; and
- Maintain office furniture properly and regularly.

In the past 3 years, there have been zero cases of work-related injury and thus no relevant lost working days. Yet, the Group will continuingly strive to monitor and improve the safety standards of the workplace environment.

Occupational Health and Safety

To provide and maintain a safe, clean and environmentally friendly working condition for employees, the Group has established a series of work safety policy and standard operating procedures, such as maintain the office ventilated, regular workplace cleaning, and provided personal hygiene supplies such as hand sanitizer and surgical masks.

Overall compliance

During the Year, the Group has complied with the relevant labour laws and regulations, including but not limited to below listed, that has a significant impact on the Group relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, other benefits and welfare, preventing child and forced labour, and health and safety in workplace.

✓ Disability Discrimination Ordinance (Cap. 487, the laws of Hong Kong)
✓ Employees' Compensation Ordinance (Cap. 282, the laws of Hong Kong)
✓ Employment of Children Regulations (Cap. 57B, the laws of Hong Kong)
✓ Employment Ordinance (Cap. 57, the laws of Hong Kong)
✓ Mandatory Provident Fund Scheme Ordinance (Cap. 485, the laws of Hong Kong)
✓ Minimum Wage Ordinance (Cap. 608, the laws of Hong Kong)
✓ Occupational Safety and Health Ordinance (Cap. 509, the laws of Hong Kong)
✓ Sex Discrimination Ordinance (Cap. 480, the laws of Hong Kong)

B3: Development and Training

We provides on-the-job trainings for new hires to familiarize these new hires on daily operations. Generally, the training areas are related to their work scope and duties of their respective department. Furthermore, our front-line employee who are licensed and supervised by Securities and Futures Commission are required to obtain continuous professional trainings ("**CPT**") on an on-going basis. Our compliance department is responsible for monitoring the CPT hours of licensed employee to maintain the highest quality and standard of services to be provided to our clients. In addition, our employees' training needs are identified through yearly employee performance appraisal, industrial changes or any major changes introduced to the IT system, software or changes in our service offering.

All our directors, including the independent non-executive Directors, have attended trainings to reinforce their knowledge and skills as a Director, and knowledge on the latest development regarding the Listing Rules, other applicable statutory and regulatory regime and the business environment to facilitate them to discharge their responsibilities.

Anti-Corruption Training

The Company has rolled out a rotation plan of anti-corruption trainings in the Reporting Period. As of the date of this ESG Report, we intend to provide anti-corruption trainings, through professional organisation, to our Directors and Management and front-line sales department personnel first. We will also extend such training to our staff on a 4-years rotation plan targeting to attain a 100% training coverage in 4-years.

During the Year, our employees received 4,266 (2024: 4,346) hours of training in the area of occupational and listing rules updates. The average training hours was 45.4 hours.

B4: Labour Standards

We prohibited the use of child and forced labour. Anyone who is aged under 16 must not be recruited in the stringent screening process on qualified candidates. The human resources and administration department will verify the applicant's age by checking the valid identification document to prevent employing child labour. If any improper conduct is discovered, the Group will immediately investigate the case thoroughly. Any material non-compliance with our protocol may result in summary dismissal. All the employment terms and conditions, including the scope of work, working hours, benefits, and compensations are specified in the employment letter, so as to assure employees of sufficient rest time and prevent forced labour.

The Group complied the relevant local labour provisions, namely Employment of Children Regulations (Cap. 57B, the laws of Hong Kong), and the Employment Ordinance (Cap. 57, the laws of Hong Kong). During the Year, there was no material breach with relevant laws and regulations recorded pertaining to child and forced labour.

B5: Supply Chain Management

As for the nature of our business, we do not have any major suppliers. The Group's services providers mainly provide information technology and communication service and legal and professional services.

Prior to establishing any long-term business relationship with potential services providers, we will perform due diligence to ensure services providers' compliance to relevant laws and regulations. The management of the Group selects our service providers based on their pricing, competence, experience and reputation. The management of the Group will also consider environmentally-friendly factor while selecting suppliers of office supplies (such as recycle copy paper, and stationeries made from environmentally-friendly materials). Senior management approval is required for accepting a services provider as our recognized services provider. Our senior management also reviews our supplier regularly in light of their overall performance and quality.

B6: Service Responsibility

Quality Customer Services

The Group considers customer feedback a valuable tool for improving its services. We aim to create and nurture strong connections with our customers. The Group developed Customer Compliant Policy to deal with customer complaints properly. We take customer feedback seriously and have in place procedures to ensure that feedback and complaints from customers get handled in a timely and appropriate manner. Our management and Executive Directors are highly involved in the day-to-day management which investigate each complaint by identifying potential causes. All complaints are then properly documented and filed for future reference and follow-up. Complaints are examined and discussed for improvement at the regular meetings in order to better understand how we can improve the customer experience.

During the Year, we did not receive any serious complaint from customers and were not subject to any disciplinary actions imposed by any government authorities in respect of our quality of the services.

Privacy Protection

The Group attaches great attention to privacy protection. The Group only collects personal data which are necessary for conducting business, and the data are not used for any other purposes or without the consent of the related parties. Our employees who will be handling personal data must adhere to the data privacy protection measures. The Group will review the measures design and the management team will monitor the implementation of the measures on a regular basis. Some related measures as follows:

- Ascertain that personal data is secured from unintended deletion or loss;
- Employees are reminded to take extra care during handling customer information;
- Ensure that all data-storage devices are appropriately destroyed and reformatted after each use;
- Ongoing monitoring and testing of privacy risks to secure the computer databases and customer's information;
- Personal data is not allowed to be transferred or disclosed to entities which are not a member of the Group without the permission of the Group; and
- Unauthorized software is not permitted by the Group and employees should seek permission from the Group before installing software.

Protecting Intellectual Property

We respect intellectual property rights, such as trademarks, patents, and copyrights, among others. The Group kept a complete record of its intellectual property rights and will seek legal advice and take appropriate action if any of its intellectual property rights are infringed upon.

During the Reporting Period, we believe that we have taken all reasonable measures to protect our intellectual property rights and deter any such infringement. We were unaware of any infringement (i) by us of any intellectual property rights owned by third parties; or (ii) by any third parties of any intellectual property rights owned by us.

Overall compliance

During the Year, there were no material breach with relevant law and regulations relating to advertising, labelling and privacy matters recorded pertaining to our products and services. The Group has complied with relevant laws and regulations, including but limited to the below listed, that have a significant impact on the Group relating to safety, advertising, labelling and privacy matters relating to services provided and method of redress.

✓ Patents Ordinance (Cap. 514, the laws of Hong Kong)
✓ Personal Data (Privacy) Ordinance (Cap. 486, the laws of Hong Kong)
✓ Trade Marks Ordinance (Cap. 559, the laws of Hong Kong)

B7: Anti-corruption and Whistle-Blowing System

The Group is dedicated to running the business with integrity and cultivating an ethical corporate culture. The Group has established code of conduct and anti-money laundering policy. We have contained anti-corruption provisions, including but not limited to bribery, extortion, fraud, and money laundering, into the Group's code of conduct, which can be summarized as:

a) requires our directors and employees not to solicit or accept any advantage from any person, company or organisation that the company is having business dealings with, except that they may accept (but not solicit) subject to conditions or with permission from the company's approving authority; and;

b) prohibits our directors and employees from offering advantage to any director, staff member or agent of another company or organisation unless such offer carries no intention of improper influence in any dealing and it is ascertained that the intended recipient is permitted by his employer or principal to accept it.

Any potential conflicts of interest must be reported to the Group's human resource department. Any breach of behavior will result in the termination of the employment contract or consultancy agreement (as the case may be), as well as legal implications for the subject. Our human resource department will continually review the whole operations to prevent or detect fraudulence.

The Group also established whistleblowing policy for the detection of fraud and corruption risks. Our employees and stakeholders are encouraged to file their complaints, knowledge or suspicion of fraud, corruption of material violation of internal policies to our registered office in Hong Kong or at our whistleblowing email info@goldwayedugp.com.

Upon receipt of goodwill whistleblowing reports, our executive directors will assess the cases on a fair and timely basis. They are also instructed to escalate important, sensitive or conflicting-interests matters to the Audit Committee which is responsible to oversee the whistleblowing policy and system.

During the Year, there are no non-compliance cases in relation to the bribery, corruption, extortion, fraud and money laundering and no legal actions brought against the Group its directors and employees. The Board believes that the Group is in compliance with relevant laws and regulations, such as:

- Cap. 201 Prevention of Bribery Ordinance
- Cap. 615 Anti-Money Laundering and Counter-Terrorist Financing Ordinance

B8: Community Investment

The Group prioritizes corporate social responsibility (CSR) by integrating societal engagement into its core business strategy, actively promoting employee volunteering through structured programs while sustaining proactive community partnerships via regular dialogue and collaborative initiatives that align business growth with localized social impact objectives.

SOCIAL KEY PERFORMANCE INDICATORS

		2025 (in person)	2025 Turnover rate	2024 (in person)
Workforce	**Total**			
	Full time	97	33.3%	96
	By gender			
	Male	43	28.2%	42
	Female	54	38.9%	54
	By age group			
	Under 30	42	45.8%	48
	30–50	48	19.5%	39
	Above 50	7	22.2%	9
	By employee category			
	Directors & Management	10	9.1%	11
	General staff	87	37.6%	85
	By geographical region			
	Hong Kong	89	18.4%	87
	PRC	8	11.1%	9

We have 32 leavers and 33 joiners in the Year, constituting approximately 33% (2024: approximately 48%) of the turnover rate.

INDEPENDENT AUDITOR'S REPORT

CCTH CPA LIMITED
中正天恆會計師有限公司

To the shareholders of Goldway Education Group Limited
(incorporated in the Cayman Islands with limited liability)

OPINION

We have audited the consolidated financial statements of Goldway Education Group Limited (the "**Company**") and its subsidiaries (collectively referred to as the "**Group**") set out on pages 44 to 111, which comprise the consolidated statement of financial position as at 31 March 2025, and the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information and other explanatory information.

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

BASIS FOR OPINION

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

KEY AUDIT MATTERS

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

Key audit matters	How our audit addressed the key audit matters
Recognition of revenue and contract liabilities *Refer to Note 4, Note 7 and Note 26 to the consolidated financial statements.* Revenue of the Group mainly comprises tutoring services income which involves significant cash receipt at various tutorial centres and are mostly settled in advance. We identified the recognition of revenue from tutoring services rendered as a key audit matter because revenue is one of the key performance indicators of the Group as the magnitude of the revenue is significant, and there is an inherent risk of revenue and related contract liabilities being recorded in inappropriate periods.	Our procedures include: • obtaining an understanding of the key controls relating to revenue recognition process; • on a sampling basis, testing the collection of tuition fees; checking the attendance records and the identities of students to verify the existence of revenue; • for a sample of revenue transactions, assessing whether revenue was recorded in the correct period, including testing whether revenue transactions were recognised as contract liabilities where appropriate; and • assessing the adequacy of disclosures made in the consolidated financial statements.

KEY AUDIT MATTERS (CONTINUED)

Key audit matters	How our audit addressed the key audit matters
Impairment assessment on non-financial assets *Refer to Note 4, Note 5, Note 14 to Note 18 to the consolidated financial statements.* As at 31 March 2025, the Group's property, plant and equipment, right-of-use assets, intangible assets and goodwill amounted to approximately HK$1,552,000, HK$9,935,000, HK$4,017,000 and HK$6,283,000 respectively. Due to indicator of assets impairment existed, management engaged an external valuer to perform an impairment assessment in accordance with Hong Kong Accounting Standard 36 Impairment of Assets in relation to the Group's tutoring services operation and management services operation, which are considered by the management as two different cash-generating units ("**CGUs**"). We identified the impairment assessment on property, plant and equipment, right-of-use assets, intangible assets and goodwill as a key audit matter due to the significant judgement exercised by the management in determining the key assumptions adopted in the assessment of the recoverable amounts of the assets.	Our procedures in relation to impairment assessment on property, plant and equipment, right-of-use assets, intangible assets and goodwill include: • understanding of the key controls relating to the assessment process, including the determination of CGU and appropriateness of the value-in-use calculation model used; • assessing the qualification, experience and expertise of the external valuer engaged by management and considering their objectivity; • involving our internal valuation specialist in evaluating the appropriateness of the impairment assessment methodology adopted with reference to the prevailing accounting standards, the reasonableness of the key assumptions used by the management; and • assessing the disclosures in the consolidated financial statements with reference to the requirements of the prevailing accounting standards.

KEY AUDIT MATTERS (CONTINUED)

Key audit matters	How our audit addressed the key audit matters
*Fair value of financial assets through other comprehensive income ("**FVTOCI**")*	
Refer to Note 4, Note 5, Note 19 and Note 37 to the consolidated financial statements.	
As at 31 March 2025, the Group's financial assets at FVTOCI represent unlisted equity investments with carrying amount of approximately HK$5,010,000. Management of the Company engaged an external valuer to determine the fair value of the financial assets at FVTOCI. The valuation of these financial assets is based on a combination of valuation techniques and key unobservable inputs. Determination of unobservable inputs involves significant management's judgement. We identified assessing the fair value of financial assets at FVTOCI as a key audit matter because of the degree of complexity involved in valuing these financial assets and the significant degree of judgement exercised by management in determining the valuation techniques and inputs used.	Our procedures in relation to assessing the fair value of financial assets at FVTOCI include: • discussing with management and external valuer to understand the basis of valuation approach and methodology; • assessing the qualification, experience and expertise of the external valuer engaged by management and considering their objectivity; • involving our internal valuation specialist in evaluating the appropriateness of the valuation methodology, the accuracy of the calculations in the valuation model and inputs used in the fair value measurements; and • assessing the disclosures in the consolidated financial statements with reference to the requirements of the prevailing accounting standards.

OTHER MATTER

The consolidated financial statements of the Group for the year ended 31 March 2024 were audited by another auditor who expressed an unmodified opinion on those consolidated financial statements on 28 June 2024.

