LFG Investment Holdings Limited
LFG 投資控股有限公司

(Incorporated in the Cayman Islands with limited liability)
Stock Code : 3938

Annual Report
2024/25

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Corporate Information

DIRECTORS

Executive Directors

Mr. Mui Ho Cheung Gary
(Chairman and Chief Executive Officer)
Mr. Liu Chi Wai
Mr. Ng Siu Hin Stanley
Ms. Ho Sze Man Kristie
Mr. Tang Chun Fai Billy

Independent Non-executive Directors

Ms. Lim Yan Xin Reina
Mr. Poon Lai Yin Michael
Dr. Wong Ho Ki

AUDIT COMMITTEE

Ms. Lim Yan Xin Reina *(Chairlady)*
Mr. Poon Lai Yin Michael
Dr. Wong Ho Ki

REMUNERATION COMMITTEE

Mr. Poon Lai Yin Michael *(Chairman)*
Ms. Lim Yan Xin Reina
Dr. Wong Ho Ki

NOMINATION COMMITTEE

Mr. Mui Ho Cheung Gary *(Chairman)*
Ms. Lim Yan Xin Reina
Mr. Poon Lai Yin Michael
Dr. Wong Ho Ki

AUTHORISED REPRESENTATIVES

Mr. Mui Ho Cheung Gary
Mr. Ng Siu Hin Stanley

COMPANY SECRETARY

Mr. Ng Siu Hin Stanley

AUDITOR

BDO Limited
Certified Public Accountants
Registered Public Interest Entity Auditor
25th Floor
Wing On Centre
111 Connaught Road Central
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

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Wheelock House
20 Pedder Street
Central, Hong Kong

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

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

PRINCIPAL BANKERS

Bank of China (Hong Kong) Limited
1 Garden Road
Hong Kong

Hang Seng Bank Limited
83 Des Voeux Road Central
Hong Kong

Industrial and Commercial Bank of China (Asia) Limited
33rd Floor, ICBC Tower
3 Garden Road
Central, Hong Kong

The Hongkong and Shanghai Banking Corporation Limited
1 Queen's Road Central
Hong Kong

COMPANY'S WEBSITE

www.legogroup.hk

STOCK CODE

3938

Financial Summary

RESULTS

For the year ended 31 March	**2025** **HK$'000**	2024 HK$'000	2023 HK$'000	2022 HK$'000	2021 HK$'000
Revenue (excluding investment fund)	**32,924**	84,865	86,662	94,813	80,320
Total Revenue	**25,171**	94,173	46,873	78,145	108,152
(Loss)/profit before income tax expenses	**(35,114)**	(4,323)	(21,551)	(698)	18,463
(Loss)/profit for the year	**(35,140)**	(4,229)	(22,784)	(3,534)	15,974
Total comprehensive (expense)/income for the year	**(35,140)**	(4,229)	(22,784)	(4,105)	16,005
Basic and diluted (loss)/earnings per share from (loss)/profit for the year attributable to owners of the Company	**(8.6 HK cents)**	(1.0 HK cents)	(5.6 HK cents)	(0.8 HK cents)	4.0 HK cents

ASSETS AND LIABILITIES

As at 31 March	**2025** **HK$'000**	2024 HK$'000	2023 HK$'000	2022 HK$'000	2021 HK$'000
Total assets	**254,049**	231,369	261,583	314,017	343,866
Total liabilities	**155,628**	97,615	113,451	143,505	170,215
Net assets	**98,421**	133,754	148,132	170,512	173,651

Chairman’s Statement

Dear Shareholders,

On behalf of the board (the “Board”) of directors (the “Director(s)”) of LFG Investment Holdings Limited (the “Company”, together with its subsidiaries, the “Group”), I present to you the annual report of the Company for the year ended 31 March 2025 (the “Fiscal Year”).

During the Fiscal Year, Hong Kong economy shows continued resurgence after the challenges of the past few years. Despite this progress, the general operating environment of Hong Kong capital market continued to face uncertainties, largely caused by the ongoing macroeconomic volatility and global trade war. Investor sentiment was also continually affected by the liquidity concern about Mainland China property developers, lingering effects of the Sino-US tensions, as well as the escalating geopolitical tensions in the Middle East and Ukraine.

The Hong Kong IPO market has shown some signs of revival, though activity levels remain below pre-pandemic norms. However, it also showed diversity between the large and small cap markets, with the latter continued to struggle.

The Legislative Council of Hong Kong has recently passed the Stablecoins Bill to establish a licensing regime for fiat-referenced stablecoins issuers in Hong Kong and enhance regulatory framework on virtual asset activities.

Under a well-organised and regulated business environment, it is believed that the applications and trading activities of virtual assets can be gradually developing in a legal-compliant and systemic manner, which also creates enormous opportunities to the financial institutions in Hong Kong.

During the Fiscal Year, amid the challenging environment in the global capital market, the Group recorded a loss-making results. Nevertheless, looking ahead, we remain positive on the prospects of Hong Kong capital market. We will closely monitor the development and updated rules and regulations in order to timely seize such opportunities and launch new services in investment and financing business and expand our geographical coverage and alliances with an aim to diversify our income sources and accommodate risks in the financial markets. As an active one-stop financial service provider in Hong Kong, we will continue to strengthen our business network and equip with various professionals to offer a wide spectrum of services and enhance project reserve in the future.

On behalf of the Board, I would like to thank the management and employees of the Group for their hard work, as well as the support and trust of customers and partners. We will continue to create long-term value for the Group and the shareholders.

Mui Ho Cheung Gary
Chairman, Chief Executive Officer and Executive Director

Hong Kong, 25 June 2025

Management Discussion and Analysis

OVERVIEW

The Group is an active financial services provider in Hong Kong licensed to conduct Type 1 (dealing in securities), Type 4 (advising on securities), Type 6 (advising on corporate finance) and Type 9 (asset management) regulated activities under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong). The Group principally engages in the provision of (i) corporate finance advisory services; (ii) securities and financing services; and (iii) asset management services through its main operating subsidiaries, namely Lego Corporate Finance Limited, Lego Securities Limited and Lego Asset Management Limited.

The Group provides corporate finance advisory services including (i) acting as sponsor to companies seeking to list on the Main Board or GEM of The Stock Exchange of Hong Kong Limited (the "Stock Exchange"); (ii) acting as financial adviser and independent financial adviser; and (iii) acting as compliance adviser. On the other hand, the Group also provides placing and underwriting services, securities dealing and brokerage services, margin financing services as well as asset management services to its clients.

Corporate finance advisory business remains as the key business driver and the Group intends to leverage on its ability to continually provide high quality corporate finance advisory services to its clients. During the Fiscal Year, the corporate finance advisory services have contributed a majority of the revenue of the Group.

Supported by the foundation built by the corporate finance advisory services, the Group continues to develop the securities and financing services and asset management services. During the Fiscal Year, the Group has completed seven underwriting and placing projects. Regarding the asset management services, the net assets of the funds under management and/or investment advisory decreased to approximately US$2.9 million (equivalent to approximately HK$22.5 million) as at 31 March 2025 (2024: approximately US$4.5 million (equivalent to approximately HK$34.7 million)).

REVIEW

Market Review

During the Fiscal Year, economic environment remained difficult for businesses in Hong Kong in general, but showed resilience and began its recovery journey. The Hang Seng Index rose from 16,541.42 as of 28 March 2024 to the top at 24,771.14 on 19 March 2025, the index remained high to close at 23,119.58 as of 31 March 2025.

In 2025, the global economy experienced multiple challenges, including the recession fear, global tariff war and inflating pressure and ongoing geopolitical uncertainties. Smart monies are looking ways to diversify risks. In this context, the Hong Kong capital market has struck back. The Hang Seng Index rebounded with increasing trading volume, which reactivated the IPO and M&A markets. The economic stimulus measures unveiled by the Central Government of Mainland China further boosted the market sentiment and regain positive momentum in Hong Kong and China market sentiment.

The Group adopts prudent risk management and cost control under this challenging business environment. The Group maintains a strong reputable team of professionals to provide one-stop services to recurring clients and auxiliary business to tackle their needs. The Group maintains sufficient financial resources and strong balance sheet to fund its ongoing business requirements, operational and financial obligations. The Group has adopted conservative credit control approach to monitor the outstanding receivable in order to control potential credit risks and manage liquidity risks. While the demand for corporate finance advisory and underwriting services in the industry and its business, which is dependable on market conditions, was impacted by the uncertainties described above, the Group's project pipeline remains solid.

Business Review

Looking back on the past financial year, the Group has been facing a challenging business environment hit by the uncertainties about the global economic outlook, emerging market competition and deteriorating financial conditions of certain clients. The Group leverages its reputation and continues to diversify its income source and maintain a prudent cost and capital management strategy.

The Group continued to derive a majority of its revenue from its corporate finance advisory services during the Fiscal Year, which accounted for approximately 85.3% (2024: approximately 64.0%) of the Group's total revenue. The Group's other businesses, namely (i) securities and financing services; and (ii) asset management services and net (loss)/gain from financial assets at fair value through profit or loss, accounted for approximately 44.3% and negative 29.7% (2024: approximately 20.9% and 15.1%) of its total revenue during the Fiscal Year, respectively.

Corporate Finance Advisory Services

The Group's corporate finance advisory services include (i) IPO sponsorship services; (ii) financial and independent financial advisory services; and (iii) compliance advisory services.

The Group's corporate finance advisory business recognised a decrease in revenue of approximately 64.3%, from approximately HK$60.3 million for the year ended 31 March 2024 to approximately HK$21.5 million during the Fiscal Year. Such decrease was mainly as a result of engagement undertaken in the Fiscal Year were on average of less complexity when compared with certain complicated projects with long duration in prior year.

During the Fiscal Year, the Group was engaged in a total of 109 corporate finance advisory projects, which included 7 IPO sponsorship projects, 100 financial and independent financial advisory projects and 2 compliance advisory projects, while the Group was engaged in a total of 94 corporate finance advisory projects, which included 7 IPO sponsorship projects, 83 financial and independent financial advisory projects and 4 compliance advisory projects during the year ended 31 March 2024.

(i) *IPO sponsorship services*

During the Fiscal Year, the Group was engaged in 7 IPO sponsorship projects (2024: 7 projects).

Revenue generated from IPO sponsorship services was approximately HK$3.2 million during the Fiscal Year (2024: approximately HK$7.9 million).

(ii) *Financial and independent financial advisory services*

The Group acts as (i) financial advisers to clients to advise them on the terms and structures of the proposed transactions, and the relevant implications and compliance matters under the Hong Kong regulatory framework including, among others, the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") and the Codes on Takeovers and Mergers and Share Buy-backs issued by the Securities and Futures Commission (the "Takeovers Code"); or (ii) independent financial advisers to independent board committees and/or independent shareholders of listed companies in Hong Kong rendering recommendations and opinions.

Revenue generated from financial and independent financial advisory services was approximately HK$17.9 million during the Fiscal Year (2024: approximately HK$51.5 million). During the Fiscal Year, the Group was engaged in 62 financial advisory projects and 38 independent financial advisory projects (2024: 49 and 34, respectively).

(iii) *Compliance advisory services*

The Group acts as compliance advisers to listed companies in Hong Kong advising them on post-listing compliance matters in return for advisory fee.

Revenue generated from compliance advisory services was approximately HK$0.4 million during the Fiscal Year (2024: approximately HK$0.9 million). During the Fiscal Year, the Group was engaged in 2 compliance advisory projects (2024: 4 projects).

Securities and Financing Services

The Group provides (i) placing and underwriting services by acting as global coordinator, bookrunner, lead manager or underwriter for listing applicants in IPOs and underwriter or placing agent for secondary market transactions, in return for placing and/or underwriting commission income; (ii) securities dealing and brokerage services for trading in securities on the Stock Exchange and in other overseas markets; and (iii) securities financing services to its clients by providing margin financing for securities purchases on the secondary market and IPO financing for new share subscriptions in IPOs.

During the Fiscal Year, the Group recorded revenue from placing and underwriting business of approximately HK$1.8 million (2024: approximately HK$1.9 million). The Group completed one transaction as underwriter for IPOs and four transactions as underwriters and/or placing agents for secondary market fund raising exercise (2024: one and six, respectively).

The revenue generated from securities dealing and brokerage was approximately HK$2.3 million during the Fiscal Year (2024: approximately HK$6.7 million), which was mainly due to the securities trading activities by the clients decreased during the Fiscal Year.

As at 31 March 2025, the total outstanding balance of margin loans amounted to approximately HK$35.7 million (31 March 2024: approximately HK$85.4 million) and the interest income generated from securities financing services was approximately HK$7.1 million during the Fiscal Year (2024: approximately HK$11.1 million). The Group is in the process of replacing margin loans with lower quality of collaterals with an aim to provide margin financing services to clients with better quality of collaterals which resulted in decrease in margin loan balance as at 31 March 2025 as compared with prior year.

Asset Management Services and Investment Fund

The Group provides asset management services to its clients.

As at 31 March 2025, the net assets of the funds under management and/or investment advisory by the Group was approximately US$2.9 million (equivalent to approximately HK$22.5 million) (31 March 2024: approximately US$4.5 million, or equivalent to approximately HK$34.7 million). The revenue generated from asset management services was approximately HK$0.3 million during the Fiscal Year (2024: approximately HK$4.9 million).

The investment fund generated revenue of approximately negative HK$7.8 million during the Fiscal Year (2024: approximately HK$9.3 million) arising from interest income from listed bonds, dividend income from listed securities and net change in financial assets at fair value through profit or loss. Such loss was mainly due to the unsatisfactory performance of the investment fund during the Fiscal Year.

Financial Review

Revenue

The revenue (excluding investment fund) of the Group recorded approximately HK$32.9 million for the year ended 31 March 2025 (2024: approximately HK$84.9 million). The total revenue of the Group (excluding investment fund) decreased from approximately HK$94.2 million for the year ended 31 March 2024 to approximately HK$25.2 million for the Fiscal Year, representing a decrease of approximately 73.3%, mainly as a result of decrease in revenue of the corporate finance advisory services, securities and financing services and loss from investment fund.

Other income and gains or losses, net

Other income and gains or losses, net increased from approximately negative HK$2.2 million for the year ended 31 March 2024 to approximately HK$5.2 million for the Fiscal Year, representing an increase of approximately HK$7.4 million. Other income and gains or losses, net mainly includes interest income from bank deposits, foreign currency translation differences, gain or loss on fair value change of investment in life insurance policy and convertible bonds and share of results of consolidated investment fund attributable to other redeemable participating shareholders.

Other expenses

The Group's other expenses decreased by approximately 23.4% from approximately HK$27.5 million for the year ended 31 March 2024 to approximately HK$21.1 million for the Fiscal Year, primarily due to decrease in depreciation of rights-in-use assets and securities trading related expense as a result of reduction of the securities trading activities by the clients.

Staff costs

Staff costs decreased by approximately 35.4% from approximately HK$54.5 million for the year ended 31 March 2024 to approximately HK$35.2 million for the Fiscal Year. Such decrease was primarily due to decrease in average headcount and discretionary bonus during the Fiscal Year.

Expected credit loss on accounts and other receivables and bad debt expenses

During the Fiscal Year, the Group recorded expected credit loss on accounts receivable of approximately HK$7.2 million (2024: approximately HK$11.2 million) and reversal of expected credit loss on other receivables of approximately HK$0.4 million (2024: recognition of approximately HK$1.2 million). The Group also recorded bad debt expenses of approximately HK$24,000 (2024: approximately HK$18,000). The recognition of expected credit loss was mainly due to the continued weakening financial condition of the debts after the COVID-19 pandemic which resulted in prolonged ageing of the receivables from certain debtors arising from corporate advisory and other services and the decline in valuation of collateral due to market volatility held by certain debtors arising from securities margin financing services.