OTHER INFORMATION

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

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

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

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

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

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

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

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

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

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

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

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

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

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

CCTH CPA Limited
Certified Public Accountants

Chan Yee Lai Kenneth
Practising certificate number: P02095

Unit 1510–1517, 15/F., Tower 2
Kowloon Commerce Centre
No. 51 Kwai Cheong Road
Kwai Chung, New Territories
Hong Kong

Hong Kong, 27 June 2025

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 March 2025

	Notes	2025 HK$'000	2024 HK$'000 (Restated)
Revenue	7	**51,209**	45,793
Other income	7	**3,585**	2,837
Amortisation of intangible assets		**(1,212)**	(1,226)
Depreciation		**(7,717)**	(5,683)
Employee benefits expense		**(40,860)**	(35,830)
Fair value changes on financial assets at fair value through profit or loss ("**FVTPL**")		**31**	(576)
Provision for expected credit loss ("**ECL**") on accounts receivable	21	**(3,464)**	(815)
Provision for ECL on other receivables	22	**(279)**	–
Loss arising from derecognition of profit guarantee		**(59)**	–
Other operating expenses		**(11,965)**	(9,569)
Finance costs	8	**(827)**	(872)
Loss before tax	9	**(11,558)**	(5,941)
Income tax expense	11	**(1,384)**	(18)
Loss for the year		**(12,942)**	(5,959)
Other comprehensive expense:			
Item that may be reclassified subsequently to profit or loss:			
Exchange differences arising on translation of foreign operations		**(76)**	(804)
Item that will not be reclassified to profit or loss:			
Fair value loss on financial assets at fair value through other comprehensive income ("**FVTOCI**")		**(4,030)**	(349)
Other comprehensive expense for the year, net of tax		**(4,106)**	(1,153)
Total comprehensive expense for the year		**(17,048)**	(7,112)
(Loss)/profit for the year attributable to:			
– Owners of the Company		**(12,875)**	(6,400)
– Non-controlling interests		**(67)**	441
		(12,942)	(5,959)
Total comprehensive (expense)/income for the year attributable to:			
– Owners of the Company		**(16,947)**	(7,191)
– Non-controlling interests		**(101)**	79
		(17,048)	(7,112)
			(Restated)
Loss per share — Basic and diluted (HK cents)	13	**(9.04)**	(18.38)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2025

	Notes	2025 HK$'000	2024 HK$'000 (Restated)
Non-current Assets			
Property, plant and equipment	14	**1,552**	1,484
Right-of-use assets	15	**9,935**	9,932
Intangible assets	16	**4,017**	5,253
Goodwill	17	**6,283**	6,290
Financial assets at FVTOCI	19	**5,010**	9,040
Deposits	22	**–**	1,507
		26,797	33,506
Current Assets			
Accounts receivable	21	**7,754**	4,350
Prepayments, deposits and other receivables	22	**8,818**	2,122
Financial assets at FVTPL	23	**459**	487
Income tax recoverable		**–**	317
Restricted bank deposits	24	**–**	14,559
Cash and cash equivalents	24	**14,319**	6,855
		31,350	28,690
Current Liabilities			
Accruals and other payables	25	**3,958**	5,248
Contract liabilities	26	**1,831**	1,186
Lease liabilities	27	**6,370**	6,066
Income tax payable		**1,345**	–
		13,504	12,500
Net Current Assets		**17,846**	16,190
Total Assets less Current Liabilities		**44,643**	49,696
Non-current Liabilities			
Deferred tax liabilities	20	**222**	525
Lease liabilities	27	**3,922**	5,129
Promissory note	28	**–**	2,227
		4,144	7,881
Net Assets		**40,499**	41,815

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2025

	Notes	2025 HK$'000	2024 HK$'000 (Restated)
EQUITY			
Share capital	29	**73**	18
Reserves	31	**37,160**	38,430
Equity attributable to owners of the Company		**37,233**	38,448
Non-controlling interests		**3,266**	3,367
Total Equity		**40,499**	41,815

The consolidated financial statements on pages 44 to 111 were approved and authorised for issue by the board of directors on 27 June 2025 and are signed on its behalf by:

Leung Wai Tai
Director

Li Yan Lin
Director

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 March 2025

	Attributable to owners of the Company									
	Share capital HK$'000 (Note 29)	**Share premium** HK$'000 (Note 31(a))	**Share option reserve** HK$'000 (Note 31(b))	**Fair value reserve of financial assets at FVTOCI** HK$'000 (Note 31(c))	**Capital reserve** HK$'000 (Note 31(d))	**Foreign currency translation reserve** HK$'000 (Note 31(e))	**Accumulated losses** HK$'000	**Total reserve** HK$'000	**Non-controlling interests** HK$'000	**Total equity** HK$'000
At 1 April 2023	6,270	26,763	114	–	3,372	(6)	(4,180)	26,063	3,288	35,621
(Loss)/profit for the year	–	–	–	–	–	–	(6,400)	(6,400)	441	(5,959)
Other comprehensive expense:										
Exchange differences arising on translation of foreign operations	–	–	–	–	–	(442)	–	(442)	(362)	(804)
Fair value loss on financial assets at FVTOCI	–	–	–	(349)	–	–	–	(349)	–	(349)
Total comprehensive (expense)/income for the year	–	–	–	(349)	–	(442)	(6,400)	(7,191)	79	(7,112)
Issue of consideration shares for acquisition of financial assets at FVTOCI (Note 29(ii))	1,296	6,069	–	–	–	–	–	6,069	–	7,365
Placing of shares (Note 29(i))	1,513	3,632	–	–	–	–	–	3,632	–	5,145
Expenses related to placing of shares (Note 29(i))	–	(26)	–	–	–	–	–	(26)	–	(26)
Recognition of share-based payments	–	–	822	–	–	–	–	822	–	822
Transfer of share option reserve upon cancellation of share options	–	–	(936)	–	–	–	936	–	–	–
Capital reorganisation (Note 29(iii))	(9,061)	9,061	–	–	–	–	–	9,061	–	–
At 31 March 2024 and 1 April 2024	18	45,499	–	(349)	3,372	(448)	(9,644)	38,430	3,367	41,815
Loss for the year	–	–	–	–	–	–	(12,875)	(12,875)	(67)	(12,942)
Other comprehensive expense:										
Exchange differences arising on translation of foreign operations	–	–	–	–	–	(42)	–	(42)	(34)	(76)
Fair value loss on financial assets at FVTOCI	–	–	–	(4,030)	–	–	–	(4,030)	–	(4,030)
Total comprehensive expense for the year	–	–	–	(4,030)	–	(42)	(12,875)	(16,947)	(101)	(17,048)
Issue of rights shares (Note 29(iv))	55	15,677	–	–	–	–	–	15,677	–	15,732
At 31 March 2025	**73**	**61,176**	**–**	**(4,379)**	**3,372**	**(490)**	**(22,519)**	**37,160**	**3,266**	**40,499**

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 March 2025

	Notes	2025 HK$'000	2024 HK$'000
Operating Activities			
Loss before tax		**(11,558)**	(5,941)
Adjustments for:			
Finance costs	8	**827**	872
Interest income	7	**(75)**	(66)
Depreciation of property, plant and equipment	14	**947**	704
Depreciation of right-of-use assets	15	**6,770**	4,979
Amortisation of intangible assets	16	**1,212**	1,226
(Gain)/loss on fair value changes of financial assets at FVTPL	23	**(31)**	576
Provision for ECL on accounts receivable	21	**3,464**	815
Provision for ECL on other receivables	22	**279**	–
Loss arising from derecognition of profit guarantee		**59**	–
Gain on early termination of lease	7	**(62)**	–
Rental concession	7	**(7)**	(158)
Share-based payment expense	30	**–**	822
Operating cash flows before movements in working capital		**1,825**	3,829
Increase in accounts receivable		**(6,844)**	(2,970)
Increase in prepayments, deposits and other receivables		**(5,467)**	(118)
Decrease/(increase) in restricted bank deposits		**14,559**	(42)
(Decrease)/increase in accruals and other payables		**(1,290)**	876
Increase/(decrease) in contract liabilities		**645**	(187)
Cash generated from operations		**3,428**	1,388
Income tax paid		**(25)**	(166)
Interest paid		**–**	(41)
Interest received		**75**	66
Net cash generated from operating activities		**3,478**	1,247
Investing Activities			
Purchases of property, plant and equipment	14	**(1,015)**	(1,289)
Acquisition of financial assets at FVTOCI		**–**	(2,024)
Net cash used in investing activities		**(1,015)**	(3,313)

	Note	2025 HK$'000	2024 HK$'000
Financing Activities			
Interest paid		**(760)**	(677)
Proceeds from issue of shares		**15,732**	5,145
Payment for settlement of promissory note		**(2,294)**	–
Transaction costs attributable to issue of shares		**–**	(26)
Repayment of lease liabilities		**(7,384)**	(4,492)
Net cash generated from/(used in) financing activities		**5,294**	(50)
Net increase/(decrease) in cash and cash equivalents		**7,757**	(2,116)
Cash and cash equivalents at beginning of the year		**6,855**	8,973
Effect of foreign exchange rate changes		**(293)**	(2)
Cash and cash equivalents at end of the year	24	**14,319**	6,855

1. GENERAL INFORMATION

Goldway Education Group Limited (the "**Company**") was incorporated as an exempted company with limited liability in the Cayman Islands on 19 October 2015 and its shares have been listed on GEM of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") (the "**GEM Board**") by way of placing and public offer of shares (the "**Share Offer**") on 2 December 2016 (the "**Listing**"). The Company's registered office and the principal place of business are situated at Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman, KY1-1111, Cayman Islands and Shop B10, 1/F, Goodrich Shopping Arcade, Tuen Mun, New Territories, Hong Kong, respectively.

The Group is principally engaged in the provision of tutoring services, franchising services and management services in Hong Kong and in Mainland ("**Mainland China**") of the People's Republic of China (the "**PRC**"). The Group provides private tutoring services including primary and secondary tutoring services under the trade name of "Logic Tutorial Centre" and "Pedagog Education Centre".

For the year ended 31 March 2025, the Group has re-presented certain line items in its consolidated statement of profit or loss and other comprehensive income and consolidated statement of financial position to better reflect the function and nature of those items. Certain comparative figures in the consolidated statement of profit or loss and other comprehensive income, consolidated statement of financial position and the consolidated statement of cash flows, and the related disclosure notes, have been restated to conform with the current year's presentation. Such re-presentation did not have any impact on the Group's profit or loss and total comprehensive income for the comparative year ended 31 March 2024; non-current assets, current assets, non-current liabilities, current liabilities, and total equity as at 31 March 2024, and cash flows for the comparative year ended 31 March 2024.

The following table highlights the re-presentation from the aforesaid changes on certain line items in the consolidated statement of profit or loss and other comprehensive income and consolidated statement of financial position as at 31 March 2024.

Consolidated Statement of Profit or Loss and Other Comprehensive Income (Extracted)

	2024 Previously presented HK$'000	2024 Adjustments HK$'000	2024 Restated HK$'000
Advertising expenses	(98)	98	–
Building management fee	(816)	816	–
Short term lease expenses	(303)	303	–
Other operating expenses	(8,352)	(1,217)	(9,569)

1. GENERAL INFORMATION (CONTINUED)

Consolidated Statement of Financial Position (Extracted)

	2024 Previously presented HK$'000	2024 Adjustments HK$'000	2024 Restated HK$'000
Current liabilities			
Accruals, other payables and contract liabilities	6,434	(6,434)	–
Accruals and other payables	–	5,248	5,248
Contract liabilities	–	1,186	1,186

2. BASIS OF PREPARATION

The consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("**HKFRSs**") issued by the Hong Kong Institute of Certified Public Accountants (the "**HKICPA**"), which collective term includes all applicable individual Hong Kong Financial Reporting Standards ("**HKFRS**"), Hong Kong Accounting Standards ("**HKASs**") and Interpretations. For the purpose of preparation of the consolidated financial statements, information is considered material if such information is reasonably expected to influence decisions made by primary users. In addition, the consolidated financial statements include applicable disclosure required by the Rules Governing the Listing of Securities on GEM of the Stock Exchange ("**GEM Listing Rules**") and with the disclosure requirements of the Hong Kong Company Ordinance.

The consolidated financial statements have been prepared on the historical cost convention, unless indicated otherwise.

It should be noted that accounting estimates and assumptions are used in the preparation of the consolidated financial statements. Although these estimates are based on the management's best knowledge and judgement of current events and actions, actual results may ultimately differ from those estimates. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 5.

The consolidated financial statements are presented in Hong Kong Dollars ("**HK$**") which is also the functional currency of the Company. All values are rounded to the nearest thousand except when otherwise indicated.

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

3. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs")

New and Amendments to HKFRSs that are mandatorily effective for the current year

In the current year, the Group has applied the following amendments to HKFRSs issued by the HKICPA for the first time, which are mandatorily effective for the annual periods beginning on or after 1 April 2024 for the preparation of the consolidated financial statements:

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

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

New and Amendments to HKFRSs in issue but not yet effective

The Group has not early applied the followings new and amendments to HKFRSs that have been issued but are not yet effective:

Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments[3]
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture[1]
Amendments to HKFRS Accounting Standards	Annual Improvements to HKFRS Accounting Standards-Volume 11[3]
Amendments to HKAS 21	Lack of Exchangeability[2]
HKFRS 18	Presentation and Disclosure in Financial Statements[4]

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

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

3. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs") (CONTINUED)

New and Amendments to HKFRSs in issue but not yet effective (Continued)

HKFRS 18 Presentation and Disclosure in Financial Statements

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

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

4. MATERIAL ACCOUNTING POLICY INFORMATION

(a) Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and its subsidiaries comprising the Group for the reporting periods.

A subsidiary is an investee over which the Company is able to exercise control. The Company controls an investee if all of the following elements are present: power over the investee; exposure, or rights, to variable returns from the investee; and the ability to use its power to affect those variable returns. Generally control is achieved with a shareholding of more than one half of the voting rights over the relevant activities of the investee. The existence and effect of potential voting rights that are exercisable or convertible are considered when assessing whether the Company controls another entity. Control is reassessed whenever facts and circumstances indicate that there may be a change in any of these elements of control.

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

The financial statements of subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. The results of subsidiaries are attributed to the owners of the Company.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated in preparing the consolidated financial statements. Where unrealised losses on intra-group asset sales are reversed on consolidation, the underlying asset is also tested for impairment from the Group's perspective. Amounts reported in the financial statements of subsidiaries have been adjusted where necessary to ensure consistency with the accounting policies adopted by the Group.

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(a) Basis of consolidation (Continued)

The results of subsidiaries are included in the Company's profit or loss to the extent of dividends received and receivable. The Company's investments in subsidiaries are stated at cost less any impairment losses.