The Group applies the simplified approach to providing expected credit loss prescribed by HKFRS 9 for accounts receivable arising from corporate advisory services. The Group performs impairment assessment by applying the HKFRS 9 general approach for all accounts receivable arising from securities margin financing services on the basis of allowance of 12-month expected credit losses ("ECL") for items without significant increase in credit risk and lifetime ECL for items with increase in credit risk with reference to ECL valuation prepared by Vincorn Consulting and Appraisal Limited. Certain accounts receivable arising from securities margin financing service were considered as significant increase in credit risk due to the decline in market value of securities collateral during the Fiscal Year. As a result, the assessment of the expected credit losses of these accounts receivable were based on lifetime ECL. The credit rating of each of these debtors is estimated with reference to the following factors: (1) gross credit exposure; (2) overdue dates; (3) repayment schedule and repayment track record; and (4) capability of settlement. The expected credit loss rates are calculated by assigning the credit rating based on factors above and adjusted with forward-looking economic adjustment, proxied by the real growth domestic product (GDP) percentage change in Hong Kong. The calculation reflects the probability-weighted outcome, the time value of money and the best available forward looking information. Details of the expected credit loss on accounts receivables are set out in note 17 to the consolidated financial statements of this report.

The Group performed periodic assessment on the recoverability of the accounts and other receivable and the sufficiency of impairment based on information including credit profile of difference customers, historical settlement records, expected timing and amount realisation of outstanding balances. The Group has also considered forward- looking information that may impact the customers' ability to repay the outstanding balances in order to estimate the expected credit loss.

Finance costs

Finance costs represented interest expense recognised on right-of-use assets and interest expense payable for bank and other borrowings and margin financing incurred by the fund under management by the Group. The Group recorded finance costs of approximately HK$2.3 million during the Fiscal Year (2024: approximately HK$1.9 million). The increase in finance costs was mainly due to increase in finance costs related to lease liabilities during the Fiscal Year.

Loss attributable to the owners of the Company

Loss for the Fiscal Year attributable to the owners of the Company was approximately HK$35.0 million (2024: loss of approximately HK$4.0 million) primarily due to decrease in revenue from the corporate finance advisory and securities and financing services and unsatisfactory performance of the investment fund, partially offset by increase in other income and gains or losses, net and decrease in staff costs, other expenses and expected credit loss on accounts receivable.

Liquidity, Financial Resources and Capital Structure

During the Fiscal Year, the Group's working capital and other capital requirements were principally satisfied by cash generated from the Group's operations, bank borrowings, margin financing and capital.

As at 31 March 2025, the Group's net current assets amounted to approximately HK$88.2 million (31 March 2024: approximately HK$125.0 million), and its liquidity as represented by current ratio (current assets/current liabilities) was approximately 1.6 times (31 March 2024: approximately 2.3 times). Cash and bank balances and pledged bank deposit in aggregate amounted to approximately HK$56.1 million (31 March 2024: approximately HK$51.3 million). As at 31 March 2025, the Group has bank borrowings, accounts payable to broker, convertible bonds and lease liabilities of approximately HK$5.5 million, HK$0.4 million, nil and HK$16.1 million, respectively (31 March 2024: approximately HK$24.6 million, HK$7.3 million, HK$0.7 million and HK$0.4 million, respectively). As at 31 March 2025, the Group's total debt incurred (including bank borrowings, accounts payable to broker, convertible bonds and lease liabilities) were approximately HK$22.0 million (31 March 2024: approximately HK$33.0 million), representing a gearing ratio of approximately 22.4% (31 March 2024: approximately 24.7%).

Gearing ratio is calculated based on total borrowings divided by the total equity as at the end of the Fiscal Year.

On 27 December 2023, the Group has entered into new lease agreement as office commencing from 1 April 2024, which results in recognition of right-of-use assets during the Fiscal Year. As at 31 March 2025, the right-of-use assets of leased properties amounted to HK$14,879,000. Details of the right-of-use assets and lease liabilities are set out in note 25 to the consolidated financial statements of this report and the announcement of the Company dated 27 December 2023.

Pledge of Assets

As at 31 March 2025, the Group (i) had pledged bank deposit of HK$10.0 million (31 March 2024: HK$10.0 million); and (ii) assigned the life insurance policy valued at HK$3.7 million to a bank as a security for a bank borrowing (31 March 2024: HK$3.6 million).

Foreign Currency Exposure

The majority of the Group's revenue is denominated in Hong Kong dollars and US dollars and the Group's accounts are prepared in Hong Kong dollars. Consequently, the exposure to the risk of foreign exchange rate fluctuations for the Group is not material.

Capital Commitments and Contingent Liabilities

As at 31 March 2025, the Group did not have any significant capital commitment and contingent liabilities (31 March 2024: nil).

Employees and Remuneration Policies

As at 31 March 2025, the Group employed 39 staff (including executive Directors) (31 March 2024: 42). The remuneration of the Group's employees generally consists of monthly salary, which is determined based on, among other things, the employees' experience, qualification, position and responsibilities and bonus which is determined at the management's sole discretion based on, among other things, the relevant employee's performance and the Group's financial performance. Moreover, the Group provides employees training programs or subsidies employees to attend various job related training courses. Employee benefit expenses primarily consist of salaries, bonus and allowance as well as contributions to the mandatory provident fund for the executive Directors and employees of the Group.

Apart from basic remuneration, share options may be granted under the share option scheme of the Company to eligible employees by reference to the Group's performance as well as the individual's contribution. The Company adopted the 2024 share scheme on 13 August 2024 to incentivise and retain staff members who have made contributions to the success of the Group. The Directors believe that the compensation packages offered by the Group to its staff are competitive in comparison with market standards and practices.

Material Acquisitions and Disposals of Subsidiaries, Associates, Joint Ventures and Capital Assets

The Group did not have any material acquisitions and disposals of subsidiaries, associates, joint ventures and capital assets during the Fiscal Year.

Significant Investments Held by the Group

Up to 31 March 2025, the Group has invested US$3.0 million (equivalent to approximately HK$23.4 million) into Lego Vision Fund SP ("LVF"), a fund under management by the Group, as seed money. LVF focuses to invest in a portfolio consisting primarily of equities, bonds and other securities of companies in promising industries with excellent management, business model, products and sound financials for the long-term sustainable growth.

As at 31 March 2025, the Group held 28,807.172 non-voting shares in LVF (which represented approximately 55.2% of total non-voting shares of LVF) with aggregate value of approximately US$1.6 million (equivalent to approximately HK$12.4 million), which represented 4.9% of the total assets of the Group. The net asset value per share in respect of LVF was decreased from US$75.3 (equivalent to approximately HK$587.5) on 31 March 2024, to approximately US$55.3 (equivalent to approximately HK$431.2) on 31 March 2025, representing an overall negative return of approximately 26.6%.

During the Fiscal Year, the global market was under pressure from macroeconomic conditions. The high interest rate and inflation in the US made businesses struggle. The property market in China even worsened, impacting the overall economy. However, the artificial intelligence ("AI") revolution has emerged as the primary and important driver in the coming years. It is considered the 4th Industrial Revolution. The monetisation of AI is yet to be crystallised, but startups and major tech companies are actively building foundations, such as, large language models and data centers. The AI chip market is undoubtedly a big winner, along with certain infrastructure enterprises. The fund manager is seeing the kickoff of AI-powered inference, with Microsoft and Apple launching the Copilot+ PC and Apple Intelligent respectively. Once AI becomes integrated into daily lives, it will present a very promising investment opportunity.

Future Plans for Material Investments or Capital Assets

The Group did not have any plan for material investments and capital assets as at 31 March 2025.

Risk Management

The objective of the Group's risk management is to achieve an appropriate balance between risk and return, and reduce the negative impact on its operating results and maximise shareholder's value. The Group's risk management strategy is to identify and analyse the various risks faced by the Group, establish appropriate risk tolerance level, and reliably measure and monitor the risks on a timely and effective manner to ensure the risks are controlled within the tolerance level.

Compliance with Laws and Regulations

During the Fiscal Year, as far as the Board is aware, the Group has complied with the relevant laws and regulations that have a significant impact on the Group in all material aspects.

Outlook and Prospect

Global and Asia economy continued to face challenges due to uncertainties of the global economic outlook. A number of factors, such as global trade war, recession fear, ongoing geopolitical tensions and liquidity concern about the Mainland China property developers will continue to hinder the recovery of the economic activities in Hong Kong. Any adverse market condition or market sentiment may affect clients' decision on the scale, timing and platform in respect of their fund raising needs and merger and acquisition plans, which may lead to lower demand for, delay to or termination of fund raising and merger and acquisition activities and the Group's services.

With the Group's diversified business portfolio which creates synergies between its business lines and the Group's experiences to advise on broad spectrum of corporate transactions which covers not only fund raising activities, but also resumption, restructuring and other corporate actions, the Group remains capable to secure new mandates and maintaining a healthy project pipeline. In particular, the Group has actively sought business opportunities for resumption and restructuring projects in view of the prevailing market and regulatory environment. However, the Group's business and revenue may likely be adversely affected if the uncertainties continue to dampen the outlook of the market.

Looking ahead, it is expected that the capital market activities will resume gradually with increasing risk portfolio. The Group will continue to adhere to its strict and prudent risk management and compliance strategy, and take a prudent approach on its business development. The Group will also enhance its marketing efforts to solicit new opportunities targeting not only Hong Kong, but also the PRC, Singapore, the North America and elsewhere in the world. Following Hong Kong's directions to develop as virtual asset hub and enhancement of development in ESG sector, the Group will further evaluate these new opportunities and formulate business strategies in compliance with the latest regulations. The Group will aim to cement its strong reputation as an integrated platform for providing financial and securities services, and leverage its market position to diversify income stream and expand its client base.

Directors and Senior Management

DIRECTORS

Executive Directors

Mr. Mui Ho Cheung Gary ("Mr. Mui"), aged 50, joined the Group in January 2016. He was appointed as a Director on 21 June 2018 and re-designated as the Chairman, Chief Executive Officer and executive Director of the Company on 25 March 2019. Mr. Mui is also a director of Lego Financial Group Investment Holdings Limited, Lego Corporate Finance Limited, Lego Securities Limited, Lego Asset Management Limited, Lego Asset Management (Cayman) Limited and Lego Funds SPC Limited. Mr. Mui has acted as a Responsible Officer of Lego Corporate Finance Limited for Type 6 (advising on corporate finance) regulated activity under the SFO since January 2016 and is one of the sponsor principals of Lego Corporate Finance Limited. Mr. Mui is also the chairman of the nomination committee. Mr. Mui is mainly responsible for the overall strategic planning, management, operation and business development of the Group.

Mr. Mui has accumulated over 25 years of experience in the finance and investment banking industries with extensive experience in leading and supervising different types of corporate finance transactions. Prior to joining the Group, he had held senior leadership positions at various licensed corporations. From January 2009 to January 2016, he worked at Quam Capital Limited (now known as China Tonghai Capital Limited) ("Quam Capital") and his last position was the deputy chief executive officer and a Responsible Officer of Quam Capital for Type 6 (advising on corporate finance) regulated activity. Prior to that, he had worked at Optima Capital Limited ("Optima Capital") from September 2005 to January 2009 and was a Responsible Officer of Optima Capital for Type 6 (advising on corporate finance) regulated activity, Deloitte & Touche Corporate Finance Limited from August 2000 to September 2005 with his last position as an associate director and Pacific Challenge Capital Limited from August 1999 to August 2000 with his last position as a manager.

Mr. Mui obtained a bachelor's degree in accounting and finance from The University of New South Wales, Sydney, Australia in April 1997 and has been a Fellow of CPA Australia since February 2019.

Mr. Liu Chi Wai ("Mr. Liu"), aged 50, joined the Group in January 2016. He was appointed as a Director on 25 March 2019 and re-designated as an executive Director on the same day. Mr. Liu is also a director of Lego Corporate Finance Limited. Mr. Liu has acted as a Responsible Officer of Lego Corporate Finance Limited for Type 6 (advising on corporate finance) regulated activity under the SFO since January 2016 and is one of the sponsor principals of Lego Corporate Finance Limited. Mr. Liu is also a Licensed Representative of Lego Securities Limited for Type 1 (dealing in securities) regulated activity under the SFO since May 2021. Mr. Liu is mainly responsible for the overall management of the Group and supervision and management of the corporate finance advisory business.

Mr. Liu has accumulated over 25 years of experience in the securities and investment banking industries. Prior to joining the Group, he had gained corporate finance advisory experience from various licensed corporations. He worked at Quam Capital from February 2009 to January 2016 and his last position was a director of financial advisory department and a Responsible Officer of Quam Capital for Type 6 (advising on corporate finance) regulated activity. Prior to that, he had worked at Optima Capital from April 2005 to January 2009 with his last position as an associate director, South China Finance and Management Limited from May 2004 to March 2005 with his last position as an assistant manager, Hooray Capital Limited from September 2001 to May 2004 with his last position as an assistant manager; and Pacific Challenge Capital Limited from August 2000 to September 2001 as a corporate finance executive. Prior to that, he had worked at Emperor Securities Limited from July 1997 to March 2000 with his last position as a project officer, during which he worked in the settlement department.

Mr. Liu obtained a bachelor's degree in business administration (major in management information systems) from the Hong Kong Baptist University in December 1997.

Mr. Liu has been an independent non-executive director of China Rongzhong Financial Holdings Company Limited (a company listed on Main Board of the Stock Exchange (stock code: 3963)) since December 2024.

Mr. Ng Siu Hin Stanley ("Mr. Ng"), aged 44, joined the Group in January 2016. He was appointed as a Director on 25 March 2019 and re-designated as an executive Director on the same day. He was appointed as the company secretary of the Company on 30 December 2023. Mr. Ng is also a director of Lego Corporate Finance Limited. Mr. Ng has acted as a Responsible Officer of Lego Corporate Finance Limited for Type 6 (advising on corporate finance) regulated activity under the SFO since January 2016 and is one of the sponsor principals of Lego Corporate Finance Limited. Mr. Ng is also a Licensed Representative of Lego Securities Limited for Type 1 (dealing in securities) regulated activity under the SFO since October 2017. Mr. Ng is mainly responsible for the overall management of the Group and supervision and management of the corporate finance advisory business.

Mr. Ng has accumulated over 20 years of diversified experience in the accounting and investment banking industries. Prior to joining the Group, he had worked at Quam Capital from March 2007 to January 2016 and his last position was a director of financial advisory department and a Responsible Officer of Quam Capital for Type 6 (advising on corporate finance) regulated activity. Prior to that, he had worked at PricewaterhouseCoopers from January 2006 to January 2007 as a senior associate and Ernst & Young from November 2003 to December 2005 as a staff accountant in the assurance and advisory business services department.

Mr. Ng obtained a bachelor's degree in actuarial science from The University of Hong Kong in December 2003. Mr. Ng has been a Fellow member of the Association of Chartered Certified Accountants since June 2012 and a chartered financial analyst of the CFA Institute since August 2015.

Ms. Ho Sze Man Kristie ("Ms. Ho"), aged 43, joined the Group in January 2016. She was appointed as a Director on 25 March 2019 and re-designated as an executive Director on the same day. Ms. Ho is also a director of Lego Corporate Finance Limited. Ms. Ho has acted as a Responsible Officer of Lego Corporate Finance Limited for Type 6 (advising on corporate finance) regulated activity under the SFO since January 2016 and is one of the sponsor principals of Lego Corporate Finance Limited. Ms. Ho is mainly responsible for the overall management of the Group and supervision and management of the corporate finance advisory business.

Ms. Ho has accumulated over 20 years of experience in the securities and investment banking industries. Prior to joining the Group, she had accumulated securities and corporate finance advisory experience at various licensed corporations. She worked at Celestial Capital Limited from September 2014 to January 2016 and her last position was an executive director of corporate finance of the investment banking group and a Responsible Officer of Celestial Capital Limited for Type 6 (advising on corporate finance) regulated activity. Prior to that, she had worked at Quam Capital from July 2006 to September 2014 with her last position as a director of financial advisory department and a Responsible Officer of Quam Capital for Type 6 (advising on corporate finance) regulated activity. Prior to that, she had worked at Quam Securities Company Limited (now known as China Tonghai Securities Limited) from January 2005 to July 2006 as an analyst; and Platinum Management Services Limited, a company engaged in financial services, from September 2003 to January 2005, and her last position was a research analyst.

Ms. Ho obtained a bachelor's degree in commerce from The University of British Columbia, Vancouver, British Columbia, Canada in May 2003.

Ms. Ho has been an independent non-executive director of Novacon Technology Group Limited (a company listed on GEM of the Stock Exchange (stock code: 8635)) since November 2024.

Mr. Tang Chun Fai Billy ("Mr. Tang"), aged 51, was appointed as an executive Director on 1 April 2020. He joined the Group in December 2018 and is a managing director of Lego Corporate Finance Limited. Since June 2019, Mr. Tang has acted as a Responsible Officer of Lego Corporate Finance Limited for Type 6 (advising on corporate finance) regulated activity under the SFO and a Licensed Representative of Lego Securities Limited for Type 1 (dealing in securities) regulated activity under the SFO.

Mr. Tang has over 25 years of experience in the accounting and investment banking industries. Prior to joining the Group, he worked at Goldin Financial Limited from July 2009 to December 2018 and his last position was the director of investment banking division and a Responsible Officer for Type 6 (advising on corporate finance) regulated activity. Prior to that, he had worked at Optima Capital as a Responsible Officer for Type 6 (advising on corporate finance) regulated activity. He had also worked at BOCOM International Holdings Company Limited, Deloitte & Touche Corporate Finance Limited and PricewaterhouseCoopers.

Mr. Tang obtained a bachelor's degree in business administration from The University of Massachusetts at Amherst, United States, in May 1996.

Mr. Tang has been an independent director of Neo Concept International Group Holdings Limited (a company listed on NASDAQ Capital Market (stock code: NCI)) since January 2025.

Independent Non-executive Directors

Ms. Lim Yan Xin Reina (formerly known as Lim Yi Ping (Lin Yiping)) **("Ms. Lim")**, aged 48, was appointed as an independent non-executive Director on 10 September 2019. She is the chairlady of the audit committee and a member of the remuneration committee and the nomination committee.

Ms. Lim has over 18 years of experience in accounting. During her tenures at the following companies, she was primarily responsible for overseeing the auditing of financial statements of companies, reviewing internal control systems and accounting procedures of companies, or managing daily operations of companies. Ms. Lim joined True Fitness Holdings (Singapore) Pte. Ltd. in July 2017 and has served as a director since her appointment. She held the role of group chief operating officer from July 2017 to January 2025 and concurrently served as chief financial officer from May 2018 to January 2025. Prior to that, she had worked at Ernst & Young Solutions LLP in Singapore as an executive director from April 2016 to June 2017. From January 2014 to March 2016, she worked at CFO (HK) Limited as a regional director. From July 2007 to September 2013, she worked at Boardroom Corporate Services (HK) Limited as an executive director. From June 2004 to June 2007, she worked at Deloitte & Touche Corporate Finance Limited and her last position was a manager. From June 2002 to May 2004, she worked at Deloitte & Touche Financial Advisory Services Pte Ltd as a senior associate. From January 2000 to June 2002, she worked at Arthur Andersen in Singapore and her last position was a senior.

Ms. Lim obtained a bachelor's degree in commerce from The University of Queensland in Australia in December 1999 and a graduate diploma from the Institute of Chartered Accountants in Australia in April 2006. She has been a member of the Institute of Chartered Accountants in Australia and the Hong Kong Institute of Certified Public Accountants since July 2006 and September 2006, respectively.

Ms. Lim was an independent non-executive director of On Real International Holdings Limited (now known as Shanyu Group Holdings Company Limited, a company listed on GEM of the Stock Exchange (stock code: 8245)) from September 2015 to March 2016.

Mr. Poon Lai Yin Michael ("Mr. Poon"), aged 53, was appointed as an independent non-executive Director on 10 September 2019. He is the chairman of the remuneration committee and a member of the audit committee and the nomination committee.

Mr. Poon has over 20 years of experience in financial reporting, business advisory, auditing and accounting. Since August 2017, Mr. Poon has been the executive director of Huakang Biomedical Holdings Company Limited (a company listed on GEM of the Stock Exchange (stock code: 8622)). He is the founder and has been a director of Integrity Partners Capital Company Limited since April 2013. From November 2000 to March 2002, he worked at Arthur Andersen & Co. as a senior accountant. From February 2000 to November 2000, he worked at K. L. Lee & Partners C.P.A. Limited as an audit senior. From March 1997 to June 1999, he worked at Ho & Au Yeung and his last position was an audit semi-senior. From March 1995 to February 1997, he worked at Chan Chak Chung & Co. and his last position was an audit senior.

Since June 2019, Mr. Poon has been an independent non-executive director of Niche-Tech Semiconductor Materials Limited (a company listed on GEM of the Stock Exchange (stock code: 8490)). Mr. Poon has also been an independent non-executive director of Cityneon Holdings Limited (a company previously listed on the main board of the Singapore Exchange Limited) since August 2017. Mr. Poon was an independent non-executive director of Teamway International Group Holdings Limited (a company listed on the Main Board of the Stock Exchange (Stock code: 1239)) from March 2019 to November 2023. Mr. Poon was an independent non-executive director of China Uptown Group Company Limited (a company listed on the Main Board of the Stock Exchange (stock code: 2330)) from November 2006 to June 2022.

Mr. Poon obtained a bachelor's degree in administrative studies from York University, Canada in June 1995, a master's degree in practising accounting from Monash University, Australia in July 1998, an executive master of business administration from City University of Hong Kong in October 2022 and Master of Public Administration from TsingHua University, China in January 2024. Mr. Poon has been a Fellow member of the Hong Kong Institute of Certified Public Accountant since July 2009, and a member of CPA Australia since March 2000. Mr. Poon passed the qualification examination of Asset Management Association of China (中國證券投資基金業協會從業資格考試) in 2016. In December 2022, Mr. Poon awarded the title of certified Environmental, Social and Governance Analyst (CESGA) from the European Federation of Financial Analysts Societies.

Dr. Wong Ho Ki ("Dr. Wong"), aged 47, was appointed as an independent non-executive Director on 10 September 2019. He is a member of the audit committee, the nomination committee and the remuneration committee.

Dr. Wong has approximately 12 years of experience in the academic sector and over 10 years of experience in the legal industry. He joined Simon C. W. Yung & Co. in August 2012 as a trainee solicitor and became a solicitor of the firm from September 2014 to October 2022. He is now a partner of the firm and currently practises civil and criminal litigation. From March 2009 to August 2009, he worked at Simon C. W. Yung & Co. as a litigation clerk. From August 2007 to December 2008, he worked at The Chinese University of Hong Kong as a research associate. From August 2006 to August 2007, he worked at The Hong Kong Polytechnic University as a lecturer. Dr. Wong also worked as a part-time instructor at the School of Continuing and Professional Studies, The Chinese University of Hong Kong, from August 2004 to January 2016.

Dr. Wong obtained a bachelor of arts degree (major in philosophy) in November 2001, a master of philosophy degree in December 2003 and a doctor of philosophy degree in December 2006 from The Chinese University of Hong Kong. Dr. Wong also obtained a juris doctor degree in December 2011 and the postgraduate certificate in laws in July 2012 from The Chinese University of Hong Kong. He was admitted as a solicitor of Hong Kong in September 2014.

SENIOR MANAGEMENT

Mr. Choy Kwong Wa Christopher ("Mr. Choy"), aged 61, joined the Group in August 2018 and is the chief investment officer of Lego Asset Management Limited. Mr. Choy is also a director of Lego Asset Management (Cayman) Limited and Lego Funds SPC Limited. Mr. Choy has acted as a Responsible Officer of Lego Asset Management Limited for Type 4 (advising on securities) and Type 9 (asset management) regulated activities under the SFO since 1 March 2019. Mr. Choy is mainly responsible for managing the asset management business of the Group.

Mr. Choy accumulated over 30 years of experience in the asset management and investment industry, during which he managed client portfolios and provided investment advice. Prior to joining the Group, he worked at Oceanwide Asset Management Limited (formerly known as Quam Asset Management Limited and now known as China Tonghai Asset Management Limited) from March 2006 to July 2018 and his last position was the chief investment officer and a Responsible Officer for Type 4 (advising on securities) and Type 9 (asset management) regulated activities. Prior to that, he was a director of Pacific World Asset Management Limited ("Pacific World"), a then licensed corporation to carry on Type 4 (advising on securities) and Type 9 (asset management) regulated activities, from February 1993 to February 2011. From April 2003 to October 2005, he served as a Responsible Officer of Pacific World for Type 4 (advising on securities) and Type 9 (asset management) regulated activities.

Mr. Choy obtained a bachelor's degree in design and technology from the Loughborough University of Technology, the United Kingdom in July 1990 and a master of business administration from the Asia International Open University, Macau in May 1995.

Mr. Li Wing Chung ("Mr. Li"), aged 41, joined the Group in January 2017. He is a director of Lego Securities Limited and Lego Asset Management Limited. Mr. Li has acted as a Responsible Officer of Lego Securities Limited for Type 1 (dealing in securities) regulated activity under the SFO since 19 January 2017 and a Responsible Officer of Lego Asset Management Limited for Type 4 (advising on securities) and Type 9 (asset management) regulated activities under the SFO since 13 July 2020. Mr. Li is mainly responsible for managing the daily operations of the underwriting and securities businesses of the Group.

Mr. Li has over ten years of experience in the securities and futures industry, during which he was responsible for dealing in and advising on securities and futures. Prior to joining the Group, he worked at Brilliant Norton Securities Company Limited as a Responsible Officer for Type 1 (dealing in securities) and Type 4 (advising on securities) regulated activities. Prior to that, he spent approximately 5 years at Phillip Securities (Hong Kong) Limited and Haitong International Securities Company Limited.

Mr. Li obtained a bachelor's degree in social policy and administration from The Hong Kong Polytechnic University.

COMPANY SECRETARY

Mr. Ng Siu Hin Stanley was appointed as the company secretary of the Company on 30 December 2023. Please refer to the paragraph headed "Executive Directors" above for his biographical details.

The Board is pleased to present its report together with the audited consolidated financial statements of the Group for the Fiscal Year.

SHARE OFFER

The Company was incorporated as an exempted company with limited liability in the Cayman Islands on 21 June 2018, the shares of which were listed on the Main Board of the Stock Exchange on 30 September 2019 (the "Listing Date").

PRINCIPAL ACTIVITIES

The Company is an investment holding company. The Group is principally engaged in the provision of corporate finance advisory services, securities and financing services and asset management services. The analysis of the Group's revenue by each service are set out in note 6 to the consolidated financial statements of this annual report.

RESULTS

The results of the Group for the Fiscal Year are set out in the consolidated statement of profit or loss and other comprehensive income on pages 83 and 84 of this annual report.

FINAL DIVIDEND

The Board has resolved not to declare any final dividend for the year ended 31 March 2025 (2024: nil).

CLOSURE OF REGISTER OF MEMBERS

The forthcoming annual general meeting of the Company (the "AGM") is scheduled to be held on Wednesday, 20 August 2025. The register of members of the Company will be closed from Friday, 15 August 2025 to Wednesday, 20 August 2025, both days inclusive, in order to determine the identity of the shareholders of the Company (the "Shareholder(s)") who are entitled to attend the AGM, during which period no share transfers will be registered. To be eligible to attend the AGM, all transfer forms accompanied by the relevant share certificates must be lodged for registration 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 4:30 p.m. on Thursday, 14 August 2025.

BUSINESS REVIEW

The business review and performance analysis of the Group for the Fiscal Year and other information as required by Schedule 5 to the Hong Kong Companies Ordinance (Chapter 622 of the Laws of Hong Kong) is set out in the section headed "Chairman's Statement" on page 4 of this annual report, the section headed "Management Discussion and Analysis" from pages 5 to 12 of this annual report and this report. A description of the Group's future business development is set out in the section headed "Chairman's Statement" on page 4 of this annual report and the paragraph headed "Management Discussion and Analysis – Outlook and Prospect" on page 12 of this annual report.

FINANCIAL SUMMARY

A summary of the results and the assets and liabilities of the Group for the last five financial years is set out on page 3 of this annual report. This summary does not form part of the audited consolidated financial statements.

MAJOR CUSTOMERS AND SUPPLIERS

Major Customers

For the Fiscal Year, the transaction amounts of the Group's top five customers accounted for approximately 33% (2024: 37%) of the Group's total revenues while the transaction amounts of the single largest customer accounted for approximately 10% (2024: 18.3%) of the Group's total revenues.

During the Fiscal Year, none of the Directors or any of their close associates or any Shareholders (which to the knowledge of the Directors owns more than 5% of the number of the issued shares of the Company) was interested in the top five customers of the Group.

Major Suppliers

Due to the nature of the principal business activities of the Group, the Group has no major suppliers.

PROPERTY, PLANT AND EQUIPMENT

Details of the movements in the property, plant and equipment of the Company and the Group during the Fiscal Year are set out in note 14 to the consolidated financial statements of this annual report.

SHARE CAPITAL

Details of movements in the Company's share capital during the Fiscal Year are set out in note 28 to the consolidated financial statements of this annual report.

RESERVES

Details of the movements in the reserves of the Company and the Group during the Fiscal Year are set out in the consolidated statement of changes in equity on pages 90 and 91 of this annual report and note 29 to the consolidated financial statements of this annual report.

DISTRIBUTABLE RESERVES

As at 31 March 2025, the Company did not have reserves available for distribution (as at 31 March 2024: nil).

TAX RELIEF

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

BANK LOANS AND OTHER BORROWINGS

As at 31 March 2025, the Group had outstanding bank borrowings of approximately HK$5.5 million (2024: approximately HK$24.6 million) and had short-term margin financing incurred by the investment fund of approximately HK$0.4 million (2024: approximately HK$7.3 million). Particulars of the bank borrowings and margin financing incurred by the fund under management as of 31 March 2025 are set out in notes 27 and 22 to the consolidated financial statements of this annual report respectively.

DIRECTORS

The Directors during the Fiscal Year and up to the date of this annual report are as follows:

Executive Directors:

Mr. Mui Ho Cheung Gary *(Chairman and Chief Executive Officer)*
Mr. Liu Chi Wai
Mr. Ng Siu Hin Stanley
Ms. Ho Sze Man Kristie
Mr. Tang Chun Fai Billy

Independent Non-executive Directors:

Ms. Lim Yan Xin Reina
Mr. Poon Lai Yin Michael
Dr. Wong Ho Ki

In accordance with the Article 83(3) of the Articles of Association, the Directors shall have the power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy on the Board or as an addition to the existing Board. Any Director so appointed shall hold office only until the first annual general meeting of the Company after his/her appointment and shall then be eligible for re-election at such annual general meeting.

In accordance with Article 84(1) 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.

Accordingly, Mr. Mui Ho Cheung Gary, Mr. Ng Siu Hin Stanley and Mr. Poon Lai Yin Michael shall retire by rotation at the AGM and they being eligible, offer themselves for re-election.

Details of the Directors to be re-elected at the AGM are set out in the circular to the Shareholders.

DIRECTORS AND SENIOR MANAGEMENT

Biographical details of the Directors and senior management of the Company are set out in the section headed "Directors and Senior Management" on pages 13 to 18 of this annual report.

CHANGES TO DIRECTORS' INFORMATION

Mr. Liu Chi Wai has been an independent non-executive director of China Rongzhong Financial Holdings Company Limited (a company listed on Main Board of the Stock Exchange (stock code: 3963)) since December 2024.

Mr. Tang Chun Fai Billy has been an independent director of Neo Concept International Group Holdings Limited (a company listed on NASDAQ Capital Market (stock code: NCI)) since January 2025.

Save for the above, there is no change to any information required to be disclosed in relation to any Director pursuant to paragraphs (a) to (e) and (g) under Rule 13.51(2) of the Listing Rules since the publication of the interim report for the six months ended 30 September 2024 of the Company.

CONFIRMATION OF INDEPENDENCE FROM THE INDEPENDENT NON-EXECUTIVE DIRECTORS

The Company has received from each of the independent non-executive Directors a confirmation of her/his independence pursuant to Rule 3.13 of the Listing Rules and the Company considers all of the independent non-executive Directors are independent during the Fiscal Year and up to the date of this annual report.