Cost includes direct attributable costs of investments. The results of subsidiaries are accounted for by the Company on the basis of dividend received or receivable.

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

(b) Business combination and goodwill

The acquisition method is used to account for the acquisition of a subsidiary in a business combination. The consideration transferred in a business combination is measured at the acquisition-date fair value of the assets given, equity instruments issued, liabilities incurred and any contingent consideration. Acquisition related costs are recognised as expenses in the periods in which the costs are incurred and the services are received. Identifiable assets and liabilities of the subsidiary in the acquisition are, with limited exceptions, measured at their acquisition-date fair values.

The excess of the sum of the consideration transferred over the Group's share of the net fair value of the subsidiary's identifiable assets and liabilities is recorded as goodwill. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the sum of the consideration transferred is recognised in consolidated profit or loss as a gain on bargain purchase which is attributed to the Group.

In a business combination achieved in stages, the previously held equity interest in the subsidiary is remeasured at its acquisition-date fair value and the resulting gain or loss is recognised in consolidated profit or loss. The fair value is added to the sum of the consideration transferred in a business combination to calculate the goodwill.

The non-controlling interests in the subsidiary are initially measured at the non-controlling shareholders' proportionate share of the net fair value of the subsidiary's identifiable assets and liabilities at the acquisition date.

After initial recognition, goodwill is measured at cost less accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the cash-generating units ("**CGUs**") or groups of CGUs that is expected to benefit from the synergies of the combination. Each unit or group of units to which the goodwill is allocated represents the lowest level within the Group at which the goodwill is monitored for internal management purposes. Goodwill impairment reviews are undertaken annually, or more frequently if events or changes in circumstances indicate a potential impairment. The carrying value of the CGUs containing the goodwill is compared to its recoverable amount, which is the higher of value in use and the fair value less costs of disposal. Any impairment is recognised immediately as an expense and is not subsequently reversed.

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(c) Foreign currency translation

(i) Functional and presentation currency

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

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

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

Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the foreign exchange rates ruling at the transaction dates. The transaction date is the date on which the company initially recognises such non-monetary assets or liabilities. Non-monetary items that are measured at fair values in foreign currencies are translated using the exchange rates at the dates when the fair values are determined.

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

(iii) Translation on consolidation

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

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

– Income and expenses for each statement of profit or loss and other comprehensive income are translated at average exchange rates for the period (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the exchange rates on the transaction dates); and

– All resulting exchange differences are recognised other comprehensive income and accumulated in the foreign currency translation reserve.

On consolidation, exchange differences arising from the translation of monetary items that form part of the net investment in foreign entities are recognised in other comprehensive income and accumulated in the foreign currency translation reserve. When a foreign operation is sold, such exchange differences are reclassified to the consolidated profit or loss as part of the gain or loss on disposal.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing date.

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(d) Property, plant and equipment

Property, plant and equipment are stated at cost, less accumulated depreciation and impairment losses, if any.

The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable cost of bringing the asset to its working condition and location for its intended use. Expenditure incurred after the item has been put into operation, such as repairs and maintenance and overhaul costs, is normally charged to profit or loss in the year in which it is incurred. In situations where it can be clearly demonstrated that the expenditure has resulted in an increase in future economic benefits expected to be obtained from the use of the item, the expenditure is capitalised as an additional cost of the item. When an item of property, plant and equipment is sold, its cost and accumulated depreciation are derecognised and any gain or loss resulting from the disposal, being the difference between the net disposal proceeds and the carrying amount of the asset, is included in profit or loss.

Depreciation is calculated using the straight-line method, based on the estimated economic useful life of the individual assets, as follows:

Leasehold improvements	Over the lease term
Motor vehicles	5 years
Furniture, fixtures and equipment	5 years

The estimated useful lives and depreciation method are reviewed, and adjusted if appropriate, at the end of each reporting period.

(e) Intangible assets (other than goodwill)

Intangible assets acquired are measured on initial recognition at cost. The useful lives of intangible assets are assessed to be whether finite or indefinite. Intangible assets with finite lives are subsequently amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at the end of each reporting period.

Management service contract is stated at cost less impairment losses and is amortised over the period of the contract, commencing from the date when the Group obtained control of the management service contract.

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(f) Impairment of non-financial assets

When an indication of impairment exists, or when annual impairment testing for an asset is required (other than financial assets), the asset's recoverable amount of the asset is estimated. An asset's recoverable amount is the higher of the asset's or cash-generating unit's value in use and its fair value less costs of disposal. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of time value of money and the risk specific to the asset or cash-generating unit.

For the purposes of assessing impairment, where an asset does not generate cash inflows largely independent of those from other assets or groups of assets, the recoverable amount is determined for the smallest group of assets that generate cash inflows independently (i.e. a cash-generating unit). As a result, some assets are tested individually for impairment and some are tested at cash-generating unit level.

An impairment loss is recognised as an expense immediately for the amount by which the asset's carrying amount exceeds its recoverable amount. Impairment loss is charged to the assets pro rata on the basis of the carrying amounts of each asset in the cash-generating unit, except that the carrying value of an asset will not be reduced below its individual fair value less cost of disposal (if measurable) or value in use (if determinable), whichever is the higher.

An assessment is made at the end of each reporting period as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such an indication exists, the recoverable amount is estimated. A previously recognised impairment loss of an asset is reversed only if there has been a favourable change in the estimates used to determine the asset's recoverable amount, but not to an amount higher than the carrying amount that would have been determined (net of any depreciation) had no impairment loss been recognised for the asset in prior years. A reversal of such an impairment loss is credited to profit or loss in the period in which it arises.

(g) Leases

The Group as a lessee

Definition of a lease

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

Allocation of consideration to components of a contract

For a contract that contains a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components, including contract for acquisition of ownership interests of a property which includes both leasehold land and non-lease building components, unless such allocation cannot be made reliably.

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

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(g) Leases (Continued)

The Group as a lessee (Continued)

Short-term leases

The Group applies the short-term lease recognition exemption to leases of premises that have a lease term of 12 months or less from the commencement date and do not contain a purchase option. Lease payments on short-term leases are recognised as expense on a straight-line basis or another systematic basis over the lease term.

Right-of-use assets

The cost of right-of-use asset includes:

– the amount of the initial measurement of the lease liability;

– any lease payments made at or before the commencement date, less any lease incentives received;

– any initial direct costs incurred by the Group; and

– an estimate of costs to be incurred by the Group in dismantling and removing the underlying assets, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

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

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

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(g) Leases (Continued)

The Group as a lessee (Continued)

Lease liabilities

At the commencement date of a lease, the Group recognises and measures the lease liability at the present value of lease payments that are unpaid at that date. Lease payments to be made reasonably certain extension options are also included in the measurement of the lease liability.

The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable.

In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. To determine the incremental borrowing rate, the Group:

– where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received,

– uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by the group entities, which do not have recent third-party financing, and

– makes adjustments specific to the lease, e.g. term, country, currency and security.

If a readily observable amortising loan rate is available to the individual lessee (through recent financing or market data) which has a similar payment profile to the lease, then the group entities use that rate as a starting point to determine the incremental borrowing rate.

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

Lease modifications

Except for Covid-19-related rent concessions in which the Group applied the practical expedient, the Group accounts for a lease modification as a separate lease if:

– the modification increases the scope of the lease by adding the right to use one or more underlying assets; and

– the consideration for the leases increases by an amount commensurate with the stand-alone price for the increase in scope and any appropriate adjustments to that stand-alone price to reflect the circumstances of the particular contract.

For a lease modification that is not accounted for as a separate lease, the Group remeasures the lease liability based on the lease term of the modified lease by discounting the revised lease payments using a revised discounted rate at the effective date of the modification. The Group accounts for the remeasurement of lease liabilities by making corresponding adjustments to the relevant right-of-use asset, 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 POLICY INFORMATION (CONTINUED)

(h) Financial instruments

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

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

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

Financial assets

Classification and measurement of financial assets

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

- the financial asset is held within a business model whose objective is to collect contractual cash flows; and

- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(h) Financial instruments (Continued)

Financial assets (Continued)

Classification and measurement of financial assets (Continued)

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

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

All other financial assets are subsequently measured at FVTPL, except that at the date of initial application/initial recognition of a financial asset the Group may irrevocably elect to present subsequent changes in fair value of an equity investment in other comprehensive income if that equity investment is neither held for trading nor contingent consideration recognised by an acquirer in a business combination to which HKFRS 3 (Revised) Business Combinations applies.

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

Amortised cost and interest income

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

Accounting policy of impairment of financial assets measured at amortised cost is stated in Note 4(i).

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(h) Financial instruments (Continued)

Financial assets (Continued)

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Group's consolidated statement of financial position) when:

- the rights to receive cash flows from the asset have expired; or
- the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risk and rewards of ownership of the asset. When it has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

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

Financial liabilities

The Group's financial liabilities include accruals and other payables.

Financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. All interest related charges are recognised in accordance with the Group's accounting policy for borrowing costs.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amount is recognised in consolidated income statement.

Accruals and other payables are recognised initially at their fair value and subsequently measured at amortised cost, using the effective interest method.

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(i) Impairment of financial assets

The Group recognises a loss allowance for expected credit losses on investments in debt instruments that are measured at amortised cost, accounts receivable, deposits and other receivables, restricted bank deposits and cash and cash equivalents. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Group always recognises lifetime ECL for accounts receivable. The expected credit losses on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial instruments, the Group recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month ECL.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

Significant increase in credit risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument at the reporting date with the risk of a default occurring on the financial instrument at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort. Forward-looking information considered includes the future prospects of the industries in which the Group's debtors operate, obtained from economic expert reports, financial analysts, governmental bodies, relevant think-tanks and other similar organisations, as well as consideration of various external sources of actual and forecast economic information that relate to the Group's core operations.

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

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

– significant deterioration in external market indicators of credit risk for a particular financial instrument;

– existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;

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

– significant increases in credit risk on other financial instruments of the same debtor;

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(i) Impairment of financial assets (Continued)

Significant increase in credit risk (Continued)

– an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

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

Despite the foregoing, the Group assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if:

(i) the financial instrument has a low risk of default,

(ii) the debtor has a strong capacity to meet its contractual cash flow obligations in the near term, and

(iii) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

The Group considers a financial asset to have low credit risk when the asset has external credit rating of "investment grade" in accordance with the globally understood definition or if an external rating is not available, the asset has an internal rating of "performing". Performing means that the counterparty has a strong financial position and there is no past due amounts.

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

Definition of default

The Group considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that receivables that meet either of the following criteria are generally not recoverable.

– when there is a breach of financial covenants by the counterparty; or

– information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collaterals held by the Group).

Irrespective of the above analysis, the Group considers that default has occurred when a financial asset is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(i) Impairment of financial assets (Continued)

Credit-impaired financial assets

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

- significant financial difficulty of the issuer or the counterparty;
- a breach of contract, such as a default or past due event;
- the lender(s) of the counterparty, for economic or contractual reasons relating to the counterparty's financial difficulty, having granted to the counterparty a concession(s) that the lender(s) would not otherwise consider;
- it is becoming probable that the counterparty will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for that financial asset because of financial difficulties.

Write-off policy

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

Measurement and recognition of ECL

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

For financial assets, the expected credit loss is estimated as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate.

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(i) Impairment of financial assets (Continued)

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

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

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

(j) Share-based payments

The Group issues equity-settled share-based payments to certain directors and employees. Equity-settled share-based payments to directors and employees are measured at the fair value (excluding the effect of non-market based vesting conditions) of the equity instruments at the date of grant. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of shares that will eventually vest and adjusted for the effect of non-market based vesting conditions.

(k) Accounts receivable and other receivables

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

Accounts receivable and other receivables are stated at amortised cost using the effective interest method less allowance for credit losses.

(l) Cash and cash equivalents

For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise cash on hand and demand deposits that are readily convertible into known amounts of cash, are subject to an insignificant risk of changes in value, and have a short maturity of generally within three months when acquired, less bank overdrafts which are repayable on demand and form an integral part of the Group's cash management.

For the purpose of the consolidated statement of financial position, cash and cash equivalents comprise cash on hand and at banks, including term deposits, and assets similar in nature to cash, which are not restricted as to use

(m) Provisions

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

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

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(n) Income tax

Income tax comprises current and deferred tax. Income tax relating to items recognised outside profit or loss is recognised outside profit or loss, either in other comprehensive income or directly in equity.

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period, taking into consideration interpretations and practices prevailing in the countries in which the Group operates.

Deferred tax is provided, using the liability method, on all temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except in respect of taxable temporary differences associated with investments in subsidiaries, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carried forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, the carried forward unused tax credits and unused tax losses can be utilised, except in respect of deductible temporary differences associated with investments in subsidiaries, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

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

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

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(o) Revenue and other income

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

A performance obligation is a promise in a contract with a customer to transfer to the customer either (a) a good or service (or a bundle of goods or services) that is distinct; or (b) a series of distinct goods or services that are substantially the same and that have the same pattern of transfer to the customer.

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

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

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

A contract asset represents the Group's right to consideration in exchange for goods or services that the Group has transferred to a customer that is not yet unconditional. It is assessed for impairment in accordance with HKFRS 9. In contrast, a receivable represents the Group's unconditional right to consideration, i.e. only the passage of time is required before payment of that consideration is due.

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

A contract asset and a contract liabilities relating to a contract are accounted for and presented on a net basis.

The Group's revenue is recognised as follows:

i) Income from tutoring services is recognised when the services are rendered;

ii) Franchising income includes initial franchising income and continuing franchising income. Initial franchising income is recognised when the Group has performed substantially all initial services and other obligations required of the franchisor (the Group) under the franchise agreements. Continuing franchising income represents fees charged for the use of continuing rights granted by a franchise agreement, or for other services provided during the period of a franchise agreement, is recognised as revenue when the franchisees' sales occur; and

iii) Income from management services is recognised when the services are rendered.

Interest income is recognised as it accrues using the effective interest method.

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(p) Employee benefits

(a) Contributions to defined contribution retirement plans

A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. The Group has no legal or constructive obligations to pay further contributions after payment of the fixed contribution.

The contributions recognised in respect of defined contribution plans are expensed as they fall due. Liabilities and assets may be recognised if underpayment or prepayment has occurred and are included in current liabilities or current assets as they are normally of a short-term nature.