DIRECTORS' SERVICE CONTRACTS AND LETTERS OF APPOINTMENTS

Each of Mr. Mui Ho Cheung Gary, Mr. Liu Chi Wai, Mr. Ng Siu Hin Stanley and Ms. Ho Sze Man Kristie, an executive Director, has entered into a service contract with the Company for an initial term of three years commencing from the Listing Date and shall continue thereafter until it is terminated by either party by giving at least three months' prior notice in writing or otherwise in accordance with the terms and conditions of the service contract.

Mr. Tang Chun Fai Billy, an executive Director, has entered into a service contract with the Company for an initial term of three years commencing from 1 April 2020 and shall continue thereafter until it is terminated by either party by giving at least three months' prior notice in writing or otherwise in accordance with the terms and conditions of the service contract.

Each of the independent non-executive Directors, namely Ms. Lim Yan Xin Reina, Mr. Poon Lai Yin Michael and Dr. Wong Ho Ki, has entered into a letter of appointment with the Company for an initial term of one year commencing from the Listing Date and shall be automatically renewed thereafter unless terminated by either party by giving at least one month's prior notice in writing or otherwise in accordance with the terms and conditions of the letter of appointment.

Save as disclosed above, none of the Directors has entered into, or has proposed to enter into, a service contract or letter of appointment with the Company which is not determinable by the Company within one year without payment of compensation (other than statutory compensation).

DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS OF SIGNIFICANCE

Save as disclosed in notes 17, 31, 35 and 37 to the consolidated financial statements of this annual report, none of the Directors had a material interest, either directly or indirectly, in any transaction, arrangement or contract of significance to the business of the Group to which the Company, or any of its subsidiaries or fellow subsidiaries was a party during the year ended 31 March 2025 and up to the date of this annual report.

MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed during the Fiscal Year and up to the date of this annual report.

EMOLUMENT POLICY

A remuneration committee of the Company was set up for reviewing the Group's emolument policy and structure for all remuneration of the Directors and senior management of the Group, having regard to the Group's operating results, individual performance of the Directors and senior management and comparable market practices.

Details of the emoluments of the Directors, and the five highest paid individuals during the Fiscal Year are set out in note 9 to the consolidated financial statements of this annual report.

RETIREMENT AND EMPLOYEE BENEFITS SCHEME

Details of the retirement and employee benefits scheme of the Company are set out in notes 31 and 33 to the consolidated financial statements of this annual report.

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITION IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 31 March 2025, the interests and short positions of the Directors and the chief executives of the Company in the Shares, underlying Shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which had been notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have taken under such provisions of the SFO), or which were recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the "Model Code for Securities Transactions by Directors of Listed Issuers" (the "Model Code") as set out in Appendix C3 to the Listing Rules were as follows:

(i) Interests in the Shares and underlying Shares

Name of Director	Capacity/Nature of Interest	Number of Shares held/ interested(1)	Approximate percentage of shareholding(2)
Mr. Mui Ho Cheung Gary ("Mr. Mui")	Interest of a controlled corporation(3)	299,492,188 (L)	73.77%
	Beneficial owner(4)	14,858,070 (L)	3.66%
Mr. Liu Chi Wai ("Mr. Liu")	Beneficial owner(5)	1,439,298 (L)	0.35%
Mr. Ng Siu Hin Stanley ("Mr. Ng")	Beneficial owner(6)	1,439,298 (L)	0.35%
Ms. Ho Sze Man Kristie ("Ms. Ho")	Beneficial owner(7)	1,439,298 (L)	0.35%
Mr. Tang Chun Fai Billy ("Mr. Tang")	Beneficial owner(8)	789,737 (L)	0.09%
Ms. Lim Yan Xin Reina ("Ms. Lim")	Beneficial owner(9)	400,000 (L)	0.10%
Mr. Poon Lai Yin Michael ("Mr. Poon")	Beneficial owner(10)	400,000 (L)	0.10%
Dr. Wong Ho Ki ("Dr. Wong")	Beneficial owner(11)	400,000 (L)	0.10%

Notes:

(1) The letter "L" denotes the person's long position in the relevant Shares or underlying Shares.

(2) There were 405,962,965 Shares in issue as at 31 March 2025.

(3) Mr. Mui legally and beneficially owns approximately 90.38% of the issued shares of Lego Financial Group Limited and is its sole director. Accordingly, Mr. Mui is deemed to be interested in the 299,492,188 Shares held by Lego Financial Group Limited by virtue of the SFO.

(4) Mr. Mui is interested in the 2,858,070 and 12,000,000 underlying Shares which may be allotted and issued to him upon full exercise of all the options granted to him under the pre-IPO share option scheme approved and adopted by the Company on 6 March 2019 ("Pre-IPO Share Option Scheme") and the share option scheme approved and adopted by the Company on 10 September 2019 (the "Share Option Scheme"), respectively.

(5) Mr. Liu is interested in the 1,039,298 and 400,000 underlying Shares which may be allotted and issued to him upon full exercise of all the options granted to him under the Pre-IPO Share Option Scheme and the Share Option Scheme, respectively.

(6) Mr. Ng is interested in the 1,039,298 and 400,000 underlying Shares which may be allotted and issued to him upon full exercise of all the options granted to him under the Pre-IPO Share Option Scheme and the Share Option Scheme, respectively.

(7) Ms. Ho is interested in the 1,039,298 and 400,000 underlying Shares which may be allotted and issued to her upon full exercise of all the options granted to her under the Pre-IPO Share Option Scheme and the Share Option Scheme, respectively.

(8) Mr. Tang is interested in the 389,737 and 400,000 underlying Shares which may be allotted and issued to him upon full exercise of all the outstanding options granted to him under the Pre-IPO Share Option Scheme and the Share Option Scheme, respectively.

(9) Ms. Lim is interested in the 400,000 underlying Shares which may be allotted and issued to her upon full exercise of all the options granted to her under the Share Option Scheme.

(10) Mr. Poon is interested in the 400,000 underlying Shares which may be allotted and issued to him upon full exercise of all the options granted to him under the Share Option Scheme.

(11) Dr. Wong is interested in the 400,000 underlying Shares which may be allotted and issued to him upon full exercise of all the options granted to him under the Share Option Scheme.

(ii) Interests in the shares of the associated corporation

Name of Director	Associated corporation	Capacity/ Nature of Interest	Number of Shares held[1]	Approximate percentage of shareholding in the associated corporation
Mr. Mui	Lego Financial Group Limited	Beneficial owner	8,450 (L)	90.38%
Mr. Liu	Lego Financial Group Limited	Beneficial owner	350 (L)	3.74%
Mr. Ng	Lego Financial Group Limited	Beneficial owner	350 (L)	3.74%
Ms. Ho	Lego Financial Group Limited	Beneficial owner	200 (L)	2.14%

Note:

(1) The letter "L" denotes the person's long position in the relevant shares of the associated corporation.

Save as disclosed above, as at 31 March 2025, none of the Directors or the chief executives of the Company had or was deemed to have any interests or short positions in the Shares, underlying Shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) that was 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 and short positions which they were taken or deemed to have taken under such provisions of the SFO), or required to be recorded in the register required to be kept by the Company under Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as otherwise disclosed in this annual report, at no time during the Fiscal Year was the Company or its subsidiaries a party to any arrangement that would enable the Directors to acquire benefits by means of acquisition of shares in or debentures of the Company or any other body corporate, and none of the Directors or their spouses or children under the age of 18 were granted any right to subscribe for the share capital or debt securities of the Company or any other body corporate, or had exercised any such right.

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 31 March 2025, to the best knowledge of the Directors, the following persons (other than a Director or chief executive of the Company) had interests or short positions in the Shares or underlying Shares which fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or recorded in the register required to be kept by the Company under Section 336 of the SFO:

Name	Capacity/Nature of Interest	Number of Shares/ underlying Shares held/interested[(1)]	Approximate percentage of shareholding[(2)]
Lego Financial Group Limited	Beneficial owner	299,492,188 (L)	73.77%
Mr. Wong Wing Shing	Beneficial owner	20,820,312 (L)	5.13%

Notes:

(1) The letter "L" denotes the person's long position in the relevant Shares or underlying Shares.

(2) There were 405,962,965 Shares in issue as at 31 March 2025.

Save as disclosed above, as at 31 March 2025, the Directors were not aware of any persons (who were not Directors or chief executive of the Company) who had interests or short positions in the Shares or underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which would be required, pursuant to Section 336 of the SFO, to be entered in the register referred to therein.

SHARE SCHEMES

The Company has adopted two share schemes, namely, (1) the Pre-IPO Share Option Scheme; (2) the Share Option Scheme; and (3) the 2024 Share Scheme.

The number of Shares that may be issued in respect of options granted under all schemes of the Company at the end of the Fiscal Year divided by the weighted average number of issued Shares (excluding treasury shares) for the Fiscal Year was approximately 5.6%.

(a) Pre-IPO Share Option Scheme

The Company has conditionally adopted the Pre-IPO Share Option Scheme, which was approved by the written resolution of the then sole shareholder passed on 6 March 2019.

(i) Purpose of the Pre-IPO Share Option Scheme

The purpose of the Pre-IPO Share Option Scheme is to recognise the contribution of, and to provide an incentive to, certain staff of the Group who have contributed and/or will contribute to the Group, in order to motivate and retain them for the operation and development of the Group.

(ii) Who may join

The Pre-IPO Share Option is available to any individual(s) (the "Participant(s)") being a full-time or part-time employee or officer (including any executive or non-executive directors but excluding independent non-executive directors) of the Company or any of its subsidiaries. The Board shall be entitled to offer any Participant(s) who, as the Board may determine in its absolute discretion, has made and/or will make valuable contribution to the business of the Group, option(s) under the Pre-IPO Share Option Scheme.

(iii) Period of the Pre-IPO Share Option Scheme

The Board shall be entitled but shall not be bound at any time and from time to time during the period commencing from the adoption date of the Pre-IPO Share Option Scheme to 8 September 2019 (the "Scheme Period"), being the latest practicable date of the Prospectus, to grant options to not more than 50 grantees under the Pre-IPO Share Option Scheme. No further options shall be granted under the Pre-IPO Share Option Scheme after the expiry of the Scheme Period but in all other respects the provisions of the Pre-IPO Share Option Scheme shall remain in full force and effect. All options granted and accepted and remaining unexercised immediately prior to the expiry of the Scheme Period shall continue to be valid and exercisable in accordance with the terms of the Pre-IPO Share Option Scheme.

(iv) Maximum number of Shares

The maximum number of the Shares with respect to which options may be granted under the Pre-IPO Share Option Scheme shall be 34,000,000 Shares, representing 8.38% of the total number of issued shares of the Company (i.e. 405,794,080) as at the Listing Date and excluding any Shares which may be issued upon the exercise of any options granted or which may be granted under the Share Option Schemes.

(v) Subscription price for Shares

The price per Share at which a grantee may subscribe for Shares on the exercise of an option granted under the Pre-IPO Share Option Scheme (the "Subscription Price") shall be HK$0.6 per Share (excluding any commission and charges).

(vi) Acceptance of an option and personal rights to grantee

(a) The grant shall remain open for acceptance by the grantee (in whole or in part) for a period of five days from the grant date, provided that no such grant shall be open for acceptance after the expiry of the Scheme Period or after the Pre-IPO Share Option Scheme has been terminated. A consideration of HK$1 is payable for each acceptance of grant of option(s) which is not refundable.

(b) An option shall be personal to the grantee and shall not be assignable and no grantee shall in any way sell, transfer, assign, charge, mortgage, encumber or create any interest (whether legal or beneficial) in favour of any third party over or in relation to any option or purport to do any of the foregoing. Any breach of the foregoing shall entitle the Company to cancel the relevant grantee's outstanding option(s) in whole or in part.

(vii) Exercise and vesting period

An option may be exercised in whole or in part (but if in part only, in respect of a board lot or an integral multiple thereof) and an option shall vest unto a grantee and may be exercised by the grantee during the option period (the "Option Period"), being a period commencing from the Listing Date (i.e. 30 September 2019) and ending on 6 March 2027, being the eighth anniversary of the date of adoption of the Pre-IPO Share Option Scheme, and in accordance with the manner provided in the grant letter of the option issued by the Company to the grantee subject to any adjustments under the Pre-IPO Share Option Scheme. As at 31 March 2025, the remaining life of the Pre-IPO Share Option Scheme is approximately 1 year and 11 months. The options shall only be exercised in the following manner:

(a) not more than 10,200,000 Shares (representing not more than 30% of the total number of Shares to be allotted and issued pursuant to the exercise of all the options under the Pre-IPO Share Option Scheme) comprised in all the options under the Pre-IPO Share Option Scheme shall vest unto the grantees and become exercisable during the period commencing from the Listing Date and ending on the day immediately before the first anniversary of the Listing Date (the "First Vesting Period");

(b) not more than 10,200,000 Shares (representing not more than 30% of the total number of Shares to be allotted and issued pursuant to the exercise of all the options under the Pre-IPO Share Option Scheme) comprised in all the options under the Pre-IPO Share Option Scheme shall vest unto the grantees and become exercisable during the period commencing on the day falling on the first anniversary of the Listing Date and ending on the day immediately before the second anniversary of the Listing Date (the "Second Vesting Period"); and

(c) the remaining Shares comprised in the options under the Pre-IPO Share Option Scheme (being not more than 13,600,000 Shares, representing not more than 40% of the total number of Shares to be allotted and issued pursuant to the exercise of all the options under the Pre-IPO Share Option Scheme) shall vest unto the grantees and become exercisable during the period commencing on the day falling on the second anniversary of the Listing Date and ending on the day immediately before the third anniversary of the Listing Date (the "Third Vesting Period"). For the avoidance of doubt, any outstanding and unexercised option(s) at the end of the First Vesting Period shall be carried over to the Second Vesting Period and shall be exercisable during the Second Vesting Period. Any outstanding and unexercised option(s) at the end of the Second Vesting Period shall be carried over to the Third Vesting Period and shall be exercisable during the Third Vesting Period and until the end of the Option Period.

(viii) Total number of Shares available for issue under the Pre-IPO Share Option Scheme

The total number of Shares available for issue under the Pre-IPO Share Option Scheme is 8,080,540 Shares, representing approximately 1.99% of the total number of issued Shares (i.e. 405,962,965) as at the date of this annual report. Since the Listing Date, no further options can be granted under the Pre-IPO Share Option Scheme.

Details of the interests of the Directors, chief executive, senior management and other employees of the Group in the options under the Pre-IPO Share Option Scheme are set out below:

Name of grantee	Date of grant	Exercise period	Subscription price per Share (HK$)	Number of Shares in relation to outstanding options as at 1 April 2024	Granted during the Fiscal Year	Exercised during the Fiscal Year	Cancelled during the Fiscal Year	Lapsed during the Fiscal Year	Number of Shares in relation to outstanding options as at 31 March 2025
Directors									
Mr. Mui	6 March 2019	First Vesting Period	0.6	1,429,035	–	–	–	–	1,429,035
		Second Vesting Period	0.6	1,429,035	–	–	–	–	1,429,035
Mr. Liu	6 March 2019	First Vesting Period	0.6	519,649	–	–	–	–	519,649
		Second Vesting Period	0.6	519,649	–	–	–	–	519,649
Mr. Ng	6 March 2019	First Vesting Period	0.6	519,649	–	–	–	–	519,649
		Second Vesting Period	0.6	519,649	–	–	–	–	519,649
Ms. Ho	6 March 2019	First Vesting Period	0.6	519,649	–	–	–	–	519,649
		Second Vesting Period	0.6	519,649	–	–	–	–	519,649
Mr. Tang	6 March 2019	Second Vesting Period	0.6	389,737	–	–	–	–	389,737
Subtotal				6,365,701	–	–	–	–	6,365,701
Senior management and other employees in aggregate	6 March 2019	Second Vesting Period	0.6	1,714,839	–	–	–	–	1,714,839
Total				**8,080,540**	**–**	**–**	**–**	**–**	**8,080,540**

Notes:

(1) During the Fiscal Year, none of the options was exercised.

(2) All of the above grants were made without any performance targets.

(3) All of the above grants were made prior to the Listing Date and the amendment to Chapter 17 of the Listing Rules taking effect.

(4) None of the grants of options to any participant is in excess of the 1% individual limit.

(5) Details of the valuation of options under Pre-IPO Share Option Scheme during Fiscal Year, including the accounting standard and policy adopted for the Pre-IPO Share Option Scheme, are set out in note 31 to the consolidated financial statements of this annual report.

(b) Share Option Scheme

The Company has adopted the Share Option Scheme, which was approved by the written resolutions of the then Shareholders passed on 10 September 2019 and became effective on the Listing Date. Upon the approval by the Shareholders for adoption of the 2024 Share Scheme at the annual general meeting held on 13 August 2024, the Share Option Scheme has been terminated and no further grants will be made thereunder, while the outstanding share options granted under the Share Option Scheme shall continue to vest, be valid and exercisable in accordance with the terms of the Share Option Scheme.

(i) Purpose of the Share Option Scheme

The purpose of the Share Option Scheme is to enable the Board to grant options to Eligible Persons (as defined below) as incentives or rewards for their contribution or potential contribution to the Group and/or to recruit and retain high caliber eligible persons and attract human resources that are valuable to the Group.

(ii) Who may join

Subject to the provisions in the Share Option Scheme, the Directors may at any time and from time to time within a period of 10 years commencing from the date of adoption of the Share Option Scheme at their absolute discretion and subject to such terms, conditions, restrictions or limitations as they may think fit offer, at the consideration of HK$1 per option, to grant option to any person belonging to the following classes of participants (the "Eligible Person(s)"):

(a) any employee or proposed employee (whether full-time or part-time, including any director) of any member of the Group or invested entity; and

(b) any supplier of goods or services, any customer, any person or entity that provides research, development or other technological support, any shareholder or other participants who contributes to the development and growth of the Group or any invested entity.

(iii) Maximum number of Shares

(a) 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 shall not, in aggregate, exceed 30% of the total number of Shares in issue from time to time.

(b) 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 in aggregate exceed 10% of the total number of Shares (assuming the Over-allotment Option is not exercised and no options granted under the Pre-IPO Share Option Scheme are exercised) in issue on the Listing Date (the "Scheme Limit") unless approved by the Shareholders pursuant to sub-paragraph (d) below. Options lapsed in accordance with the terms of the Share Option Scheme or any other share option schemes of the Company shall not be counted for the purpose of calculating the Scheme Limit.

(c) The Company may seek separate approval of the Shareholders in general meeting for refreshing the Scheme Limit provided that such limit as refreshed shall not exceed 10% of the total number of Shares in issue as at the date of the approval of the Shareholders on the refreshment of the Scheme Limit. 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 limit as refreshed.

For the purpose of seeking the approval of Shareholders, a circular containing the information as required under the Listing Rules shall be sent by the Company to the Shareholders.

(d) The Company may seek separate approval of the Shareholders in general meeting for granting options beyond the Scheme Limit provided that the options in excess of the Scheme Limit are granted only to Eligible Persons specifically identified by the Company before such approval is sought and that the proposed grantee(s) and his/her close associates (or his/her associates if the proposed grantee is a connected person) shall abstain from voting in the general meeting. For the purpose of seeking the approval of the Shareholders, the Company shall 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 any other information as required under the Listing Rules.

(iv) Maximum entitlement of each Eligible Person

No option shall be granted to any Eligible Person 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 would exceed 1% of the total number of Shares in issue from time to time (the "Participant Limit"), unless:

(a) such grant has been duly approved, in the manner prescribed by the relevant provisions of Chapter 17 of the Listing Rules, by resolution of the Shareholders in general meeting, at which the Eligible Person and his/her close associates shall abstain from voting;

(b) a circular regarding the grant has been dispatched to the Shareholders in a manner complying with, and containing the information specified in, the relevant provisions of Chapter 17 of the Listing Rules (including the identity of the Eligible Person, the number and terms of the options to be granted and options previously granted to such Eligible Person); and

(c) the number and terms (including the subscription price) of such option are fixed before the Shareholders' approval is sought.

(v) Grant of options to connected persons

(a) Any grant of options to any Director, chief executive, or substantial Shareholder (excluding the proposed director or chief executive) of the Company or any of their respective associates shall be approved by all the independent non-executive Directors (excluding any independent non-executive Director who is any offeree of an option) and shall comply with the relevant provisions of Chapter 17 of the Listing Rules.

(b) Where an option is to be granted to a substantial Shareholder or an independent non-executive Director (or any of their respective associates), and such grant will result in the Shares issued and to be issued upon exercise of all options already granted and to be granted (including options exercised, cancelled and outstanding) to such person under the Share Option Scheme and any other share option schemes of the Company in the 12-month period up to and including the date of such grant: (1) representing in aggregate over 0.1% (or such other percentage as may from time to time be specified by the Stock Exchange) of the total number of Shares in issue; and (2) having an aggregate value, based on the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet on the date of each grant, in excess of HK$5 million (or such other amount as may from time to time be specified by the Stock Exchange), such grant shall not be valid unless: (aa) a circular containing the details of the grant has been dispatched to the Shareholders in a manner complying with, and containing the matters specified in, the relevant provisions of Chapter 17 of the Listing Rules (including, in particular, a recommendation from the independent non- executive Directors (excluding any independent non-executive Director who is a grantee of an option) to the independent Shareholders as to voting); and (bb) the grant has been approved by the independent Shareholders in general meeting (taken on a poll), at which the proposed grantee, his/her associates and all core connected persons of the Company shall abstain from voting in favour of the grant.

(c) Where any change is to be made to the terms of any option granted to a substantial Shareholder or an independent non-executive Director (or any of their respective associates), such change shall not be valid unless the change has been approved by the independent Shareholders in general meeting as required under sub-paragraph (b) above.

(vi) Time of acceptance and exercise of an option

An offer of grant of an option may be accepted by an Eligible Person (in whole or in part) within the date as specified in the offer letter issued by the Company, being a date not later than 21 days inclusive of, and from, the date upon which it is made, by which the Eligible Person must accept the offer or be deemed to have declined it, provided that such date shall not be more than 10 years after the date of adoption of the Share Option Scheme or after the termination of the Share Option Scheme, and no such offer may be accepted by a person who ceases to be an Eligible Person after the offer has been made.

An offer shall be deemed to have been accepted on the date when the duly signed duplicate comprising acceptance of the offer by the Eligible Person, together with a payment in favour of the Company of HK$1 per option by way of consideration for the grant thereof is delivered to the Company. Such consideration shall in no circumstances be refundable. Subject to the rules of the Share Option Scheme, option may be exercised in whole or in part by the grantee 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 10 years commencing on the date of the offer letter and expiring on the last day of such 10-year period.

(vii) Subscription price for Shares

The subscription price of a Share in respect of any particular option granted under the Share Option Scheme shall be such price as determined by the Board, and shall be at least the highest of: (i) the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet on the date (the "Offer Date"), which must be a trading day, on which the Board passes a resolution approving the making of an offer of grant of an option to an Eligible Person; (ii) the average closing price of the Shares as stated in the Stock Exchange's daily quotation sheets for the five trading days immediately preceding the Offer Date; and (iii) the nominal value of a Share on the Offer Date.

Where an option is to be granted, the date of the Board meeting at which the grant was proposed shall be taken to be the date of the offer of such option. For the purpose of calculating the subscription price, where an option is to be granted less than five trading days after the listing of the Shares on the Stock Exchange, the new issue price shall be taken to be the closing price for any business day within the period before listing.

(viii) Period of the Share Option Scheme

Subject to earlier termination by the Company in general meeting or by the Board, the Share Option Scheme shall be valid and effective for a period of 10 years commencing on the date of adoption of the Share Option Scheme, after which period no further option shall be granted. All options granted and accepted and remaining unexercised immediately prior to expiry of the Share Option Scheme shall continue to be valid and exercisable in accordance with the terms of the Share Option Scheme. As at 31 March 2025, the remaining life of the Share Option Scheme is approximately 4 years and 5 months.

(ix) **Total number of Shares available for issue under the Share Option Scheme**

At the annual general meeting of the Company held on 12 August 2021, the Company was authorised to refresh the scheme mandate limit to issue a maximum of 40,596,296 options under the Share Option Scheme. The number of options available for grant under the scheme mandate of the Share Option Scheme as at 1 April 2024 and 31 March 2025 was 36,596,296 and nil, respectively. The total number of new Shares available for issue under the Share Option Scheme as at 31 March 2025 and the date of this annual report is both 14,800,000, which represents approximately 3.65% of the total issued Shares (i.e. 405,962,965) as at the date of this annual report.

On 23 April 2024, the Company granted a total of 6,800,000 options to the Directors to subscribe for an aggregated 6,800,000 Shares. For details, please refer to the announcement of the Company dated 23 April 2024.

Details of the interests of the Directors, chief executive, senior management and other employees of the Group in the options under the Share Option Scheme are set out below:

Name of grantee	Date of grant	Exercise period	Vesting date	Subscription price per Share (HK$)	Number of Shares in relation to outstanding options as at 1 April 2024	Granted during the Fiscal Year	Exercised during the Fiscal Year	Cancelled during the Fiscal Year	Lapsed during the Fiscal Year	Number of Shares in relation to outstanding options as at 31 March 2025
Director										
Mr. Mui	1 April 2021[(5)]	1 April 2021 to 31 March 2031	N/A	0.285	4,000,000	–	–	–	–	4,000,000
	14 July 2022[(5)]	14 July 2022 to 13 July 2032	N/A	0.170	4,000,000	–	–	–	–	4,000,000
	23 April 2024	23 April 2024 to 22 April 2034	23 April 2025	0.136	–	4,000,000	–	–	–	4,000,000
Mr. Liu	23 April 2024	23 April 2024 to 22 April 2034	23 April 2025	0.136	–	400,000	–	–	–	400,000
Mr. Ng	23 April 2024	23 April 2024 to 22 April 2034	23 April 2025	0.136	–	400,000	–	–	–	400,000
Ms. Ho	23 April 2024	23 April 2024 to 22 April 2034	23 April 2025	0.136	–	400,000	–	–	–	400,000
Mr. Tang	23 April 2024	23 April 2024 to 22 April 2034	23 April 2025	0.136	–	400,000	–	–	–	400,000
Ms. Lim	23 April 2024	23 April 2024 to 22 April 2034	23 April 2025	0.136	–	400,000	–	–	–	400,000

Name of grantee	Date of grant	Exercise period	Vesting date	Subscription price per Share (HK$)	Number of Shares in relation to outstanding options as at 1 April 2024	Granted during the Fiscal Year	Exercised during the Fiscal Year	Cancelled during the Fiscal Year	Lapsed during the Fiscal Year	Number of Shares in relation to outstanding options as at 31 March 2025
Mr. Poon	23 April 2024	23 April 2024 to 22 April 2034	23 April 2025	0.136	–	400,000	–	–	–	400,000
Dr. Wong	23 April 2024	23 April 2024 to 22 April 2034	23 April 2025	0.136	–	400,000	–	–	–	400,000
Total					8,000,000	6,800,000	–	–	–	14,800,000

Notes:

(1) The closing price of Shares immediately before the date of which the options granted on 22 April 2024 was HK$0.136.

(2) The fair value of the options granted on 23 April 2024 was HK$0.0748 per Share at the date of grant.

(3) During the Fiscal Year, none of the options was exercised.

(4) All of the above grants were made without any performance targets and any vesting periods.

(5) All of the grants were made prior to the amendment to Chapter 17 of the Listing Rules taking effect.

(6) None of the grants of options to any participant is in excess of the 1% individual limit.

(7) Details of the valuation of options under Share Option Scheme during Fiscal Year, including the accounting standard and policy adopted for the Share Option Scheme, are set out in note 31 to the consolidated financial statements of this annual report.

(c) 2024 Share Scheme

The Company has adopted the 2024 Share Scheme, which was approved by the Shareholders on 13 August 2024 (the "Adoption Date").

(i) Purpose of the 2024 Share Scheme

The purpose of the 2024 Share Scheme is to provide the Company with a flexible means of, attracting, remunerating, incentivizing, retaining, rewarding, compensating and/or providing benefits to Eligible Participants (as defined below) through aligning the interests of Eligible Participants with those of the Company and Shareholders by providing them with an opportunity to acquire shareholding interests in the Company and to encourage Eligible Participants to contribute to the long-term growth, performance and profits of the Company and to enhance the value of the Company and the Shares for the benefit of the Company and the Shareholders as a whole.

(ii) Who may join

Eligible participants (the "Eligible Participants") under the 2024 Share Scheme shall include:

(i) employee participants, director(s) and employee(s) (including full-time and part-time employees) of the Group (including persons who are granted awards as an inducement to enter into employment contracts with the Group);

(ii) related entity participants, any person who is an employee (whether full-time or part-time or other employment relationship), director or officer of a related entity; and

(iii) service provider participants, any person (other than an employee participant or a related entity participant, solely with respect to rendering services in such person's capacity as an employee or director) providing services to the Group on a continuing or recurring basis in its ordinary and usual course of business which are in the interests of the long-term growth of the Group as determined by the Board or the scheme administrator pursuant to criteria set out in the rules under the 2024 Share Scheme.

(iii) Maximum number of Shares

The total number of new Shares which may be issued in respect of all awards to be granted under the 2024 Share Scheme shall not exceed 10% of the Shares in issue (excluding any treasury shares) on the Adoption Date (the "Scheme Mandate Limit"), being 40,596,296 Shares. Within the Scheme Mandate Limit, the total number of Shares which may be issued in respect of all share options and share awards to be granted to Service Provider Participants under the 2024 Share Scheme shall not exceed 1% of the total number of Shares in issue as at the Adoption Date (excluding any treasury shares) (the "Service Provider Sublimit"), being 4,059,629 Shares, provided that share options or share awards lapsed in accordance with the terms of under the 2024 Share Scheme will not be regarded as utilised for the purpose of calculating the Service Provider Sublimit. The Company may seek the approval of the Shareholders in general meeting for "refreshing" the Scheme Mandate Limit or the Service Provider Sublimit under the 2024 Share Scheme after three years from the Adoption Date or the last refreshment.

(iv) Maximum entitlement of each Eligible Participant

Where any grant of options or awards to a Eligible Participant would result in the Shares issued and to be issued in respect of all options and awards granted to the Eligible Participant (excluding any options and awards lapsed in accordance with the terms of the 2024 Share Scheme) in the 12-month period up to and including the date of grant representing in aggregate over 1% of the Shares in issue (excluding treasury shares) (the "1% Individual Limit"), such grant must be separately approved by Shareholders in general meeting with such Eligible Participant and his/her close associates (or associates if the Eligible Participant is a connected person) abstaining from voting.

(v) Grant of awards to connected persons

(i) Any award granted to a Director, chief executive of the Company or substantial shareholder of the Company, or any of their respective associates requires approval from the independent non-executive Directors (other than the independent non-executive Director who is the grantee). Additionally, awards granted to any individual Eligible Participant may be subject to further approval requirements (namely, further approval by Shareholders and/or approval by the remuneration committee to the Board and independent Directors), as required and in accordance with Chapter 17 of the Listing Rules.

(ii) (a) where the Shares issued and to be issued under all awards granted to an independent non-executive Director, substantial shareholder of the Company, or their respective associates (excluding awards lapsed under the 2024 Share Scheme) within any 12-month period (including the date of latest grant) represent in aggregate over 0.1% of the Shares in issue (excluding any treasury shares) and also subject to the 1% Individual Limit; (b) where the Shares issued and to be issued under all share awards (not share options) granted to a Director (other than independent non-executive Director), chief executive of the Company, or their respective associates (excluding share awards lapsed under the 2024 Share Scheme) within any 12-month period (including the date of the latest grant) represent in aggregate over 0.1% of the Shares in issue (excluding any treasury shares); and (c) where the Shares issued and to be issued under all awards granted to the other Eligible Participants (excluding awards lapsed under the 2024 Share Scheme) within any 12-month period (including the date of the latest grant) represent in aggregate over 1% of the Shares in issue (excluding any treasury shares), such grant shall not be valid unless the Shareholders' approval at the general meeting, at which the grantee, his/her close associates, or where the grantee is a connected person, his/her associates shall abstain from voting in favour of the grant.