The Group participates the defined contribution scheme (the "**MPF Scheme**") under the Mandatory Provident Fund Schemes Ordinance which is available to its employees in Hong Kong. Contributions to the MPF Scheme by the Group and employees are made based on a percentage of employees' basic salaries and are charged to profit or loss as they become payable in accordance with the rules of the MPF Scheme. The assets of the MPF Scheme are held separately from those of the Group in an independently administered fund. The Group's employer contributions vest fully with the employees when contributed into the MPF Scheme.

As stipulated under the relevant rules and regulations in Mainland China, the employees of a Group's subsidiary established in Mainland China is a member of a central pension scheme operated by the local municipal government. This subsidiary is required to contribute certain percentage of the employees' basic salaries and wages to the central pension scheme to fund the retirement benefits. The local municipal government undertakes to assume the retirement benefits obligations of all existing and future retired employees of this subsidiary. The only obligation of this subsidiary with respect to the central pension scheme is to meet the required contributions under the scheme.

There were no forfeited contributions utilised by or available for the Group to reduce existing level of contributions for each of the years.

(b) Short-term employee benefits

Short term employee benefits are employee benefits (other than termination benefits) that are expected to be settled wholly before twelve months after the end of the annual reporting period in which the employees render the related service. Short term employee benefits are recognised in the year when the employees render the related service.

Non-accumulating compensated absences, such as sick leave and maternity leave, are not recognised until the time of leave.

(c) Pension obligations

For long service payment ("**LSP**") obligation, the Group accounts for the employer MPF contributions expected to be offsetted as a deemed employee contribution towards the LSP obligation in term of HKAS 19 paragraph 93(a) and it is measured on a net basis. 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.

(d) Termination benefits

Termination benefits are recognised on the earlier of when the Group can no longer withdraw the offer of those benefits and when the Group restructuring costs involve the payment of termination benefits.

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(q) Equity instruments

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

(r) Borrowing costs

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

(s) Segment reporting

The Group identifies operating segments and prepares segment information based on the regular internal financial information reported to the executive directors of the Company for their decisions about resources allocation to the Group's business components and for their review of the performance of those components. The business components in the internal financial information reported to the executive directors are determined following the Group's major operations.

The measurement policies the Group uses for reporting segment results under HKFRS 8 Operating Segments are the same as those used in its financial statements prepared under HKFRSs.

(t) Government grants

Government grants relate to income that are receivables as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable. Such grants are presented under "other income".

(u) Events after the reporting period

Events after the reporting period that provide additional information about the Group's position at the end of the reporting period or those that indicate the going concern assumption is not appropriate are adjusting events and are reflected in the consolidated financial statements. Events after the reporting period that are not adjusting events are disclosed in the notes to the consolidated financial statements when material.

5. CRITICAL ACCOUNTING JUDGEMENTS AND ESTIMATES

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

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

The directors of the Company have considered the development, selection and disclosure of the Group's critical accounting judgements and estimates.

5. CRITICAL ACCOUNTING JUDGEMENTS AND ESTIMATES (CONTINUED)

Key sources of estimation uncertainty

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

(a) *Provision for ECL for accounts receivable, deposits and other receivables*

The Group estimated the amounts of ECL on these types of receivables based on the expected settlement dates taking into amount of the Group's historical experience in relation to these types of receivables. The Group also takes into account forward-looking information that is reasonable and supportable available without undue costs or effort. At every reporting date, the estimated default rates are reassessed and changes in the forward-looking information are considered. The information about the ECL and the Group's accounts receivable, deposits and other receivables are disclosed in note 21, 22 and 37.

(b) *Impairment of non-financial assets*

The Group assesses at the end of each reporting period whether there is an indication that property, plant and equipment, right-of-use assets, intangible assets and goodwill may be impaired. If any such indication exists, the Group makes an estimate of the recoverable amount of the asset. This requires an estimation of the value in use of the cash-generating unit to which the asset is allocated. Estimating the value in use requires the Group to make an estimate of the expected future cash flows from the cash-generating unit and also to choose a suitable discount rate in order to calculate the present value of those cash flows. A change in the estimate future cash flows and/or the discount rate applied will result in an adjustment to the estimated impairment provision previously made.

As at 31 March 2025, the carrying amounts of property, plant and equipment, right-of-use assets, intangible assets and goodwill are approximately HK$1,552,000, HK$9,935,000, HK$4,017,000 and HK$6,283,000 respectively (2024: HK$1,484,000, HK$9,932,000, HK$5,253,000 and HK$6,290,000 respectively).

During the year ended 31 March 2025, no impairment had been recognised by the Group (2024: Nil).

(c) *Estimated useful lives of property, plant and equipment, right-of-use assets and intangible assets*

In determining the useful lives of property, plant and equipment, right-of-use assets and intangible assets, the Group has to consider various factors, such as expected usage of the asset, expected physical wear and tear, the care and maintenance of the asset, and legal or similar limits on the use of the asset, where applicable. The estimation of the useful lives of the asset is made based on the experience of the Group with similar assets that are used in a similar way. Depreciation/amortisation charge is revised if the estimated useful lives of items of property, plant and equipment, right-of-use assets and intangible assets are different from the previous estimation. Estimated useful lives are reviewed, at the end of each reporting period, based on the changes in circumstances. The carrying amounts of property, plant and equipment, right-of-use assets and intangible assets are disclosed in note 14, 15 and 16 respectively.

5. CRITICAL ACCOUNTING JUDGEMENTS AND ESTIMATES (CONTINUED)

Key sources of estimation uncertainty (Continued)

(d) Fair value of unlisted equity investments recognised as financial assets at FVTOCI

The fair value of unlisted equity investments that are not traded in an active market is determined by using valuation techniques. The Group use its judgement to select a variety of methods (such as market comparable approach) and makes assumptions that are mainly based on market conditions existing at the end of each reporting period. Details of the key assumptions used and the impact of changes to these assumptions are disclosed in note 37. Changes in assumptions could affect the fair value of the balances and as a result affect the Group's financial condition and results of operation.

As at 31 March 2025, the carrying amount of unlisted equity investments is approximately HK$5,010,000 (2024: HK$9,040,000).

6. SEGMENT INFORMATION

An operating segment is a component of the Group that is engaged in business activities from which the Group may earn revenue and incur expenses, and is identified on the basis of the internal management reporting information that is provided to and regularly reviewed by the Group's chief operating decision maker ("**CODM**") in order to allocate resources and assess performance of the segment. For the reporting period, management of the Company has determined that the Group has one single operating segment as the Group is only engaged in the provision of tutoring services, which is the basis used by the CODM to allocate resources and assess performance. Provision of tutoring services includes primary school tutoring services, secondary school tutoring services, franchising services and management services. The Group's revenue from external customers is further disclosed in note 7 to the consolidated financial statements.

Information about the Group's non-current assets based on the geographical location is presented as follows:

	2025 HK$'000	2024 HK$'000
Hong Kong	**11,487**	11,416
Mainland China	**10,300**	11,543
Consolidated total	**21,787**	22,959

Non-current assets include property, plant and equipment, right-of-use assets, intangible assets and goodwill.

Information about the Group's revenue from external customers presented based on the geographical location where the Group operates is as follows:

	2025 HK$'000	2024 HK$'000
Hong Kong	**42,411**	37,144
Mainland China	**8,798**	8,649
Consolidated total	**51,209**	45,793

For the year ended 31 March 2025, the Group's total revenue included approximately HK$8,798,000 (2024: approximately HK$8,649,000) from a single external customer, who accounted for 10% or more of the revenue.

7. REVENUE AND OTHER INCOME

Revenue from the Group's principal activities represents income from provision of tutoring services, franchising services and management services. Revenue and other income are analysed as follows:

	2025 HK$'000	2024 HK$'000
Revenue from contracts with customers, recognised over time		
Income from tutoring services	**40,913**	36,146
Income from continuing franchising	**1,498**	998
Income from management services	**8,798**	8,649
	51,209	45,793
Other income		
Interest income	**75**	66
Rental concession	**7**	158
Gain on early termination of lease	**62**	–
Others (note)	**3,441**	2,613
	3,585	2,837

Note: Others mainly represents income from outsourcing human resources to franchisee for the years ended 31 March 2025 and 2024.

Transaction price allocated to the remaining performance obligation for contracts with customers

The transaction price allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) under management service contract as at 31 March 2025 and the expected timing of recognising revenue as follows:

	Management service contract	
	2025 HK$'000	2024 HK$'000
Within one year	**8,798**	8,898
More than one year but not more than two years	**8,798**	8,898
More than two years	**11,732**	20,762
	29,328	38,558

Performance obligations under the contracts for tutorial and franchising services that are unsatisfied (or partially unsatisfied) as of the end of the reporting period are part of a contract with an original expected duration of one year or less. Therefore, the Group has applied the practical expedient in paragraph 121 of HKFRS 15, which exempts the transaction price allocated to such performance obligations from disclosure.

8. FINANCE COSTS

	2025 HK$'000	2024 HK$'000
Interest expense for lease arrangements	**760**	677
Interest expense for promissory note	**67**	154
Interest expense on other borrowings	**–**	41
	827	872

9. LOSS BEFORE TAX

Loss before tax is arrived at after charging:

	2025 HK$'000	2024 HK$'000
Auditor's remuneration		
– Audit services	**488**	500
Amortisation of intangible assets (Note 16)	**1,212**	1,226
Depreciation of		
– Property, plant and equipment (Note 14)	**947**	704
– Right-of-use assets (Note 15)	**6,770**	4,979
	7,717	5,683
Expenses related to short-term leases	**742**	303
Provision for ECL on accounts receivable	**3,464**	815
Provision for ECL on other receivables	**279**	–
Loss arising from derecognition of profit guarantee	**59**	–
Employee benefits expense (including directors' remuneration (Note 10))		
– Salaries, allowances and benefits in kind	**39,730**	33,710
– Pension scheme contributions		
– Defined contribution plan	**1,130**	1,298
– Share-based payment expenses (Note 30)	**–**	822
	40,860	35,830

10. DIRECTORS' REMUNERATION, FIVE HIGHEST PAID EMPLOYEES AND SENIOR MANAGEMENT EMOLUMENTS

(a) Directors' remuneration

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

	Fees HK$'000	Salaries, allowances and benefits in kind HK$'000	Pension scheme contributions HK$'000	Share based payment expenses HK$'000	Total HK$'000
Year ended 31 March 2025					
Executive directors:					
Mr. Leung Wai Tai	–	240	–	–	240
Ms. Li Yan Lin (Note 1)	–	–	–	–	–
Ms. Ip Sin Nam Ingrid (Note 2)	–	77	–	–	77
Mr. Cheung Tung Tsun Billy (Note 3)	–	–	–	–	–
	–	317	–	–	317
Independent Non-Executive directors:					
Mr. Yu Lap Pan	120	–	–	–	120
Mr. Wong Chi Man	120	–	–	–	120
Mr. Wong Ming Fair Victor (Note 6)	120	–	–	–	120
	360	–	–	–	360
	360	317	–	–	677

10. DIRECTORS' REMUNERATION, FIVE HIGHEST PAID EMPLOYEES AND SENIOR MANAGEMENT EMOLUMENTS (CONTINUED)

(a) Directors' remuneration (Continued)

	Fees HK$'000	Salaries, allowances and benefits in kind HK$'000	Pension scheme contributions HK$'000	Share based payment expenses HK$'000	Total HK$'000
Year ended 31 March 2024					
Executive directors:					
Mr. Tao Wah Wai Calvin (Note 4)	–	83	–	103	186
Mr. Leung Wai Tai	–	240	–	159	399
Ms. Ip Sin Nam Ingrid (Note 2)	–	156	–	–	156
Mr. Cheung Tung Tsun Billy (Note 3)	–	–	–	–	–
	–	479	–	262	741
Independent Non-Executive directors:					
Mr. Yu Lap Pan	120	–	–	–	120
Mr. Hu Chao (Note 5)	75	–	–	–	75
Mr. Wong Chi Man	120	–	–	–	120
Mr. Wong Ming Fair Victor (Note 6)	45	–	–	–	45
	360	–	–	–	360
	360	479	–	262	1,101

Note 1: Ms. Li Yan Lin was appointed as the executive director of the Company with effect from 24 January 2025.

Note 2: Ms. Ip Sin Nam Ingrid was appointed and resigned as executive director of the Company with effect from 7 August 2023 and 26 July 2024 respectively.

Note 3: Mr. Cheung Tung Tsun Billy was appointed and resigned as executive director of the Company with effect from 6 September 2023 and 24 January 2025 respectively.

Note 4: Mr. Tao Wah Wai Calvin retired as the executive director of the Company with effect from 4 August 2023.

Note 5: Mr. Hu Chao resigned as independent non-executive director of the Company with effect from 14 November 2023.

Note 6: Mr. Wong Ming Fair Victor was appointed as independent non-executive director of the Company with effect from 14 November 2023.

10. DIRECTORS' REMUNERATION, FIVE HIGHEST PAID EMPLOYEES AND SENIOR MANAGEMENT EMOLUMENTS (CONTINUED)

(a) Directors' remuneration (Continued)

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

Ms. Li Yan Lin and Mr. Cheung Tung Tsun Billy, the executive directors, waived remuneration during the year ended 31 March 2025. Except for this, there was no arrangement under which a director waived or agreed to waive any remuneration during the year ended 31 March 2025.

Mr. Cheung Tung Tsun Billy, the executive director, waived remuneration during the year ended 31 March 2024. Except for this, there was no arrangement under which a director waived or agreed to waive any remuneration during the year ended 31 March 2024.

(b) Five highest paid individuals

The five individuals with the highest emoluments in the Group included Nil (2024: Nil) directors of the Company whose emoluments are disclosed in Note 10(a) above. The analysis of the emoluments of the remaining 5 (2024: 5) highest paid individuals are set out below:

	2025 **HK$'000**	2024 HK$'000
Salaries, allowances and benefits in kind	**16,045**	9,280
Pension scheme contributions	**90**	90
	16,135	9,370

The analysis of the emoluments of the remaining 5 (2024: 5) whose emoluments fell within the following bands is as follow:

	2025	2024
Nil to HK$1,000,000	**1**	1
HK$1,000,001 to HK$1,500,000	**2**	2
HK$2,500,001 to HK$3,000,000	**–**	1
HK$3,000,001 to HK$3,500,000	**–**	1
HK$5,000,001 to HK$5,500,000	**1**	–
HK$7,000,001 to HK$7,500,000	**1**	–
	5	5

10. DIRECTORS' REMUNERATION, FIVE HIGHEST PAID EMPLOYEES AND SENIOR MANAGEMENT EMOLUMENTS (CONTINUED) (CONTINUED)

(b) Five highest paid individuals (Continued)

During the year ended 31 March 2025, no director or any of the five highest paid individuals waived or agreed to waive any emoluments (2024: Nil). No emoluments were paid by the Group to the directors or any of the five highest paid individuals as an inducement to join or upon joining the Group, or as compensation for loss of office for the year (2024: Nil).