(vi) Amount and time of acceptance

The scheme administrator of the 2024 Share Scheme (the "Scheme Administrator") may determine in their absolute discretion the amount (if any) payable on application or acceptance of an award and the period within which any such payments must be made, and such amounts (if any) and periods shall be set out in the award letter. Such amount will either be HK$1.0 or nil. Unless otherwise specified in the award letter, the grantee shall have 20 business days from the grant date to accept the award, following which, the portion not accepted by the grantee shall automatically lapse, unless the scheme administrator determines otherwise at their absolute discretion.

(vii) Exercise price for share options and issue price for share awards

The Scheme Administrator may determine in their absolute discretion the issue price for the exercise of share awards and/or the exercise price for share options for awards in the form of share awards and/or share option (as the case may be) and such prices shall be set out in the award letter.

The exercise price for share options shall be no less than the higher of: (a) the closing price of the Shares on the grant date; and (b) the average closing price of the Shares for the five business days immediately preceding the grant date.

The issue price for share awards shall be determined on an individual basis for each of the grantee by the Scheme Administrator, taking into account the purpose of the scheme, the interests of the Company and the individual circumstances of each grantee.

(viii) **Vesting period of options or awards granted under the 2024 Share Scheme**

The Scheme Administrator may determine the vesting period and specify such period in the award letter. The vesting period may not be for a period less than 12 months from the grant date. The Scheme Administrator may at its discretion grant a shorter vesting period to an Employee Participant under the circumstances set out in the 2024 Share Scheme.

(ix) **Period of the 2024 Share Scheme**

Subject to earlier termination by the Company in general meeting or by the Board, the 2024 Share Scheme shall be valid and effective for a period of 10 years commencing on the Adoption Date, after which period no further option shall be granted. All awards granted and accepted and remaining unexercised immediately prior to expiry of the 2024 Share Scheme shall continue to be valid and exercisable in accordance with the terms of the 2024 Share Scheme. As at 31 March 2025, the remaining life of the 2024 Share Scheme is approximately 9 years and 5 months.

(x) **Total number of Shares available for issue under the 2024 Share Scheme**

As at the Adoption Date and 31 March 2025, the number of options and/or awards available for grant under the Scheme Mandate Limit and the Service Provider Sublimit were 40,596,296 and 4,059,629, respectively. The total number of new Shares available for issue under the 2024 Share Scheme as at 31 March 2025 and the date of this annual report is both 40,596,296, which represents approximately 10.0% of the total issued Shares (excluding treasury shares) (i.e. 405,962,965) as at the date of this annual report.

Since the Adoption Date, no option and award were granted under the 2024 Share Scheme.

EQUITY-LINKED AGREEMENT

Save as disclosed in the section headed "SHARE SCHEMES" above and note 26 to the consolidated financial statements, there was no equity-linked agreement entered into by the Company or any of its subsidiaries during the Fiscal Year.

PURCHASE, REDEMPTION OR SALE OF THE LISTED SECURITIES

During the Fiscal Year, there is no treasury shares held by the Company.

During the Fiscal Year, neither the Company nor any of its subsidiaries has purchased, redeemed or sold any of the Company's listed securities (including sale of treasury shares).

PRE-EMPTIVE RIGHTS

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

RELATED PARTY TRANSACTIONS AND EXEMPT CONTINUING CONNECTED TRANSACTIONS

Related party transactions entered into by the Group for the year ended 31 March 2025 are disclosed in note 37 to the consolidated financial statements of this annual report. These transactions were conducted in accordance with terms as agreed between the Group and the respective related parties.

During the year ended 31 March 2025, the Group had provided securities brokerage and/or financing services to Mr. Mui, a connected person of the Company (the "Transactions"). The Transactions fall under the definition of "connected transaction" or "continuing connected transactions" under Chapter 14A of the Listing Rules, but are fully exempted from shareholders' approval, annual review and all disclosure requirements under Chapter 14A of the Listing Rules.

Save for the Transactions, no other related party transactions as disclosed in note 37 to the consolidated financial statements of this annual report falls under the definition of "connected transactions" or "continuing connected transactions" under Chapter 14A of the Listing Rules.

CONTROLLING SHAREHOLDERS' INTERESTS IN CONTRACTS

Save as disclosed in notes 17, 31, 35 and 37 to the consolidated financial statements of this annual report, neither the Company nor any of its subsidiaries had entered into any contract of significance with the Company's controlling Shareholders or their subsidiaries, or any contract of significance for the provision of services to the Company or any of its subsidiaries by the controlling Shareholders or their subsidiaries, during the Fiscal Year.

DONATIONS

During the Fiscal Year, charitable and other donations of HK$3,000 was made by the Group (2024: HK$39,800).

MATERIAL LEGAL PROCEEDINGS

During the Fiscal Year, the Company was not involved in any material legal proceeding or arbitration. To the best knowledge of the Directors, there is no material legal proceeding or claim which is pending or threatened against the Company.

PERMITTED INDEMNITY PROVISIONS

Under the Articles of Association, every director or other officers of the Company acting in relation to any of the affairs of the Company shall be entitled to be indemnified against all actions, costs, charges, losses, damages and expenses which he/she may incur or sustain in or about the execution of his/her duties in his/her office; be indemnified and secured harmless out of the assets of the Company; provided that this indemnity shall not extend to any matter in respect of any fraud or dishonesty.

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

EVENTS AFTER THE FISCAL YEAR

Details of significant events occurring after the Fiscal Year are set out in note 41 to the consolidated financial statements of this annual report.

AUDIT COMMITTEE

The audit committee of the Company (the "Audit Committee") has, together with the Board and the external auditor of the Company, reviewed the accounting principles and practices adopted by the Group as well as the audited consolidated financial statements of the Group for the year ended 31 March 2025.

CORPORATE GOVERNANCE

The Company is committed to maintaining high level of corporate governance practices. Details of the corporate governance practices adopted by the Company are set out in the Corporate Governance Report on pages 41 to 54 of this annual report.

PUBLIC FLOAT

Based on the information that is publicly available to the Company and to the best knowledge of the Directors, at least 25% (being the minimum public float prescribed by the Stock Exchange and the Listing Rules) of the Company's entire issued share capital were held by the public at any time during the Fiscal Year and up to the date of this annual report.

AUDITOR

BDO Limited was appointed as auditor of the Company for the year ended 31 March 2025. BDO Limited has audited the accompanying financial statements which were prepared in accordance with the Hong Kong Financial Reporting Standards.

BDO Limited is subject to retirement and, being eligible, offers itself for re-appointment at the AGM. A resolution for re-appointment of BDO Limited as auditor will be proposed at the AGM. There was no change in the auditor of the Company in the preceding three years.

By order of the Board

Mui Ho Cheung Gary
Chairman of the Board

Hong Kong, 25 June 2025

Corporate Governance Report

CORPORATE GOVERNANCE PRACTICES

The Company is committed to maintaining high standards of corporate governance to safeguard the interests of the Shareholders and to enhance corporate value and accountability. The Company has adopted the Corporate Governance Code (the "CG Code") as set out in Part 2 of Appendix C1 to the Listing Rules as its own code of corporate governance. Save as disclosed in this annual report, the Company has complied with all applicable code provisions under the CG Code for the Fiscal Year. The Company will continue to review and monitor its corporate governance practices to ensure compliance with the CG Code.

THE BOARD

Responsibilities

The Board is responsible for the overall leadership of the Group, oversees the Group's strategic decisions and monitors business and performance. The Board has delegated the authority and responsibility for day-to-day management and operation of the Group to the senior management of the Group. To oversee particular aspects of the Company's affairs, the Board has established three Board committees, including the Audit Committee, the remuneration committee (the "Remuneration Committee") and the nomination committee (the "Nomination Committee") (collectively, the "Board Committees"). The Board has delegated to the Board Committees responsibilities as set out in their respective terms of reference.

All Directors have carried out their duties in good faith, in compliance with applicable laws and regulations, and in the interests of the Company and the Shareholders at all times.

The Company has arranged appropriate insurance coverage in respect of liability arising from legal action against its Directors, and will conduct annual review on such insurance coverage.

Board Composition

As at the date of this annual report, the Board comprised five executive Directors and three independent non-executive Directors as set out below:

Executive Directors:
Mr. Mui Ho Cheung Gary
Mr. Liu Chi Wai
Mr. Ng Siu Hin Stanley
Ms. Ho Sze Man Kristie
Mr. Tang Chun Fai Billy

Independent Non-executive Directors:
Ms. Lim Yan Xin Reina
Mr. Poon Lai Yin Michael
Dr. Wong Ho Ki

The biographies of the Directors are set out under the section headed "Directors and Senior Management" of this annual report.

During the Fiscal Year, the Board has met at all times the requirements under Rules 3.10(1) and 3.10(2) of the Listing Rules relating to the appointment of at least three independent non-executive directors with at least one independent non-executive director possessing appropriate professional qualifications or accounting or related financial management expertise.

During the Fiscal Year, the Company has also complied with Rule 3.10A of the Listing Rules, which relates to the appointment of independent non-executive directors representing at least one-third of the Board.

Each of the independent non-executive Directors has confirmed his/her independence pursuant to Rule 3.13 of the Listing Rules and the Company considers each of them to be independent.

Save as disclosed in the biographies of the Directors as set out in the section headed "Directors and Senior Management" of this annual report, none of the Directors has any personal relationship (including financial, business, family or other material/relevant relationship) with any other Directors or any chief executive.

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

As regards the code provision under the CG Code requiring directors to disclose the number and nature of offices held in public companies or organisations and other significant commitments as well as their identity and the time involved to the issuer, the Directors have agreed to disclose their commitments to the Company in a timely manner.

Board Diversity Policy

The Company believes that the diversity of Board members will be immensely beneficial for the enhancement of the Company's performance. Therefore, the Company has adopted a board diversity policy (the "Board Diversity Policy") which sets out the approach to achieve and maintain an appropriate balance of diversity perspectives of the Board that are relevant to business growth. Pursuant to the Board Diversity Policy, selection of Board candidates will be based on a range of diversity perspectives, including but not limited to gender, age, cultural and educational background, ethnicity, professional qualifications, skills, knowledge and industry experience. The ultimate decision will be based on merit and contribution that the selected candidates will bring to the Board.

The Board has achieved the measurable objectives in the Board Diversity Policy. Our Board currently comprises of eight Directors, of whom two are female and six are male. The Board is committed to further improving gender diversity as and when suitable Director candidates are identified. The Nomination Committee will continue to review the Board Diversity Policy, as appropriate, to ensure its effectiveness and discuss any revisions that may be required, and recommend any such revisions to the Board for consideration and approval.

As at 31 March 2025, our workforce (including senior management) consisted of 19 male employees and 20 female employees, representing approximately 48.7% and 51.3% of the total workforce, respectively. The gender ratio is maintained at a reasonable level that resonates to the nature of our operation.

The Nomination Committee is responsible for ensuring the diversity of the Board. The Nomination Committee will review the Board Diversity Policy from time to time to ensure its continued effectiveness and the Company will disclose the implementation of the Board Diversity Policy in its corporate governance report on an annual basis. During the Fiscal Year, the Board and the Nomination Committee has reviewed the implementation and effectiveness of the Board Diversity Policy. To ensure independent views and inputs are available to the Board, the Company has established mechanism to ensure independent views and input are available to the Board. During the Fiscal Year, the Board has reviewed the implementation and effectiveness of the above mechanism.

Induction and Continuous Professional Development

Each newly appointed Directors would be provided with necessary induction and information to ensure that he/she has a proper understanding of the Company's operations and businesses as well as his/her responsibilities under relevant statutes, laws, rules and regulations. The Company also arranges to provide the Directors with updates on the latest development and changes in the Listing Rules and other relevant legal and regulatory requirements from time to time. The Directors are also provided with regular updates on the Company's performance, position and prospects to enable the Board as a whole and each Director to discharge their duties.

Based on the information provided by the Directors, during the Fiscal Year, a summary of training received by the Directors is as follows:

Name of Directors	Nature of Continuous Professional Development
Executive Directors	
Mr. Mui Ho Cheung Gary	A, C and D
Mr. Liu Chi Wai	A, C and D
Mr. Ng Siu Hin Stanley	A, B, C and D
Ms. Ho Sze Man Kristie	A, C and D
Mr. Tang Chun Fai Billy	A, C and D
Independent Non-executive Directors	
Ms. Lim Yan Xin Reina	A, B and D
Mr. Poon Lai Yin Michael	A, B, C and D
Dr. Wong Ho Ki	A and D

Notes:

A: attending seminars and/or conferences and/or forums and/or briefings

B: making speeches at seminars and/or conferences and/or forums

C: participating in training provided by law firms and that relating to the business of the Company

D: reading materials on various topics, including corporate governance matters, directors' duties and responsibilities, Listing Rules and other relevant laws

Chairman and Chief Executive Officer

Under code provision C.2.1 of the CG Code, which requires the roles of chairman and chief executive officer should be separate and should not be performed by the same individual.

Mr. Mui Ho Cheung Gary currently holds both positions. Mr. Mui, an executive Director and controlling Shareholder, has held key leadership position of the Group since March 2016 and has been responsible for overall strategic planning, management, operation and business development of the Group. The Directors (including the independent non-executive Directors) consider that Mr. Mui is the best candidate for both positions and the present arrangements are beneficial and in the interest of the Group and the Shareholders as a whole.

The Directors will review the corporate governance policies and compliance with the CG Code each financial year and apply the "comply or explain" principle in the corporate governance report which will be included in the annual reports.

The Directors have a balanced mix of experience and industry background, including but not limited to experience in the corporate finance, legal, business advisory and accounting industries. The three independent non-executive Directors who have different industry backgrounds, represent more than one-third of the Board members.

Appointment and Re-Election of Directors

Each of Mr. Mui Ho Cheung Gary, Mr. Liu Chi Wai, Mr. Ng Siu Hin Stanley and Ms. Ho Sze Man Kristie, an executive Director, has entered into a service contract with the Company for an initial term of three years commencing from the Listing Date and shall continue thereafter until it is terminated by either party by giving at least three months' prior notice in writing or otherwise in accordance with the terms and conditions of the service contract.

Mr. Tang Chun Fai Billy, an executive Director, has entered into a service contract with the Company for an initial term of three years commencing from 1 April 2020 and shall continue thereafter until it is terminated by either party by giving at least three months' prior notice in writing or otherwise in accordance with the terms and conditions of the service contract.

Each of the independent non-executive Directors, namely Ms. Lim Yan Xin Reina, Mr. Poon Lai Yin Michael and Dr. Wong Ho Ki, has entered into a letter of appointment with the Company for an initial term of one year commencing from the Listing Date and shall be automatically renewed thereafter unless terminated by either party by giving at least one month's prior notice in writing or otherwise in accordance with the terms and conditions of the letter of appointment.

Save as disclosed above, none of the Directors has entered into, or has proposed to enter into, a service contract or letter of appointment with the Group (other than contracts expiring or determinable by the employer within one year without payment of compensation (other than statutory compensation)).

Pursuant to Article 83(3) of the Articles of Association, the Directors shall have the power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy on the Board or as an addition to the existing Board. Any Director so appointed shall hold office only until the first annual general meeting of the Company after his/her appointment and shall then be eligible for re-election at such annual general meeting. Pursuant to Article 84(1) 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.

The procedures and process of appointment, re-election and removal of Directors are set out in the Articles of Association. The Nomination Committee is responsible for reviewing the Board composition, and for making recommendations to the Board on the appointment, re-appointment of Directors and succession plans for the Directors.

Board Meetings

The Company adopts the practice of holding Board meetings regularly, at least four times a year, and at approximately quarterly intervals. Notices of no less than fourteen days are given for all regular Board meetings to provide all Directors with an opportunity to attend and include matters in the agenda for a regular meeting.

For other Board meetings and Board Committee meetings, reasonable notice is generally given. The agenda and accompanying Board papers are dispatched to the Directors or Board Committee members at least three days before the regular meetings to ensure that they have sufficient time to review the papers and are adequately prepared for the meetings. When Directors or Board Committee members are unable to attend a meeting, they will be advised of the matters to be discussed and given an opportunity to make their views known to the Chairman prior to the meeting. Minutes of meetings shall be kept by the company secretary of the Company with copies circulated to all Directors for information and records.

Minutes of the Board meetings and Board Committee meetings are recorded in sufficient detail about the matters considered by the Board and the Board Committees and the decisions reached, including any concerns raised by the Directors. Draft minutes of each Board meeting and Board Committee meeting are sent to the Directors for comments within a reasonable time after the date on which the meeting is held. Minutes of the Board meetings are open for inspection by the Directors.

The Board convened five meetings during the Fiscal Year. The attendance of each Director at the Board meetings is set out below:

Name of Directors	Number of meetings attended/held
Executive Directors	
Mr. Mui Ho Cheung Gary	5/5
Mr. Liu Chi Wai	5/5
Mr. Ng Siu Hin Stanley	5/5
Ms. Ho Sze Man Kristie	5/5
Mr. Tang Chun Fai Billy	5/5
Independent Non-executive Directors	
Ms. Lim Yan Xin Reina	5/5
Mr. Poon Lai Yin Michael	5/5
Dr. Wong Ho Ki	5/5

General Meetings

During the Fiscal Year, the annual general meeting of the Company was held on 13 August 2024. The attendance of each Directors is set out as follows.

Name of Directors	Number of meetings attended/held
Executive Directors	
Mr. Mui Ho Cheung Gary	1/1
Mr. Liu Chi Wai	1/1
Mr. Ng Siu Hin Stanley	1/1
Ms. Ho Sze Man Kristie	1/1
Mr. Tang Chun Fai Billy	1/1
Independent Non-executive Directors	
Ms. Lim Yan Xin Reina	1/1
Mr. Poon Lai Yin Michael	1/1
Dr. Wong Ho Ki	1/1

Model Code for Securities Transactions

The Company has adopted the Model Code as set out in Appendix C3 to the Listing Rules as its own code of conduct regarding Directors' securities transactions since the Listing Date. Having made specific enquiry with the Directors, all of the Directors confirmed that he/she has complied with the required standards as set out in the Model Code during the Fiscal Year.

Delegation by the Board

The Board reserves for its decision on all major matters of the Company, including: approval and monitoring of all policy matters, overall strategies and budgets, internal control, compliance and risk management systems, material transactions (in particular those that may involve conflict of interests), financial information, appointment of Directors and other significant financial and operational matters. The Directors could have recourse to seek independent professional advice in performing their duties at the Company's expense and are encouraged to access and to consult with the Company's senior management independently.

The daily management, administration and operation of the Group are delegated to the senior management. The delegated functions and responsibilities are periodically reviewed by the Board. Approval has to be obtained from the Board prior to any significant transactions entered into.

Corporate Governance Function

The Board confirmed that corporate governance is a collective responsibility of the Directors, which corporate governance functions includes:

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

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

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

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

(e) to review the Company's compliance with the CG Code and disclosures in the Corporate Governance Report.

BOARD COMMITTEES

The Board has established three committees, namely, the Audit Committee, the Nomination Committee and the Remuneration Committee, for overseeing particular aspects of the Company's affairs. All Board Committees are established with specific written terms of reference which deal clearly with their authorities and duties, and are provided with sufficient resources to discharge their duties. The Board Committees should seek independent professional advice to perform their responsibilities, when necessary, at the Company's expense.

Audit Committee

The Audit Committee comprises three members, namely Ms. Lim Yan Xin Reina, Mr. Poon Lai Yin Michael and Dr. Wong Ho Ki, being all independent non-executive Directors. The Audit Committee is chaired by Ms. Lim Yan Xin Reina.

The principal duties of the Audit Committee include the following:

(1) Being primarily responsible for making recommendations to the Board on the appointment, re-appointment and removal of the external auditor, and approving the remuneration and terms of engagement of the external auditor, and considering any questions of its resignation or dismissal;

(2) Monitoring integrity of the Group's financial statements, annual reports and accounts, half year reports and, if prepared for publication, quarterly reports, and reviewing significant financial reporting judgments contained in them;

(3) Reviewing the effectiveness of the Group's financial controls, risk management and internal control systems; and

(4) Discussing the risk management and internal control systems with the senior management ensuring that the senior management has performed its duties to have effective systems. This review should include adequacy of resources, staff qualifications and experience, training programs and budget of the Group's accounting and financial reporting function.

The written terms of reference of Audit Committee are available on the websites of the Stock Exchange and the Company.

During the Fiscal Year, four meetings of the Audit Committee were held to review and discuss the interim, quarterly and annual results of the Company and its subsidiaries; discussing with external auditor to assess the impact on the new accounting standards; consider the re-appointment of external auditor of the Company and review its audit scope and fees and recommend to the Board for approval and review and discuss the Group's financial controls, risk management and internal control systems.

The attendance of each Audit Committee member at the Audit Committee meetings during the Fiscal Year is set out in the table below:

Name of Directors	**Number of meetings attended/held**
Ms. Lim Yan Xin Reina *(Chairlady)*	4/4
Mr. Poon Lai Yin Michael	4/4
Dr. Wong Ho Ki	4/4

NOMINATION COMMITTEE

The Nomination Committee currently comprises four members, including one executive Director, namely, Mr. Mui Ho Cheung Gary, and three independent non-executive Directors, namely, Ms. Lim Yan Xin Reina, Mr. Poon Lai Yin Michael and Dr. Wong Ho Ki. The Nomination Committee is chaired by Mr. Mui Ho Cheung Gary.

The primary duties of the Nomination Committee include the following:

(1) Reviewing the structure, size and diversity (including without limitation, gender, age, cultural and educational background, ethnicity, professional qualifications, skills, knowledge and industry experience) of the Board at least annually and making recommendations on any proposed changes to the Board to complement the Company's corporate strategy;

(2) Identifying individuals suitably qualified to become Board members and selecting or making recommendations to the Board on the selection of individuals nominated for directorships. In identifying suitable candidates, the Nomination Committee shall consider candidates on merits and contribution to the Board, with due regard to the Board Diversity Policy;

(3) Assessing the independence of independent non-executive Directors;

(4) Making recommendations to the Board on the appointment or re-appointment of Directors and succession planning for Directors, in particular the chairman of the Board and the chief executive officer of the Company; and

(5) Developing and reviewing the Board Diversity Policy and measurable objectives for implementing such policy from time to time as adopted by the Board and reviewing progress on achieving the objectives.

Nomination Policy

The Nomination Committee shall identify candidates who are qualified or suitable to become members of the Board and make a recommendation to the Board on the selection of candidates nominated for directorships.

With a view to achieving a sustainable and balanced development, the Company seeks achieving and maintaining an appropriate balance of diversity perspectives at the Board level as relevant to its business growth, and is an essential element in supporting the attainment of its strategic objectives and sustainable development goals. In designing the Board's composition, Board diversity has been considered from a range of perspectives as set out in the Board Diversity Policy, including but not limited to gender, age, cultural and educational background, ethnicity, professional qualifications, skills, knowledge and industry experience. All Board appointments will be based on meritocracy, and candidates will be considered against objective criteria, having due regard for the benefits of diversity on the Board and the business needs of the Company from time to time.

Selection Criteria

Selection of candidates will be based on a range of diversity perspectives with reference to the Company's business model and specific needs, including but not limited to gender, age, cultural and educational background, professional qualifications, skills, knowledge and industry experience.

For the selection of independent non-executive directors, the independence criteria set out in Rule 3.13 of the Listing Rules should be considered. The Board should also consider the number of listed company directorship the proposed candidate is holding and, in case the proposed candidate will hold (after being appointed by the Company) seven or more listed company directorship, the Board should provide the reason why the Board believe the proposed candidate would still be able to devote sufficient time to the Board.

Procedures and Process to identify candidates for the Board

(1) identifying potential candidates, including recommendations from the Board members, professional search firms and the shareholders of the Company;

(2) evaluating the candidates based on the approved selection criteria through methods such as reviewing the resume and conducting the background checks;

(3) reviewing the profiles of the shortlisted candidates and interview them; and

(4) making recommendations to the Board on the selected candidates.

Procedures for Re-election of Directors

The Nomination Committee should review the following and make recommendation to the Board for the re-election of directors of the Company.

(1) evaluating the performance and contribution of the retiring directors of the Company during the last financial year of the Company and the period thereafter up to the date of evaluation; and

(2) in case of the retiring independent non-executive directors of the Company, assessing their independence and considering whether they remained independent and suitable to continue to act in such role.

The Nomination Committee has satisfied that the appropriate plan has been in place for orderly succession to the Board as well as procedures to ensure an appropriate balance of skills on the Board and its committees. During the Fiscal Year, the Nomination Committee has discussed and reviewed the structure, size and composition (the "Structure") of the Board and the Board Diversity Policy and Nomination Policy and consider the Structure and the implementation of the aforesaid policies are appropriate and effective.

The written terms of reference of the Nomination Committee are available on the websites of the Stock Exchange and the Company.

During the Fiscal Year, the Nomination Committee held one meeting, with attendance record as follows:

Name of Directors	Number of meetings attended/held
Mr. Mui Ho Cheung Gary *(Chairman)*	1/1
Ms. Lim Yan Xin Reina	1/1
Mr. Poon Lai Yin Michael	1/1
Dr. Wong Ho Ki	1/1

REMUNERATION COMMITTEE

The Remuneration Committee currently comprises three members, namely Mr. Poon Lai Yin Michael, Ms. Lim Yan Xin Reina and Dr. Wong Ho Ki, all the independent non-executive Directors. The Remuneration Committee is chaired by Mr. Poon Lai Yin Michael.

The primary duties of the Remuneration Committee include the following:

(1) Making recommendations to the Board on the Company's policy and structure for all Directors' and senior management remuneration and on the establishment of a formal and transparent procedure for developing remuneration policy;

(2) Assessing the performance and making recommendations to the Board on the remuneration packages of individual executive Directors and senior management (this should include benefits in find, pension rights and compensation payments, including any compensation payable for loss or termination of their office or appointment);

(3) Making recommendations to the Board on the remuneration of non-executive Directors;

(4) Reviewing and approving the management's performance-based remuneration proposals with reference to the Board's corporate goals and objectives;

(5) Reviewing and approving compensation payable to executive directors and senior management of the Company for any loss or termination of office or appointment to ensure that it is consistent with contractual terms and is otherwise fair and reasonable and not excessive;

(6) Reviewing and approving compensation arrangements relating to dismissal or removal of directors for misconduct to ensure that they are consistent with the relevant contractual terms and that any compensation payment is otherwise reasonable and appropriate;

(7) Ensuring that no director of the Company or any of his/her associates is involved in deciding his/her own remuneration;

(8) Reviewing and approving matters relating to share schemes under Chapter 17 of the Listing Rules; and

(9) Advising Shareholders on how to vote with respect to any service contracts of directors that require shareholders' approval under the Listing Rules.

The written terms of reference of the Remuneration Committee are available on the websites of the Stock Exchange and the Company.

The Remuneration Committee has adopted the model as described in the code provision E.1.2(c)(ii) of the CG Code to make recommendation to the Board on remuneration packages of all individual executive directors and senior management.

During the Fiscal Year, the Remuneration Committee has reviewed the remuneration package of the Directors and senior management of the Company, grant of 6,800,000 share options under the Share Option Scheme on 23 April 2024 without clawback mechanism, evaluated the remuneration policy of the Company, the Pre-IPO Share Option Scheme and the Share Option Scheme and their implementation progress.

During the Fiscal Year, the Remuneration Committee held five meetings, with attendance as follows:

Name of Directors	Number of meetings attended/held
Mr. Poon Lai Yin Michael *(Chairman)*	5/5
Ms. Lim Yan Xin Reina	5/5
Dr. Wong Ho Ki	5/5

Remuneration of Directors and Senior Management

Details of the remuneration by band of the members of the Directors and senior management of the Company, whose biographies are set out on pages 13 to 18 of this annual report, for the year ended 31 March 2025, are set out below:

Band of remuneration (HK$)	Number of individuals
HK$0 to HK$1,000,000	4
Over HK$1,000,000	6

DIRECTORS' RESPONSIBILITIES FOR FINANCIAL REPORTING IN RESPECT OF FINANCIAL STATEMENTS

The Directors acknowledge their responsibility for preparing the financial statements of the Company for the year ended 31 March 2025 which give a true and fair view of the affairs of the Company and the Group and of the Group's results and cash flows.

The Directors were not aware of any material uncertainties relating to events or conditions which may cast significant doubt upon the Group's ability to continue as a going concern.

The statement by the auditor of the Company regarding its reporting responsibilities on the consolidated financial statements of the Company is set out in the Independent Auditor's Report on pages 80 to 85 of this annual report.

RISK MANAGEMENT AND INTERNAL CONTROL

The Board is responsible for maintaining sound and effective internal control and risk management (including ESG risk) systems in order to safeguard the Company's assets and the Shareholders' interests and reviewing the effectiveness of the Company's internal control and risk management systems on an annual basis so as to ensure that internal control and risk management systems in place are adequate. Such systems are designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable and not absolute assurance against material misstatement or loss. The Group does not have an internal audit function. Taking into account the size, nature and complexity of the Group's business, the Board have sufficient capacity to oversee the design and implementation of the risk management and internal control system and to assess its effectiveness, and accordingly there is no immediate need to set up an internal audit function within the Group.

During the Fiscal Year, the Company engaged an independent consulting firm to review the effectiveness of its risk management and internal control system. The independent consulting firm submitted a report of findings and areas for improvement to the management and the management had adopted the improvements accordingly. Having considered (i) the existence of the risk management and internal control system; (ii) the findings of the independent consulting firm; and (iii) the management have taken into account the areas for improvement suggested by the independent consulting firm and further enhanced the risk management and internal control system, the Board and Audit Committee were of the view that the Group had no material internal control deficiencies and its risk management and internal control systems were effective and adequate.

ANTI-CORRUPTION

The Group takes anti-corruption responsibilities very seriously. The Group's anti-corruption policies set out the standards of conduct to which all employees are required to adhere to. The Group has designated email for relevant stakeholders to report, in confidence, any illegal or fraudulent behaviours to the Board. Employees making such reports are assured of protection. The designated email is available on the Company's website at www.legogroup.hk. The Group has also established a regularly review on its business practices and anti-corruption measures and guidelines, as well as reported improprieties investigation.

The Group establishes an effective whistle-blowing policy for reporting suspected irregularities, fraud and corruption via specified channels for employees and the relevant third parties (e.g. customers, suppliers, creditors, debtors). All reported matters will be investigated independently and, in the meantime, all information received from a whistleblower and its identity will be kept confidential. The Group also continues to improve its internal control and monitoring system. If any irregularities are identified, the Group takes immediate action and adopts a zero-tolerance approach to corruption.

The Board and the Audit Committee will regularly review the whistle-blowing policy and mechanism to improve its effectiveness.

DIVIDEND POLICY

The Company has adopted a dividend policy, according to which the Board shall take into account, inter alia, the following factors when deciding whether to propose a dividend and in determining the dividend amount: (i) operating and financial results; (ii) cash flow situation; (iii) business conditions and strategies; (iv) future operations and earnings; (v) taxation consideration; (vi) interim dividend paid, if any; (vii) capital requirement and expenditure plans; (viii) interests of the Shareholders; (ix) statutory and regulatory restrictions; (x) any restrictions on payment of dividends; and (xi) any other factors that the Board may consider relevant. It is also subject to the approval of the Shareholders, the Companies Act, the Articles of Association as well as any applicable laws. The Company currently aims to pay a total dividend in respect of each financial year of not less than 30% of its distributable profits for the corresponding financial year, subject to the consideration factors aforementioned.

AUDITOR'S REMUNERATION

The remuneration for the audit and non-audit services provided by BDO Limited, the auditor of the Company, and BDO Cayman Limited for the year ended 31 March 2025 was approximately as follows:

Type of Services	**HK$'000**
Audit services	770
Audit services for investment fund	185
Non-audit services consisting agreed upon procedures on interim report	37
Total	**992**

COMPANY SECRETARY

During the Fiscal Year, Mr. Ng Siu Hin Stanley is the company secretary of the Company. Mr. Ng has undertaken no less than 15 hours of relevant professional training in compliance with Rule 3.29 of the Listing Rules.