(c) Directors' termination benefits

None of the directors received or will receive any termination benefits during the year ended 31 March 2025 (2024: Nil).

(d) Consideration provided to third parties for making available directors' services

The Group did not pay any consideration to any third parties for making available directors' services during the year ended 31 March 2025 (2024: Nil).

(e) Directors' material interests in transactions, arrangements or contracts

Save as disclosed in note 35, no significant transactions, arrangements or contracts in relation to the Group's business to which the Company was a party and in which a director of the Company and the director's connected party had a material interest, whether directly or indirectly, subsisted at the end of the year of at any time during the year.

11. INCOME TAX EXPENSE

	Notes	**2025 HK$'000**	2024 HK$'000
Current tax			
Hong Kong Profits Tax	b		
– Provision for the year		**–**	–
– Under-provision in respect of prior years		**18**	–
		18	–
PRC Enterprise Income Tax ("**EIT**")	c		
– Provision for the year		**1,669**	141
		1,687	141
Deferred tax			
Deferred tax credit for the year (Note 20)		**(303)**	(123)
Income tax expense		**1,384**	18

Notes:

(a) Pursuant to the rules and regulations of the Cayman Islands and the BVI, the Group is not subject to any income tax in the Cayman Islands and the BVI.

(b) Under the two-tiered profits tax rates regime, the first HK$2,000,000 of profits of a qualifying corporation established in Hong Kong will be taxed at 8.25%, and profits above HK$2,000,000 will be taxed at 16.5%. The profits of corporations not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%. The two-tiered profits tax rates regime was applicable to the Group for the year.

No provision for Hong Kong profits tax has been made for the years ended 31 March 2025 and 2024 since the Group's entities either had no assessable profit for the years or had sufficient tax losses brought forward to set off against assessable profit.

(c) For the year ended 31 March 2024, one of the Group's PRC subsidiaries has been classified as a small low-profit enterprise under the Law of the PRC on EIT and its Implementation Regulation. The subsidiary is entitled to EIT rates of 5% on taxable profits not exceeding RMB1,000,000 and 10% on taxable profits exceeding RMB1,000,000 but not exceeding RMB3,000,000.

The tax rate applicable to the Group's other PRC subsidiaries were 25% during the years ended 31 March 2025 and 2024.

11. INCOME TAX EXPENSE (CONTINUED)

Income tax expense can be reconciled to loss before tax as follows:

	2025 HK$'000	2024 HK$'000
Loss before tax	**(11,558)**	(5,941)
Tax at Hong Kong Profits Tax of 16.5% (2024: 16.5%)	**(1,907)**	(980)
Tax effect of expenses not deductible for tax purpose	**1,747**	832
Tax effect of income not taxable for tax purpose	**(13)**	(10)
Tax effect of temporary difference not recognised	**–**	37
Effect of tax reduction	**–**	(1)
Utilisation of tax losses previously not recognised	**–**	(77)
Tax effect of tax losses not recognised	**932**	393
Under-provision of tax in prior years	**18**	–
Effect of different tax rates of subsidiaries operating in other jurisdictions	**607**	(176)
Income tax expense	**1,384**	18

12. DIVIDENDS

The board of directors does not recommend the payment of any final dividend for the year ended 31 March 2025 (2024: Nil).

13. LOSS PER SHARE

The calculation of the basic and diluted loss per share is based on the following data:

	2025 HK$'000	2024 HK$'000
Loss for the purpose of basic loss per share		
Loss for the year attributable to the owners of the Company	**(12,875)**	(6,400)
		(Restated)
Number of shares for the purpose of basic loss per share		
Weighted average number of ordinary shares	**142,374,761**	34,824,406

Diluted loss per share was the same as the basic loss per share as the effects of the Company's potential ordinary shares in respect of the outstanding share options are anti-dilutive for the years ended 31 March 2025 and 2024.

The weighted average number of ordinary shares for the prior year ended 31 March 2024 has been adjusted for the share consolidation and rights issue of shares implemented during the year. The basic and diluted loss per share for the year ended 31 March 2024 has been restated accordingly.

14. PROPERTY, PLANT AND EQUIPMENT

	Leasehold improvements HK$'000	Motor vehicles HK$'000	Furniture, fixture and equipment HK$'000	Total HK$'000
Cost:				
At 1 April 2023	8,889	513	2,125	11,527
Additions	1,231	–	58	1,289
At 31 March 2024 and 1 April 2024	10,120	513	2,183	12,816
Additions	**819**	**89**	**107**	**1,015**
At 31 March 2025	**10,939**	**602**	**2,290**	**13,831**
Accumulated depreciation:				
At 1 April 2023	8,032	513	2,083	10,628
Depreciation provided for the year	684	–	20	704
At 31 March 2024 and 1 April 2024	8,716	513	2,103	11,332
Depreciation provided for the year	**902**	**5**	**40**	**947**
At 31 March 2025	**9,618**	**518**	**2,143**	**12,279**
Carrying amount:				
At 31 March 2025	**1,321**	**84**	**147**	**1,552**
At 31 March 2024	1,404	–	80	1,484

As at 31 March 2025 and 2024, property, plant and equipment and right-of-use assets are allocated to the cash-generating unit of tutoring services (the "**Tutorial CGU**") for impairment assessment. Details of impairment assessment are set out in note 18 to the consolidated financial statements.

15. RIGHT-OF-USE ASSETS

	Premises HK$'000	Motor vehicle HK$'000	Total HK$'000
Cost:			
At 1 April 2023	20,879	–	20,879
Additions	7,688	–	7,688
Lease modification	(194)	–	(194)
Derecognition upon expiry	(10,356)	–	(10,356)
At 31 March 2024 and 1 April 2024	**18,017**	**–**	**18,017**
Additions	**7,068**	**600**	**7,668**
Eliminated on early termination	**(2,685)**	**–**	**(2,685)**
At 31 March 2025	**22,400**	**600**	**23,000**
Accumulated depreciation:			
At 1 April 2023	13,462	–	13,462
Depreciation provided for the year	4,979	–	4,979
Derecognition upon expiry	(10,356)	–	(10,356)
At 31 March 2024 and 1 April 2024	8,085	–	8,085
Depreciation provided for the year	**6,660**	**110**	**6,770**
Eliminated on early termination	**(1,790)**	**–**	**(1,790)**
At 31 March 2025	**12,955**	**110**	**13,065**
Carrying amount:			
At 31 March 2025	**9,445**	**490**	**9,935**
At 31 March 2024	9,932	–	9,932

The Group leases certain premises as office and tutorial centres and motor vehicle for its operations. The Group's obligations are secured by the lessor's title to the lease assets for motors vehicle and rental deposits for office premises. Lease terms are negotiated on an individual basis and contain various different terms and conditions.

Leased premises are used as offices and tutorial centres for its operations under operating lease arrangements over the lease terms ranging from 2 to 3 years (2024: 2 to 3 years), which are stated at cost less accumulated depreciation and accumulated impairment losses, if any, and adjusted for any remeasurement of the lease liabilities. In determining the lease term and assessing the length of the non-cancellable period, the Group applies the definition of a contract and determines the period for which the contract is enforceable.

15. RIGHT-OF-USE ASSETS (CONTINUED)

Lease contract for the motor vehicle was entered into for a fixed period of 4.5 years. The Group has the option to purchase the motor vehicle for a nominal amount at the end of the relevant lease terms. At lease commencement dates, the Group assessed and concluded that it is reasonably certain to exercise the purchase option. During the year ended 31 March 2025, there is no other triggering event and the Group remains to be reasonably certain to exercise the purchase option. As the purchase option is considered to be exercised at the end of the lease term, the Group depreciates the right-of-use assets from the commencement date to the end of the useful life of the motor vehicle, which is estimated to be 5 years based on the experience of the Group with similar assets.

Lease liabilities of approximately HK$10,292,000 (2024: approximately HK$11,195,000) are recognised with related right-of-use assets of approximately HK$`9,935,000 (2024: approximately HK$9,932,000) as at 31 March 2025.

Details of total cash outflow of lease is set out in note 33(a).

The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

	2025 **HK$'000**	2024 HK$'000
Depreciation expenses on right-of-use assets	**6,770**	4,979
Interest expenses on lease liabilities	**760**	677
Expense relating to short-term leases	**742**	303
Rent concessions	**7**	158

16. INTANGIBLE ASSETS

	Long-term management service contract HK$'000
Cost:	
As at 1 April 2023	7,493
Exchange realignments	(422)
At 31 March 2024 and 1 April 2024	7,071
Exchange realignments	**(42)**
As at 31 March 2025	**7,029**
Accumulated amortisation:	
As at 1 April 2023	642
Amortisation provided for the year	1,226
Exchange realignments	(50)
At 31 March 2024 and 1 April 2024	1,818
Amortisation provided for the year	**1,212**
Exchange realignments	**(18)**
As at 31 March 2025	**3,012**
Carrying amount:	
At 31 March 2025	**4,017**
At 31 March 2024	5,253

On 28 September 2022, the Group acquired 55% equity interest of Golden Path Developments Limited and its subsidiaries (the "**Golden Path Group**"). Jieshan Education Technology (Shenzhen) Co., Ltd. ("**OPCO**") 借山教育科技(深圳)有限公司, an indirect wholly-owned subsidiary of Golden Path Development Limited, is principally engaged in the provision of management services to Jieshan Gallery ("**JSG**"), an independent third party of the Group.

The management service contract was entered by OPCO. Pursuant to the management service contract, OPCO provides management, operation, consulting and administration services to JSG with 9 teaching centres in Mainland China, including but not limited to providing teaching materials and teachers to these centres. OPCO is entitled to a fixed monthly management service fee which is determined with reference to the estimated costs in providing the required services and an agreed margin on top of the costs. The management service contract is for a fixed term of 6 years and neither party is entitled to terminate prior to expiry of the service period.

Such intangible assets have definite useful life and are amortised on a straight-line basis over the period of the management service, which represent management service contract, to be rendered by OPCO pursuant to the related service contract.

The Group's intangible assets and goodwill in relation to the acquisition of Golden Path Group are allocated to the cash-generating unit of management services in Mainland China (the "**Management Services CGU**") for impairment assessment. Details of impairment assessment are set out in note 17.

* English name is only for identification purpose

17. GOODWILL

	2025 HK$'000	2024 HK$'000
Cost		
At beginning of the year	**6,290**	6,666
Exchange realignments	**(7)**	(376)
At end of the year	**6,283**	6,290

Impairment testing of goodwill and intangible assets

Goodwill and intangible assets (note 16) in relation to the acquisition of Golden Path Group are allocated to the Management Services CGU.

The recoverable amount of the Management Services CGU has been determined based on a value in use calculation using cash flow projections based on financial budgets covering a four-year period approved by senior management. Assumptions were used in the value in use calculation of the Management Services CGU. The following describes each key assumption on which management has based for the preparation of its cash flow projections for impairment testing of the Management Services CGU:

	2025	2024
Long term growth rate	**1.9%**	2.0%
EBIT (% on revenue)	**25.1%**	15.5%
Pre-tax discount rate	**12.4%**	10.8%

Long term growth rate — For the purposes of the Group's value in use calculation, a long-term growth rate into perpetuity is applied immediately at the end of the four-year forecast period which is based on the nominal GDP growth rate forecasts for PRC, the country where the Management Service CGU operates.

Pre-tax discount rate — The pre-tax discount rate reflects the time value of money and specific risks relating to the Group's Management Services CGU.

The values assigned to the key assumptions on market development of the Management Services CGU and discount rate are consistent with external information sources.

In Management Services CGU, the recoverable amount calculated based on value in use exceeded carrying value by approximately HK$2,187,000 (2024: approximately HK1,793,000). As a result, no impairment on goodwill and intangible assets was recognised in the Group's consolidated statement of profit or loss for the year ended 31 March 2025 (2024: Nil).

The Group has conducted an analysis of the sensitivity of the impairment test to changes in the key assumptions used to determine the recoverable amount for the Management Services CGU to which goodwill and intangible assets are allocated. An approximately 1.5% increase of pre-tax discount rate would reduce the headroom in Management Service CGU to nil but would not result in an impairment charge.

18. IMPAIRMENT TESTING ON PROPERTY, PLANT AND EQUIPMENT AND RIGHT-OF-USE ASSETS

As at 31 March 2025, property, plant and equipment and right-of-use assets in notes 14 and 15, respectively, have been allocated to the Tutorial CGU for impairment assessment due to indicator of assets impairment existed.

The Group assessed the recoverable amounts of the Tutorial CGU by value in use calculation of present value of expected cash flows approved by the directors of the Company. Management determined the annual growth rate of revenue in five-year period based on past performance and its budget of market development. The discount rate applied reflected specific risks relating to the Tutorial CGU.

Key assumptions adopted in the cash flow projection are as below:

	2025	2024
Annual growth rate of revenue in five-year period	**4.3%**	4.2%
Long term growth rate	**2.5%**	2.5%
Pre-tax discount rate	**16.0%**	16.6%

The recoverable amounts of the Tutorial CGU exceeded the carrying amounts of the Tutorial CGU as at 31 March 2025. As a result, the Group had not recognised any impairment loss for the year ended 31 March 2025 (2024: Nil).

19. FINANCIAL ASSETS AT FVTOCI

	2025 **HK$'000**	2024 HK$'000
Unlisted equity investment	**5,010**	9,040
Analysed as:		
Non-current assets	**5,010**	9,040

The above equity investment was irrevocably designated at FVTOCI as the Group considers these investments to be strategic in nature.

19. FINANCIAL ASSETS AT FVTOCI (CONTINUED)

The financial assets at FVTOCI are denominated in HK$.

The Group's unlisted equity investment at 31 March 2025 represents approximately 7.43% equity interest (2024: 7.43% equity interest) in Orange Financial Printing Limited ("**Orange**"), an entity incorporated in Hong Kong and principally engaged in provision of financial and commercial printing services.

On 15 February 2023, Grand Popular Limited, a direct wholly-owned subsidiary of the Company, entered into a sale and purchase agreement with a third party ("**Vendor**") for the Group to acquire 222,993 ordinary shares, representing approximately 7.43% equity interest of Orange, for a consideration of HK$9,000,000 which was satisfied by payment in cash of HK$2,000,000 and by the allotment and issue of 129,629,630 consideration shares of the Company. The transaction was completed on 30 June 2023. Details of the acquisition are set out in the Company's announcement dated 15 February 2023, 22 February 2023 and 30 June 2023 and circular dated 25 April 2023.

Based on the valuations carried out by an independent qualified professional valuer not connected to the Group, using the market comparable approach, which is generally accepted approach in the industry, at the end of reporting period, the fair value of the equity interest in Orange was approximately HK$5,010,000 (2024: approximately HK$9,040,000). Details of the fair value measurement of the unlisted equity investment are set out in note 37.

20. DEFERRED TAX LIABILITIES

Deferred tax liabilities are attributable to intangible assets.

Movements in deferred tax liabilities during the year are as follows:

	HK$'000
At 1 April 2023	685
Deferred tax credited to the profit or loss (Note 11)	(123)
Exchange realignments	(37)
At 31 March 2024 and 1 April 2024	525
Deferred tax credited to the profit or loss (Note 11)	**(303)**
At 31 March 2025	**222**

As at 31 March 2025, the Group has unused tax losses of approximately HK$26,590,000 (2024: approximately HK$18,045,000), which are yet to be agreed by the Hong Kong Inland Revenue Department. Such tax losses have no expiry date and can be carried forward indefinitely. No deferred tax assets in respect of the tax losses are recognised as it is not certain that the tax losses can be offset by future profits due to the unpredictability of future profits streams.

21. ACCOUNTS RECEIVABLE

	2025 HK$'000	2024 HK$'000
Accounts receivable arising from:		
– Tutoring service income	**679**	676
– Franchising income	**209**	–
– Management service income	**11,113**	4,481
Less: provision for ECL	**(4,247)**	(807)
	7,754	4,350

For tutoring service income, there is no credit period granted as it is normally received in advance.

For franchising income, there is 5 days credit period, in general, granted to franchisees.

For management service income, there is no credit period granted.

Ageing analysis of the Group's accounts receivable, based on the revenue recognition dates, which also presented the ageing analysis of accounts receivable which are past due but not impaired, at 31 March 2025 and 2024.

	2025 HK$'000	2024 HK$'000
1 to 90 days past due	**2,230**	2,656
Over 90 days past due	**5,524**	1,694
	7,754	4,350

The Group's accounts receivable were interest-free. As at 31 March 2025, the Group has significant concentration of credit risk as approximately 88.7% (2024: approximately 84.5%) of the Group's accounts receivable were due from one (2024: one) customer in the Management Service CGU, the remaining balance of accounts receivable were related to a large number of diversified customers.

The maximum exposure to credit risk at the reporting date is the carrying value of the receivables. The Group does not hold any collateral as security.

Details of impairment assessment of accounts receivable are set out in note 37.

21. ACCOUNTS RECEIVABLE (CONTINUED)

Movements in ECL allowance of accounts receivable are as follows:

	2025 HK$'000	2024 HK$'000
At beginning of the year	**807**	–
Provision for ECL for the year	**3,464**	815
Exchange realignments	**(24)**	(8)
At end of the year	**4,247**	807

At the end of the reporting period, accounts receivable of the Group are denominated in the following currencies:

	2025 HK$'000	2024 HK$'000
HK$	**877**	676
Renminbi ("**RMB**")	**6,877**	3,674
	7,754	4,350

22. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

	2025 HK$'000	2024 HK$'000
Prepayments	**2,548**	337
Deposits (Note (i))	**6,541**	2,378
Other receivables	**7**	914
	9,096	3,629
Less: Provision for ECL	**(278)**	–
	8,818	3,629
Less: Portion classified as non-current asset – Deposits	**–**	(1,507)
	8,818	2,122

Notes:

(i) As at 31 March 2025, deposits mainly comprise a deposit of approximately HK$3,550,000 (2024: Nil) pursuant to the strategic cooperation agreement with third parties in relation to the proposed related to automated intelligent parking systems and rental deposits of approximately HK$2,264,000 (2024: approximately HK$2,288,000) for office and tutorial centres.

22. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES (CONTINUED)

The movements in ECL allowance of other receivables are as follows:

	2025 HK$'000	2024 HK$'000
At beginning of the year	–	–
Provision for ECL for the year	279	–
Exchange realignments	(1)	–
At end of the year	278	–

Further details on the Group's impairment assessment for other receivables are set out in note 37.

At the end of the reporting period, prepayments, deposits and other receivables of the Group are denominated in the following currencies:

	2025 HK$'000	2024 HK$'000
HK$	8,811	3,629
RMB	7	–
	8,818	3,629

23. FINANCIAL ASSETS AT FVTPL

	2025 HK$'000	2024 HK$'000
Profit guarantee (Note a)	**–**	59
Equity securities listed in Hong Kong (Note b)	**459**	428
	459	487
Analysed for reporting purposes as:		
Current assets	**459**	487

Notes:

(a) Details of movement of fair value of the profit guarantee are as follows:

	Profit guarantee HK$'000
At 1 April 2023, at fair value	300
Loss on change in fair value during the year	(241)
At 31 March 2024 and 1 April 2024, at fair value	59
Derecognised during the year	**(59)**
At 31 March 2025	**–**

On 28 September 2022, the Group acquired 55% equity interest in Golden Path Developments Limited and its subsidiaries (the "**Golden Path Group**") from an independent third party of the Company (the "**Vendor**").

The acquisition is subject to a profit guarantee given by the Vendor to the Group, which requires the aggregate net profit before tax of Golden Path Group for the period from 29 September 2022 to 28 September 2024 (the "**Guaranteed Period**") not to be less than HK$4 million (the "**Guaranteed Profit**").

23. FINANCIAL ASSETS AT FVTPL (CONTINUED)

Notes: (Continued)

(a) (Continued)

If the aggregate of the audited net profit before tax of Golden Path Group (the "**Audited Profit**") falls short of the Guaranteed Profit, the Vendor shall compensate the Group based on the terms of the relevant sale and purchase agreement dated 6 September 2022, as set out in the announcement of the Company dated 6 September 2022 up to a maximum of HK$11,000,000, being the entire amount of consideration paid for the acquisition of Golden Path Group.

During the financial year ended 31 March 2025, the profit guarantee provided by the Vendor in connection with the acquisition of Golden Path Group has expired.

Based on the information available to the directors of the Company, the actual profit before tax of Golden Path Group for the Guaranteed Period exceeded the Guaranteed Profit, accordingly, the profit guarantee was discharged and de-recognised during the current year.

The fair value of the profit guarantee at 31 March 2024 was estimated using a present value method based on the profit forecasts of Golden Path Group for the period from 29 September 2022 to 28 September 2024. Details of fair value on profit guarantee are set out in note 37.

The variables and assumptions used in computing the fair value of the profit guarantee are subject to management's best estimate and certain subjective assumptions.

(b) Details of movement of fair value of equity securities listed in Hong Kong are as follows:

	HK$'000
At 1 April 2023, at fair value	763
Loss on change in fair value	(335)
At 31 March 2024 and 1 April 2024, at fair value	428
Gain on change in fair value	**31**
At 31 March 2025, at fair value	**459**

The fair value of the listed securities was determined with reference to quoted price.

24. RESTRICTED BANK DEPOSITS AND CASH AND CASH EQUIVALENTS

	2025 HK$'000	2024 HK$'000
Cash in hand and bank balances	**14,319**	21,414
Less: Restricted bank deposits (Note)	**–**	(14,559)
Cash and cash equivalents	**14,319**	6,855

At the end of the reporting period, cash in hand and bank balances of the Group are denominated in the following currencies:

	2025 HK$'000	2024 HK$'000
HK$	**14,270**	21,402
RMB	**49**	12
	14,319	21,414

Cash at banks earns interest at floating rates based on daily bank deposit rates. The bank balances are deposited with creditworthy banks with no recent history of default. The carrying amounts of the cash and cash equivalents approximate to their fair values.

Conversion of RMB into foreign currencies is subject to the PRC's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations.

Note: The board of directors of the Company confirms that the Hong Kong Police Force and the Securities and Futures Commission (collectively the "**Law Enforcers**") jointly executed a search warrant and entered into the Company's principal place of business in Hong Kong on 15 December 2021 for the purpose of an investigation relating to an alleged offence of money laundering and/or offences suspected to have been committed under the Securities and Futures Ordinance (the "**Investigation**"). Certain documents were seized by the Law Enforcers during the Investigation and Mr. Cheung Lick Keung ("**Mr. Cheung**"), the then chairman and the then executive director of the Company, and another staff of the Group were arrested by the Law Enforcers. Mr. Cheung has been released on bail and no written confirmation has been received by Mr. Cheung from the Law Enforcers that the Investigation on Mr. Cheung has been completed. Mr. Cheung resigned as chairman and executive director on 3 January 2022. As at 31 March 2024, certain bank accounts of the Group were frozen by the Hong Kong Police Force. Details of which were set out in the Company's announcement dated 21 December 2021.

During the year ended 31 March 2025, the Company and its subsidiaries received notices from certain banks terminating all previously frozen accounts. As at 31 March 2025, the Group had no bank balances classified as restricted bank deposits.

25. ACCRUALS AND OTHER PAYABLES

	2025 HK$'000	2024 HK$'000
Accruals	**3,021**	3,485
Other payables	**937**	1,763
	3,958	5,248

At the end of the reporting period, accruals and other payables are denominated in the following currencies:

	2025 HK$'000	2024 HK$'000
HK$	**3,532**	4,825
RMB	**426**	423
	3,958	5,248

26. CONTRACT LIABILITIES

	2025 HK$'000	2024 HK$'000
Receipts in advance arising from:		
– Tutoring services	**1,831**	1,186

The performance obligation of the tutoring services is satisfied when the services are rendered and advances are required before rendering the services.

As at 1 April 2023, contract liabilities amounted to approximately HK$1,373,000. Revenue from tutoring services recognised during the year ended 31 March 2025 that was included in the contract liabilities at the beginning of the year was approximately HK$1,186,000 (2024: approximately HK$1,373,000).

All the tutoring services are for periods of one year or less. As permitted under HKFRS 15, transaction prices allocated to these unsatisfied contracts is not disclosed.

27. LEASE LIABILITIES

The carrying amounts of the lease liabilities and the movements during the year are as follows:

	HK$'000
At 1 April 2023	8,351
Additions	7,688
Rental concession (Note)	(158)
Lease modification	(194)
Lease payments	(4,492)
At 31 March 2024 and 1 April 2024	11,195
Additions	**7,445**
Rental concession	**(7)**
Eliminated on early termination	**(957)**
Lease payments	**(7,384)**
At 31 March 2025	**10,292**

	2025 HK$'000	2024 HK$'000
Analysed into:		
Current portion	**6,370**	6,066
Non-current portion	**3,922**	5,129
	10,292	11,195

Note: During the prior year ended 31 March 2024, there were rental concession of lease agreement as a direct consequence of Covid-19 amounting to approximately HK$158,000, which was included in other income for that year.

As at 31 March 2025, the future minimum lease payments and the net minimum lease payments after finance charge are as follows:

	2025 HK$'000	2024 HK$'000
Within one year	**6,792**	6,605
Over one year but not more than two years	**4,010**	5,319
Over two years but not more than five years	**44**	–
Total lease payments	**10,846**	11,924
Less: Finance charges	**(554)**	(729)
Total lease obligations	**10,292**	11,195

All lease payable are denominated in HK$.

The incremental borrowing rates applied to lease liabilities ranged from 2.28% to 7.49% (2024: 5.34% to 8.48%) per annum.

28. PROMISSORY NOTE

On 28 September 2022, the Group issued a promissory note with the principal amount of HK$2 million as partial consideration for acquisition of the Golden Path Group (as defined in note 33). The promissory note is unlisted with interest bearing at interest rate of 8% per annum and is repayable with the interests accrued on the expiry day of a 36-month period from the date of issue. The effective interest rates applied to the promissory note is 7.43%.

	HK$'000
At 1 April 2023	2,073
Imputed interest charged	154
At 31 March 2024 and 1 April 2024	2,227
Imputed interest charged	**67**
De-recognised upon repayment during the year	**(2,294)**
At 31 March 2025	**–**

The promissory note was unsecured and fully repaid by the Group during the current year.

29. SHARE CAPITAL

Movements in the Company's authorised and issued share capital during the years ended 31 March 2025 and 2024 are as follows:

	2025 Number of ordinary shares '000	**2025** Amount HK$'000	2024 Number of ordinary shares '000	2024 Amount HK$'000
Authorised:				
At beginning of the year, ordinary shares of HK$0.0001 each (2024: HK$0.01 each)	**200,000,000**	**20,000**	2,000,000	20,000
Share consolidation (note (iii))	**(160,000,000)**	**–**	(1,600,000)	–
Share sub-division (note (iii))	**–**	**–**	199,600,000	–
At end of the year, ordinary shares of HK$0.0005 each (2024: HK$0.0001 each)	**40,000,000**	**20,000**	200,000,000	20,000
Issued and fully paid:				
At beginning of the year, ordinary shares of HK$0.0001 each (2024: HK$0.01 each)	**181,590**	**18**	627,000	6,270
Placing of shares (note (i))	**–**	**–**	151,320	1,513
Issue of consideration shares (note (ii))	**–**	**–**	129,630	1,296
Share consolidation (note (iii))	**(145,272)**	**–**	(726,360)	(9,061)
Issue of rights shares (note (iv))	**108,954**	**55**	–	–
At end of the year, ordinary shares of HK$0.0005 each (2024: HK$0.0001 each)	**145,272**	**73**	181,590	18

29. SHARE CAPITAL (CONTINUED)

Notes:

(i) On 25 August 2023, the Company and a placing agent entered into a placing agreement in respect of the placement 151,325,926 ordinary shares of HK$0.01 each at a price of HK$0.034 per share under general mandate, to not less than six places who are independent third parties to the Group (the "**2023 Placement**"). The 2023 Placement was completed on 19 September 2023. A total of 151,320,000 placing shares were issued. The net proceeds from the 2023 Placement amounted to approximately HK$5,119,000 after deducting expense of approximately HK$26,000 under which approximately HK$1,513,000 and HK$3,606,000 were credited to share capital and share premium respectively upon the issue of the new shares. The net proceeds of approximately HK$5,119,000 from the 2023 Placement would be utilised for the Group's general working capital. Details of the placing are set out in the Company's announcement dated 25 August 2023 and 19 September 2023.

(ii) On 15 February 2023, the Company and Grand Popular Limited, a wholly owned subsidiary of the Company, entered into agreement with the vendor for the acquisition of 7.43% of the issued shares of Orange Financial Printing Limited at the consideration of HK$9 million to be settled in cash and by the allotment and issue of the consideration shares. The transaction was completed on 30 June 2023 and a total of 129,629,630 shares were issued and approximately HK$1,296,000 and HK$6,069,000 were credited to share capital and share premium respectively upon issue the new shares. Details of the acquisition are set out in the Company's announcement dated 15 February 2023, 22 February 2023 and 30 June 2023 and circular dated 25 April 2023.

(iii) On 26 October 2023, the Company implemented a share consolidation of every five (5) existing shares of par value of HK$0.01 each in the ordinary shares of the Company into one (1) consolidated share of par value of HK$0.05 each with effect from 27 October 2023. Immediately following the share consolidation, the par value of each issued consolidated share of HK$0.05 was reduced to HK$0.0001 by cancelling the paid-up share capital to the extent of HK$0.0499 on each issued consolidated share from HK$0.05 to HK$0.0001. Besides, each authorised but unissued consolidated share of HK$0.05 each were sub-divided into 500 new ordinary shares of HK$0.0001 each. The capital reorganisation was completed on 9 February 2024. Details of the which are set out in the Company's circular dated 9 October 2023 and announcement dated 11 September 2023, 26 October 2023 and 21 December 2023.

On 17 June 2024, the Company implemented a share consolidation of every five (5) existing shares of par value of HK$0.0001 each in the ordinary shares of the Company into one (1) consolidated share of par value of HK$0.0005 each with effect from 19 June 2024. Details of the share consolidation are set out in the Company's circular dated 5 May 2024 and announcement dated 30 April 2024, 17 June 2024 and 20 June 2024.

(iv) On 29 July 2024, the Company completed a rights issue of shares on the basis of three rights shares for every one share then held, at the subscription price of HK$0.145 per share. This resulted in the issuance by the Company of 108,953,956 new shares of HK$0.0005 each. The gross proceeds raised from the rights issue were approximately HK$15,800,000, while the net proceeds (after deducting all relevant expenses) amounted to approximately HK$15,000,000. The Company intends to apply the net proceeds from the rights issue towards the development of the new business, administrative expenses for opening sales office in China, and general working capital of the Group.

30. SHARE-BASED PAYMENTS

Equity-settled share option scheme

Share options were granted to eligible participants under a share option scheme approved and adopted by the shareholders of the Company on 3 November 2016 ("**Share Option Scheme**") for the purpose of providing incentives and rewards to eligible participants who have contributed or will contribute to the growth and development of the Group.

Pursuant to a resolution of the board of directors passed on 27 February 2023, it was resolved to grant an aggregate of 52,250,000 new share options with exercise price of HK$0.061 per share option ("**2023 Share Options**") entitling the directors and employees to subscribe for 52,250,000 ordinary shares of the Company. Details of the Company's share options are set out below:

Name of grantee	Date of grant of the options during the year	On 1 April 2023	Adjustment due to the share consolidation during the year	No. of share options granted during the year	No. of share options exercised during the year	Lapsed/ cancelled during the year	On 31 March 2024	Vesting period	Exercise period	Adjusted exercise price per share option HK$
Tao Wah Wai Calvin	27 Feb 2023	5,225,000	(4,180,000)	–	–	(1,045,000)	–	26 Feb 2023–26 Feb 2024	26 Feb 2024–26 Feb 2026	0.305
Leung Wai Tai	27 Feb 2023	5,225,000	(4,180,000)	–	–	(1,045,000)	–	26 Feb 2023–26 Feb 2024	26 Feb 2024–26 Feb 2026	0.305
		10,450,000	(8,360,000)	–	–	(2,090,000)	–			
Employees	27 Feb 2023	41,800,000	(33,440,000)	–	–	(8,360,000)	–	26 Feb 2023–26 Feb 2024	26 Feb 2024–26 Feb 2026	0.305
Total		52,250,000	(41,800,000)	–	–	(10,450,000)	–			

Movements in the number of share options outstanding and their related weighted average exercise price during the year ended 31 March 2024 are as follows:

Year ended 31 March 2024

	Number of options	Weighted average exercise price HK$
Outstanding at the beginning of the year	52,250,000	0.061
Granted during the year	–	–
Adjustment due to share consolidation during the year	(41,800,000)	N/A
Lapsed during the year	(9,405,000)	0.305
Cancelled during the year	(1,045,000)	0.305
Outstanding at the end of the year	–	–
Exercisable at the end of the year	–	–

No option under the Share Option Scheme was granted, exercised, lapsed or cancelled during the year ended 31 March 2025 and no share options were issued and outstanding as at 31 March 2025 and up to the date of approval of these consolidated financial statements.

30. SHARE-BASED PAYMENTS (CONTINUED)

Equity-settled share option scheme (Continued)

The expenses of share-based payment recognised in profit or loss are as follows:

	2025 **HK$'000**	2024 HK$'000
2023 Share Options	–	822

On 27 February 2023, a total of 52,250,000 share options granted and approximately HK$822,000 were recognised to the consolidated statement of profit or loss for the year ended 31 March 2024.

31. RESERVES

Details of the movements on the Group's reserve are as set out in the consolidated statement of changes in equity.

(a) Share premium

Share premium account of the Group represents the excess of the proceeds received over the nominal value of the Company's shares issued.

(b) Share option reserve

Share option reserve represents the fair value of the actual or estimated number of unexercised share options granted to employees of the Group recognised in accordance with the accounting policy adopted for equity settled share-based payments in note 4(j) to the consolidated financial statements.

(c) Fair value reserve of financial assets at FVTOCI

The fair value reserve of financial assets at FVTOCI comprises the cumulative net changes in the fair value of equity instruments designated as measured at FVTOCI in accordance with the accounting policy adopted for equity instruments designated at FVTOCI in note 4(h) to the consolidated financial statements.

(d) Capital reserve

Capital reserve of the Group represents the capital contribution from the then shareholders.

(e) Foreign currency translation reserve

The foreign currency translation reserve comprises all foreign exchange differences arising from translation of the financial statements of foreign operations. The reserve is dealt with in accordance with the accounting policy adopted for foreign currencies in note 4(c) to the consolidated financial statements.

32. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

As at 31 March 2025

	Note	**2025 HK$'000**	2024 HK$'000
Non-current assets			
Investments in subsidiaries		**–**	11,010
Current assets			
Amounts due from subsidiaries		**3,649**	3,649
Restricted bank deposits		**–**	790
Cash and cash equivalents		**799**	6
		4,448	4,445
Current liabilities			
Accruals		**56**	696
Amounts due to subsidiaries		**257**	6,678
		313	7,374
Net current assets/(liabilities)		**4,135**	(2,929)
Total assets less current liabilities		**4,135**	8,081
Non-current liability			
Promissory note		**–**	2,227
Net assets		**4,135**	5,854
Equity			
Share capital	29	**73**	18
Reserves		**4,062**	5,836
Total equity		**4,135**	5,854

The statement of financial position of the Company was approved and authorised for issue by the board of directors on 27 June 2025 and is signed on its behalf by:

Leung Wai Tai
Director

Li Yan Lin
Director

32. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (CONTINUED)

Reserves of the Company

	Share premium (note 31(a)) HK$'000	Share option reserve (note 31(b)) HK$'000	Accumulated losses HK$'000	Total reserves HK$'000
At 1 April 2023	26,763	114	(26,944)	(67)
Loss and total comprehensive expense for the year	–	–	(13,655)	(13,655)
Issue of consideration shares	6,069	–	–	6,069
Placing of shares	3,632	–	–	3,632
Expenses related to placing of shares	(26)	–	–	(26)
Recognition of share-based payments	–	822	–	822
Transfer of share option reserve upon cancellation of shared options	–	(936)	936	–
Capital reorganisation	9,061	–	–	9,061
At 31 March 2024 and 1 April 2024	45,499	–	(39,663)	5,836
Loss and total comprehensive expense for the year	**–**	**–**	**(17,451)**	**(17,451)**
Issue of rights shares	**15,677**	**–**	**–**	**15,677**
At 31 March 2025	**61,176**	**–**	**(57,114)**	**4,062**

33. NOTE TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

(a) Reconciliation of liabilities arising from financing activities

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

	Lease liabilities HK$'000	Amount due to a substantial shareholder of the Company HK$'000	Promissory note HK$'000
As at 1 April 2023	8,351	121	2,073
Changes from financing cash flows:			
Payment for principal portion of lease liabilities	(4,492)	–	–
Payment for interest portion of lease liabilities	(677)	–	–
Total changes from financing cash flows	(5,169)	–	–
Other changes:			
Interest charge on lease liabilities (Note 8)	677	–	–
Interest charge on promissory note (Note 28)	–	–	154
Additions of lease liabilities (Note 27)	7,688	–	–
Lease modification (Note 27)	(194)	–	–
Rental concession (Note 27)	(158)	–	–
Reclassified to other payables	–	(121)	–
Total other changes	8,013	(121)	154
As at 31 March 2024 and 1 April 2024	11,195	–	2,227
Changes from financing cash flows:			
Payment for promissory note (Note 28)	**–**	**–**	**(2,294)**
Payment for principal portion of lease liabilities	**(7,384)**	**–**	**–**
Payment for interest portion of lease liabilities	**(760)**	**–**	**–**
Total changes from financing cash flows	**(8,144)**	**–**	**–**
Other changes:			
Interest charge on lease liabilities (Note 8)	**760**	**–**	**–**
Interest charge on promissory note (Note 28)	**–**	**–**	**67**
Additions of lease liabilities (Note 27)	**7,445**	**–**	**–**
Rental concession	**(7)**	**–**	**–**
Eliminated on early termination	**(957)**	**–**	**–**
Total other changes	**7,241**	**–**	**67**
As at 31 March 2025	**10,292**	**–**	**–**

33. NOTE TO THE CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)

(b) Major non-cash transaction

During the year ended 31 March 2024, the Group entered into an agreement for the acquisition of 7.43% of the issued shares of Orange Financial Printing Limited classified as financial assets at FVTOCI, which was settled in cash and by the allotment and issue of a total of 129,629,630 consideration shares of the Company.

34. PARTLY OWNED SUBSIDIARIES WITH MATERIAL NON-CONTROLLING INTERESTS ("NCI")

Name of the subsidiary	Principal place of business/ country of operation	Percentage of equity interest held by NCI
OPCO	Mainland China	45% (2024: 45%)

OPCO	2025 HK$'000	2024 HK$'000
Revenue	**8,798**	8,649
(Loss)/profit for the year	**(150)**	980
(Loss)/profit for the year attributable to non-controlling interest	**(67)**	441
Total comprehensive (expense)/income	**(224)**	175
Comprehensive (expense)/income attributable to non-controlling interests	**(101)**	79
Net cash outflow from operating activities	**(102)**	(41)
Net cash outflow from investing activities	**(6)**	–
Net cash outflow	**(108)**	(41)

	2025	2024
At 31 March		
Non-current assets	**4,023**	5,253
Current assets	**10,332**	3,688
Current liabilities	**(6,876)**	(934)
Non-current liabilities	**(222)**	(525)
Net assets	**7,257**	7,482
Accumulated non-controlling interest	**3,266**	3,367

35. RELATED PARTY TRANSACTIONS

Other than those balances of related party disclosed elsewhere in the consolidated financial statements, the Group had the following material transactions with its related parties during the year.

Key Management Compensation

Other than those disclosed in note 10 to the consolidated financial statements, there is no remuneration paid to key management personnel of the Company during the year.

36. FINANCIAL INSTRUMENTS BY CATEGORY

The carrying amounts of each of the categories of financial instruments are as follows:

	2025 HK$'000	2024 HK$'000
Financial assets		
At FVTOCI:		
Unlisted equity investments	**5,010**	9,040
At FVTPL:		
Profit guarantee	**–**	59
Equity securities listed in Hong Kong	**459**	428
	459	487
At amortised cost:		
Accounts receivable	**7,754**	4,350
Deposits and other receivables	**6,548**	3,292
Restricted bank deposits	**–**	14,559
Cash and cash equivalents	**14,319**	6,855
	28,621	29,056
Total financial assets	**34,090**	38,583
Financial liabilities		
At amortised cost:		
Accruals and other payables	**3,942**	5,248
Lease liabilities	**10,292**	11,195
Promissory note	**–**	2,227
Total financial liabilities	**14,234**	18,670

37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial instruments comprise financial assets at FVTOCI, accounts receivable, deposits and other receivables, financial assets at FVTPL, restricted bank deposits, cash and cash equivalents, accruals and other payables, lease liabilities and promissory note. These financial instruments mainly arise from its operations.

Fair value estimates are made at a specific point in time and are based on relevant market information about the financial instruments.

These estimates are subjective in nature and involve uncertainties and matters of significant judgement, and therefore cannot be determined with precision. Changes in assumptions could significantly affect the estimates.

The main risks arising from the Group's financial instruments are foreign currency risk, interest rate risk, credit risk, liquidity risk and market price risk. As the Group's exposure to these risks is kept to a minimum, the Group has not used any derivatives and other instruments for hedging purposes. The Group does not hold or issue derivative financial instruments for trading purposes. The board of directors of the Company reviews and agrees policies for managing each of these risks and they are summarised below.

Foreign currency risk

The Group has minimal exposure to foreign currency risks as most of its business transactions, assets and liabilities are principally denominated in the functional currencies of the Group entities. The Group currently does not have a foreign currency hedging policy in respect of foreign currency transactions, assets and liabilities. The Group monitors its foreign currency exposure closely and will consider hedging significant foreign currency exposure should the need arise.

Interest rate risk

The Group is exposed to fair value interest rate risk in relation to the short-term bank deposits and promissory note. However, management considers the fair value interest rate risk is insignificant as (i) bank deposits is relatively short-term and (ii) the interest rate of promissory note is fixed. The management monitors interest rate exposure and will consider hedging significant interest rate exposure should the need arise.

Management of the Group considers the interest rate risk for variable-rate bank balances are insignificant for the years ended 31 March 2025 and 2024. Hence, no sensitivity analysis is presented.

Credit risk

Credit risk relates to the risk that the counterparty to a financial instrument would fail to discharge its obligation under the terms of the financial instrument and cause a financial loss to the Group.

In order to minimise the credit risk, the management of the Group performs ongoing and tightly monitoring the ageing of the receivables. In this regard, the management of the Group considers that the Group's credit risk is significantly reduced.

For accounts receivable, customer credit risk is managed by each business unit subject to the Group's established policy, procedures and control relating to customer credit risk management. The Group normally grant no or a short credit period to its customers, debtors with balance that are more than 1 month past due are closely monitors by the management of the Company. In addition, the Group has policies in place to ensure that services are provided to customers with an appropriate credit history.

37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Credit risk (Continued)

The Group measures loss allowances for accounts receivable at an amount equal to lifetime ECL. The ECL rates are estimated based on historical observed default rates over the expected life of the receivables and adjusted for forward-looking information that is available without undue cost or effort.

The following table provides information about the Group's exposure to credit risk and ECLs for accounts receivable as at 31 March 2025:

As at 31 March 2025	**Expected loss rate %**	**Gross carrying amount HK$'000**	**Loss allowance HK$'000**
1–90 days past due	**27.5%**	**3,075**	**845**
Over 90 days past due	**38.1%**	**8,926**	**3,402**
		12,001	**4,247**

As at 31 March 2024	Expected loss rate %	Gross carrying amount HK$'000	Loss allowance HK$'000
1–90 days past due	7.4%	2,869	213
Over 90 days past due	25.9%	2,288	594
		5,157	807

For other receivables, the Group has applied the general approach in HKFRS 9 to measure the ECL allowance approximate to such at 12m ECL; further quantitative disclosures in respect of the Group's exposure to credit risk arising from deposits and other receivables are set out in note 22.

As at 31 March 2025 and 2024, an analysis of ECL for other receivables is as follows:

As at 31 March 2025	**Expected loss rate**	**Gross carrying amount HK$'000**	**Loss allowance HK$'000**
Stage 1 — 12 month ECL	**4.2%**	**6,548**	**278**

37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Credit risk (Continued)

As at 31 March 2024	Expected loss rate	Gross carrying amount HK$'000	Loss allowance HK$'000
Stage 1 — 12 month ECL	0%	914	–

The Group's deposits and other receivables mainly represents rental deposits and amount due from online-payment platform providers. In view of the nature of receivables and the financial background of these counterparties, the management believes that there is no significant credit risk.

The credit risk for restricted bank balances and cash at banks are regarded as immaterial as they are deposited with major banks located in Hong Kong.

None of the Group's financial assets are secured by collateral or other credit enhancement.

Liquidity risk

Liquidity risk relates to the risk that the Group will not be able to meet obligations associated with its financial liabilities. The Group is exposed to liquidity risk in respect of settlement of accruals and other payables, lease liabilities and promissory note and also in respect of its cash flow management. The Group's objective is to maintain an appropriate level of liquid assets and committed lines of funding to meet its liquidity requirements in the short and longer term.

The maturity profile of the Group's financial liabilities as at the end of the reporting period, based on the contractual undiscounted payments, is as follows:

	On demand or within 1 year HK$'000	**1 to 5 years HK$'000**	**Total contractual undiscounted cash flow HK$'000**	**Carrying amounts HK$'000**
31 March 2025				
Accruals and other payables	**3,942**	**–**	**3,942**	**3,942**
Lease liabilities	**6,792**	**4,054**	**10,846**	**10,292**
Promissory note	**–**	**–**	**–**	**–**
	10,734	**4,054**	**14,788**	**14,234**
31 March 2024				
Accruals and other payables	5,248	–	5,248	5,248
Lease liabilities	6,605	5,319	11,924	11,195
Promissory note	–	2,480	2,480	2,227
	11,853	7,799	19,652	18,670

37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Market price risk

Market price risk is the risk that the fair value or future cash flows of a financial instrument traded in the market will fluctuate because of changes in market prices. The Group manages market prices risk, when it is considered significant, by entering into appropriate derivatives contracts.

The Group is exposed to equity price risk arising from equity investments classified as financial assets at FVTOCI and financial assets at FVTPL.

At 31 March 2025, the Group had financial assets at FVTOCI of approximately HK$5,010,000 (2024: approximately HK$9,040,000) (note 19) and financial assets at FVTPL of approximately HK$459,000 (2024: approximately HK$428,000) (note 23), which were exposed to market price risk.

The sensitivity analysis below has been determined based on the exposure to equity price risks as at 31 March 2025.

If the prices of the respective equity instruments had been 10% higher/lower:

— fair value reserve of financial assets at FVTOCI would increase/decrease by approximately HK$501,000 (2024: approximately HK$904,000) for the Group as a result of the changes in fair value of financial assets at FVTOCI; and

— loss (2024: loss) for the year would decrease/increase by approximately HK$46,000 (2024: decrease/increase by approximately HK$43,000) for the Group as a result of the changes in fair value of financial assets at FVTPL.

Fair value of financial instruments

The fair value of financial assets and financial liabilities are determined as follows:

(i) the fair value of financial assets and financial liabilities with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market prices; and

(ii) the fair value of other financial assets and financial liabilities are determined in accordance with generally accepted pricing models based on discounted cash flow analysis.

The following disclosures of fair value measurements use a fair value hierarchy that categorises into three levels the inputs to valuation techniques used to measure fair value:

Level 1 inputs: quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date.

Level 2 inputs: inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 inputs: unobservable inputs for the asset or liability.

As at 31 March 2025 and 2024, the directors of the Company consider that the carrying amount of financial assets and liabilities carried at amortised cost in the consolidated financial statements approximate to their fair values.

37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Fair value of the Group's financial assets that are measured at fair value on a recurring basis

Some of the Group's financial assets are measured at fair value at the end of each reporting period. The following table gives information about how the fair value of these financial assets and financial liabilities are determined.

Description	Fair value as at 31 March 2025 HK$'000	Fair value as at 31 March 2024 HK$'000	Fair value hierarchy	Valuation technique
Financial assets				
Financial assets at FVTOCI:				
— Unlisted equity investments	**5,010**	9,040	Level 3	Market comparable approach
Financial assets at FVTPL:				
— Profit guarantee	**–**	59	Level 3	Present value method
— Equity securities listed in Hong Kong	**459**	428	Level 1	Quoted price in active markets

There was no transfer between Level 1, 2 and 3 during the year.

Reconciliation of assets measured at fair value based on Level 3:

	Unlisted equity investment HK$'000	Profit guarantee HK$'000
At 1 April 2023	–	300
Addition	9,389	–
Changes on fair values	(349)	(241)
At 31 March 2024 and 1 April 2024	9,040	59
Addition	**–**	**–**
Changes on fair values	**(4,030)**	**–**
Derecognised during the year	**–**	**(59)**
At 31 March 2025	**5,010**	**–**

37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Fair value of the Group's financial assets that are measured at fair value on a recurring basis (Continued)

The valuation techniques and inputs used in Level 3 fair value measurement are as follows:

Description	Valuation technique	Significant Unobservable inputs	Range	Effect on fair value for increase of inputs	Fair value as at 31 March	
					2025	2024
					HK$'000	HK$'000
Profit guarantee	Present value method	Discount rate	N/A (2024: 4.2%)	Decrease	**–**	59
Unlisted equity investments designated as financial assets at FVTOCI	Market comparable approach	Price-to-Earnings multiple method	19x (2024: 12x)	Increase	**5,010**	9,040
		Discount for lack of marketability	20.4% (2024: 20.6%)	Decrease		

Notes:

The Group appointed an independent professional valuer, B.I. Appraisals Limited, to determine the fair value of Profit Guarantee at 31 March 2024 using the present value model. The present value model relies on the probability weighted distribution of the possible outcomes and factors the volatility of these outcomes. The fair value is then determined based on the present value of the expected cash flow that are discounted at appropriate discount rates.

The Group appointed an independent professional valuer, B.I. Appraisals Limited, to determine the fair value of the unlisted equity investment at 31 March 2025 and 31 March 2024, using the market comparable approach. The market comparable approach values a business entity by comparing prices at which other business entities in a similar nature changed hands in arm's length transactions. The fair value is determined based on the price-to-earnings ratio of listed companies with similar business scope and operation.

38. CAPITAL MANAGEMENT

The primary objectives of the Group's capital management are to safeguard the Group's ability to continue as going concern and to maintain reasonable capital ratios in order to support its business and maximise shareholders' value. The Group's overall strategy remains unchanged during the year.

The capital structure of the Group consists of equity attributable to the owners of the Company, comprising share capital and reserves disclosed in the consolidated statement of changes in equity, amounting to approximately HK$37,233,000 as at 31 March 2025 (2024: approximately HK$38,448,000).

The Group actively and regularly reviews and manages its capital structure to ensure optimal capital structure and shareholders' returns, taking into consideration the future capital requirements of the Group and capital efficiency, prevailing and projected profitability, projected operating cash flows, projected capital expenditures and projected strategic investment opportunities. Based on recommendations of the directors of the Company, the Group will balance its overall capital structure through adjust the amount of dividends paid to the shareholders, return capital to the shareholder, issue new share and raise new borrowings.

The Group's overall strategy remains unchanged from that of 2024.

The only externally imposed capital requirement for the Group is that to maintain its listing on the Stock Exchange it has to have a public float of at least 25% of the shares. Based on the information that is publicly available to the Company and within the knowledge of the directors, the Company has maintained a sufficient public float of at least 25% throughout the year ended 31 March 2025.

39. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY

Details of the subsidiaries, directly and indirectly held by the Company, at the end of reporting period are set out below:

Company name	Place and date of incorporation	Particulars of issued and fully paid up share capital	Attributable equity interest		Place of operation and principal activities
			Direct	Indirect	
Simple Joyous Limited	the BVI, 25 August 2015	1 ordinary share of United States dollars ("**US$**")	100% (2024: 100%)	–	Hong Kong, Investment holding
Asia Pacific Goldway Education Holding Limited	the BVI, 19 March 2021	US$1	100% (2024: 100%)	–	Hong Kong, Investment holding
Bright Union International Limited	Hong Kong, 7 December 2007	HK$10,000	–	100% (2024: 100%)	Hong Kong, Provision of private tutoring services
Billion Bright Management Limited	the BVI, 1 July 2009	US$50,000	–	100% (2024: 100%)	Hong Kong, Investment holding
Base Channel Limited	the BVI, 13 March 2017	US$1	–	100% (2024: 100%)	Hong Kong, Investment holding
Bright Wealth International Limited	Hong Kong, 13 January 2017	HK$1	–	100% (2024: 100%)	Hong Kong, Provision of private tutoring services
Wise Develop Investment Limited	the BVI, 31 May 2017	US$1	–	100% (2024: 100%)	Hong Kong, Investment holding
Bright Talents International Limited	Hong Kong, 16 June 2017	HK$1	–	100% (2024: 100%)	Hong Kong, Provision of franchising services
Asia Pacific Goldway Education Limited	Hong Kong, 29 March 2021	HK$1	–	100% (2024: 100%)	Hong Kong, Inactive
Golden Path Developments Limited	the BVI, 8 August 2022	US$100	55% (2024: 55%)	–	Hong Kong, Investment holding
Pro-Lucrative Limited	Hong Kong, 20 May 2022	HK$10,000	100% (2024: 100%)	–	Hong Kong, Investment holding
Goldenrod Limited	Hong Kong, 27 June 2022	HK$1	–	55% (2024: 55%)	Hong Kong, Investment holding
OPCO 借山教育科技(深圳)有限公司 (Note 1)	Mainland China, 9 September 2020	RMB1,000,000	–	55% (2024: 55%)	PRC, Provision of management services
金得樂教育科技(深圳)有限公司 (Note 2)	Mainland China, 2 August 2022	RMB3,000,000	–	55% (2024: 55%)	PRC, Investment holding
Grand Popular Limited	the BVI, 5 January 2023	US$1	100% (2024: 100%)	–	Hong Kong, Investment holding

None of the subsidiaries had any debt securities outstanding as at 31 March 2025 or at any time during the year.

Note 1: Limited liability company (legal person sole investment)

Note 2: Limited liability company (Taiwan, Hong Kong or Macau legal person sole investment)

40. EVENTS AFTER THE REPORTING PERIOD

There are no significant events after the end of the reporting period.

FINANCIAL SUMMARY

The following is a summary of the published results and assets and liabilities of the Group for the last five financial years prepared on the basis set out in the notes below.

RESULTS

	Year ended 31 March				
	2025 **HK$'000**	2024 HK$'000	2023 HK$'000	2022 HK$'000	2021 HK$'000
Revenue	**51,209**	45,793	43,662	35,902	29,290
Loss before tax	**(11,558)**	(5,941)	(167)	(4,016)	(2,835)
Income tax expense	**(1,384)**	(18)	(85)	(2,952)	(631)
Loss for the year	**(12,942)**	(5,959)	(252)	(6,968)	(3,466)
Other comprehensive expense	**(4,106)**	(1,153)	(12)	–	–
Total comprehensive expense	**(17,048)**	(7,112)	(264)	(6,968)	(3,466)
Loss for the year attributable to:					
– Owners of the Company	**(12,875)**	(6,400)	(250)	(6,968)	(3,466)
– Non-controlling interests	**(67)**	441	(2)	–	–
	(12,942)	(5,959)	(252)	(6,968)	(3,466)
Total comprehensive (expense)/income attributable to:					
– Owners of the Company	**(16,947)**	(7,191)	(256)	(6,968)	(3,466)
– Non-controlling interests	**(101)**	79	(8)	–	–
	(17,048)	(7,112)	(264)	(6,968)	(3,466)

ASSETS AND LIABILITIES

	As at 31 March				
	2025 **HK$'000**	2024 HK$'000	2023 HK$'000	2022 HK$'000	2021 HK$'000
Total assets	**58,147**	62,196	52,509	37,172	44,913
Total liabilities	**(17,648)**	(20,381)	(16,888)	(8,996)	(9,769)
	40,499	41,815	35,621	28,176	35,144
Equity attributable to:					
– Owners of the Company	**37,233**	38,448	32,333	28,176	35,144
– Non-controlling interests	**3,266**	3,367	3,288	–	–
	40,499	41,815	35,621	28,176	35,144