COMMUNICATION WITH SHAREHOLDERS AND INVESTOR RELATIONS

The Company considers that effective communication with the Shareholders is essential for enhancing investor relations and understanding of the Company's business, performance and strategies. The Company also recognises the importance of timely and non-selective disclosure of information, which will enable Shareholders and investors to make the informed investment decisions.

The AGM provides opportunity for the Shareholders to communicate directly with the Directors. The Chairman of the Company and the chairmen of the Board Committees of the Company or, in their absence, other members of the respective committees, will attend the AGMs to answer Shareholders' questions. The auditor of the Company will also attend the AGMs to answer questions about the conduct of the audit, the preparation and content of the auditor's report, the accounting policies and auditor independence.

To promote effective communication, the Company adopts a shareholders' communication policy which aims at promoting effective communication with Shareholders and other stakeholders and maintains a website of the Company at www.legogroup.hk, where up-to-date information on the Company's business operations and developments, financial information, corporate governance practices and other information are available for public access.

The Shareholders should direct their enquiries about their shareholdings to the Company's branch share registrar and transfer office at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong. The Shareholders may at any time make a request for the Company's information to the extent that such information is publicly available.

The Shareholders, investors and the media may also make enquiries to the Board by the following methods:

By telephone:	(852) 2128 9400
By post:	Room 1505, 15/F, Wheelock House, 20 Pedder Street, Central, Hong Kong
By email:	IR@legogroup.hk

Based on our review of the shareholders' communication policy and the initiatives set out above, we are of the view that the implementation of the shareholders' communication policy is satisfactory and effective during the Fiscal Year.

SHAREHOLDERS' RIGHTS

Convening of extraordinary general meeting and putting forward proposals

Shareholders may put forward proposals for consideration at a general meeting of the Company according to the Articles of Association. Any one or more members holding as at date of deposit of the requisition not less than one-tenth of the paid-up capital of the Company carrying the right of voting at general meetings of the Company shall at all times have the right, by written requisition to the Board or the company secretary of the Company, to require an extraordinary general meeting of the Company to be called by the Board for the transaction of any business specified in such requisition; and such meeting shall be held within two months after the deposit of such requisition. If within 21 days of such deposit the Board fails to proceed to convene such meeting the requisitionist(s) himself (themselves) may do so in the same manner, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to the requisitionist(s) by the Company.

A Shareholder shall make a written requisition to the Board or the company secretary of the Company at the headquarters and principal place of business in Hong Kong of the Company at Room 1505, 15/F, Wheelock House, 20 Pedder Street, Central, Hong Kong, specifying the shareholding information of the Shareholder, his/her contact details and the proposal he/she intends to put forward at general meeting regarding any specified transaction/business and its supporting documents.

Enquiries to the Board

Shareholders who intend to put forward their enquiries about the Company to the Board could send their enquiries to the headquarters and principal place of business in Hong Kong of the Company at Room 1505, 15/F, Wheelock House, 20 Pedder Street, Central, Hong Kong.

CHANGE IN CONSTITUTIONAL DOCUMENTS

There were no changes to the constitutional documents of the Company during the Fiscal Year. The latest version of the third amended and restated articles of association is available on the Company's website and the Stock Exchange's website.

Environmental, Social and Governance Report

ABOUT US

LFG Investment Holdings Limited (the "Company") together with its subsidiaries (the "Group") is an active financial services provider in Hong Kong licensed to conduct Type 1 (dealing in securities), Type 4 (advising on securities), Type 6 (advising on corporate finance) and Type 9 (asset management) regulated activities under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "SFO"). The Group principally engages in the provision of (i) corporate finance advisory services; (ii) securities and financing services; and (iii) asset management services through its main operating subsidiaries, namely Lego Corporate Finance Limited, Lego Securities Limited and Lego Asset Management Limited.

ABOUT THE ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

This Environmental, Social and Governance Report (the "ESG Report") explains the environmental, social and governance ("ESG") performance of the Group.

Fiscal Year

Unless otherwise stated, the ESG Report covers the activities, challenges and measures with respect to ESG aspects of the Group for the year ended 31 March 2025 (the "Fiscal Year" or "2025").

Reporting Scope

The reporting scope has been adjusted during the Fiscal Year to cover all the operations that are the Group's principal source of revenue and are disclosed in the annual report, which includes the Group's headquarters office in Hong Kong.

Reporting Framework

The ESG Report is prepared in accordance with the Environmental, Social and Governance Reporting Guide (the "ESG Reporting Guide") as contained in Appendix C2 of the Rules Governing the Listing of Securities (the "Listing Rules") on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). Information relating to the Group's corporate governance practices can be found in the Corporate Governance Report from pages 55 to 79 of the annual report. The four reporting principles, namely materiality, quantitative, balance and consistency, form the backbone of the ESG Report:

Materiality: The Group reports on issues that are considered as posing significant impacts on environment and society and are important to stakeholders. Materiality assessment was conducted to identify material issues during the Fiscal Year. The materiality of issues was reviewed and confirmed by the board of directors of the Company (the "Board"). For further details, please refer to the sections headed "Stakeholder Engagement" and "Materiality Assessment".

Quantitative: The Group ensures the key performance indicators ("KPIs") are measurable and accompanied by a narrative explaining its calculation methodology and applicable assumptions.

Consistency: The Group is committed that consistent methodologies will be adopted in the future ESG reports for meaningful comparison on the Group's ESG performance. If there are any changes in the scope of disclosure and calculation methods that may affect comparisons with previous reports, the Group will provide explanations for the corresponding data. As mentioned in the section headed "Reporting Scope", the reporting scope of this ESG Report has been adjusted.

Balance: The Group is committed to preparing the ESG Report on an unbiased basis. The Group ensures achievements which the Group has made and the challenges which the Group has faced are both reported.

ESG GOVERNANCE STRUCTURE

The Group is committed to maintain a high standard of corporate governance when addressing sustainable issues that profoundly affect the environment and society as a whole, which enables the Group to respond quickly to ESG challenges.

The Board has the overall responsibility for the Group's sustainability governance and is responsible for overseeing the potential impacts and risks of the ESG issues related to the Group's operation. The Board regularly reviews its performance against ESG-related targets, which cover aspects of energy conservation, emission reduction and waste management, with the aim to align with the corporate sustainability strategy, echo with international vision of carbon neutrality and enhance corporate reputation. The Board is also responsible for ensuring the effectiveness of the Group's risk management and internal control systems and approving disclosures in the ESG reports.

The Group has assigned employees from various functional departments (the "Designated Personnel") to assist in systematically managing ESG issues related to the Group and facilitate the Board's oversight of ESG issues. The Designated Personnel are responsible for collecting and analysing ESG data and assist monitoring and evaluating the Group's ESG performance, keeping track of and reviewing the progress made against the Group's ESG-related targets, ensuring compliance with ESG-related laws and regulations, conducting materiality assessment and preparing ESG reports. The Designated Personnel report to the Board and assist in assessing and identifying the Group's ESG risks and opportunities and ensuring the implementation and effectiveness of the risk management and internal control systems.

Compliance Management

Non-compliance with laws and regulations that have significant impacts on the Group's operation may lead to regulatory enforcement actions, such as fines and lawsuits. The Group has established procedures for reviewing and monitoring relevant laws and regulations compliance status regularly. Details of the compliance with the applicable laws and regulations that significantly impact the Group are set out in the appropriate sections below.

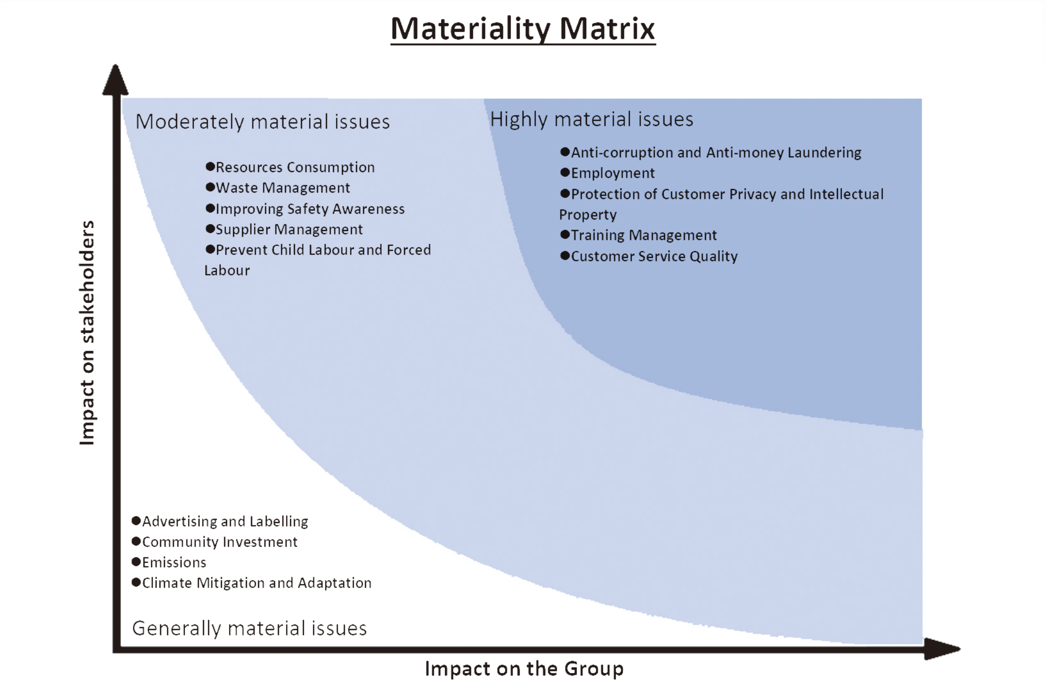
STAKEHOLDER ENGAGEMENT

The Group acknowledges the importance of effective and continuous stakeholder engagement. To understand stakeholder concerns and expectations and better serve our stakeholders, the Group has proactively engaged with various stakeholder groups through multiple communication channels on a transparent platform shown in the table below. The Group can better outline the stakeholders into its operation and ESG strategies with identified crucial environmental and social issues by continuously improving communication channels.

Stakeholders	Communication channels	Expectations
Shareholders and investors	• Corporate governance • Return on investment • Business compliance	• Financial reports • Announcements and circulars • General meeting and other shareholder meetings • Company website
The Board	• Corporate governance • Financial performance • Strategic development	• Board meetings • Board Committee meetings
Customers and business partners	• High quality products and services	• Customer support hotline • Emails
Employees	• Employees' compensation and benefits • Health and safety working environment • Career development	• Regular performance review • Training, seminars and briefing sessions • Emails and notice boards
Suppliers and subcontractors	• Sustainable supply chain	• Vendor evaluation
Regulatory bodies and government authorities	• Compliance with laws and regulations	• Company secretary • Compliance manager
Media, non-governmental organisations ("NGOs") and the public	• Involvement in communities • Environmental protection awareness	• Community investment activities • ESG reports • Media • Public welfare events

MATERIALITY ASSESSMENT

A systematic approach is adopted by the Group to conduct the annual materiality assessment in order to better understand stakeholders' views on the Group's ESG performance. Concerning the Group's business development strategy and industry practices, the Group identified and determined a list of material ESG issues, which covers five major areas: corporate governance, environmental protection, employment practice, operating practice and community investment. The Group prepared a questionnaire based on the list and invited relevant stakeholders to rate the potential material issues according to the level of importance of the ESG issues to the Group and to the stakeholders. A materiality matrix was developed based on the analysed results of the survey. The materiality matrix and the identified material topics were reviewed and confirmed by the Board and disclosed in the ESG Report. During the Fiscal Year, the Group's materiality matrix is shown below:



CONTACT US

The Group values opinions of stakeholders. If you have any questions or suggestions regarding the content of the ESG Report or the Group's ESG performance, please contact the Group by email at IR@legogroup.hk.

ENVIRONMENTAL

A1. Emissions

The Group implements strict management of emissions generated during our operations to meet the relevant emission standards. Considering the nature of our businesses, the impact of the Group's business activities on the environment and energy consumption is minimal. The Group strives to reduce the environmental impacts by integrate environmental protection into our daily business operation. To demonstrate our commitment to sustainable development, the Group has established an "Environmental Protection Policy Statement" and regularly reviewed it to ensure that the policy is implemented effectively and strictly abides by all the relevant regulations as regulatory authorities require.

During the Fiscal Year, the Group was not aware of any cases of non-compliance of environmental laws and regulations relating to air and greenhouse gas ("GHG") emissions, discharges into water and land, and generation of hazardous and non-hazardous waste, including but not limited to the Air Pollution Control Ordinance (Chapter 311 of the Laws of Hong Kong), Water Pollution Control Ordinance (Chapter 358 of the Laws of Hong Kong) and Waste Disposal Ordinance (Chapter 354 of the Laws of Hong Kong).

Air Emissions

The Group's air emissions are mainly generated from the consumption of petrol by vehicles. A five-year plan is in place to gradually reduce the total air emissions intensity of the Group from 2022 onwards. To reduce emissions, the Group will after taking into account various consideration, actively implement the following measures:

- Regularly maintain and repair vehicles to prevent them from generating excess air emissions from broken parts;
- Phase out unqualified vehicles in accordance with the local emission regulations;
- Replace conventional vehicles with EVs to reduce emissions if necessary; and
- Encourage more videoconferencing and take public transportation if travel is necessary.

During the Fiscal Year, the total amount of air emissions of the Group increased due to essential business travel resuming, reflecting resumed client engagements and strengthened stakeholder collaborations post-pandemic. The Group is keeping track of its emission reduction target and actively implementing the above measures to achieve its goal.

GHG Emissions

The primary sources of GHG emissions of the Group were direct GHG emissions (scope 1) from the consumption of petrol by company vehicles and energy indirect GHG emissions (scope 2) from the consumption of purchased electricity. The Group has advocated green office to reduce the negative impact on the environment. Therefore, a five-year plan is in place to gradually reduce the total GHG emissions of the Group from 2022 onwards. Concerning the emission sources mentioned above, the Group actively adopts the following emission reduction measures to achieve the target:

- Adopt emissions reduction measures on vehicles, which are described in the section headed "Air Emissions" under this Aspect; and
- Adopt energy-saving measures, which are described in the section headed "Energy Management" in Aspect A2.

Due to the effective implementation of the Group's energy-saving measures, the total GHG emissions intensity of the Group has kept in minimal level during the Fiscal Year.

Sewage Discharge

Since the Group's operations do not generate industrial wastewater, it only produces domestic sewage. As the property management company entirely controls water supply and discharge, the Group cannot obtain water consumption and discharge data from the relevant management office. Therefore, the Group cannot provide statistical data on water consumption and discharge.

Waste Management

Hazardous Wastes

As the Group is a financial services provider, which is an office-based operation, there is no significant environmental issue was noted and no hazardous waste was generated in the business activities and therefore no relevant targets have been set. As a responsible company, the Group has established policy to handle any hazardous waste generated. The Group entrusted qualified chemical waste collector to handle such waste to comply with relevant environmental laws and regulations. As for electronic waste, the Group will dispose of it under the Producer Responsibility Scheme for Waste Electrical and Electronic Equipment ("WPRS").

Non-hazardous Wastes

Due to the Group's office-based operation, the non-hazardous waste generated in the course of the Group's daily operations is office paper. A five-year plan is in place to gradually reduce the non-hazardous waste intensity of the Group from 2022 onwards. The Group strives to reduce the amount of paper waste and strengthen the environmental awareness of employees by introducing paper-saving initiatives which adhere to the "3R" Principle, which is "Reduce, Reuse and Recycle" as follows:

- Recommend double-sided paper use;
- Set defaults to double sided printing;
- Adopt electronic communications and filing to reduce the use of paper; and
- Appoint certified third-party companies to recycle paper generated within the operation.

During the Fiscal Year, the non-hazardous wastes intensity of the Group has kept at minimal level due to effective implementation of the Group's saving measures. The Group will continue to monitor wastes disposal aim to minimize waste generation, increase recycling rates and contribute to its overall goal.

A2. Use of Resources

We are committed to complying with and reviewing relevant regulations that affect ESG matters in a timely manner in order to achieve efficient use of resources, waste reduction and energy saving. Considering the nature of the businesses, the main resources consumed by the Group were electricity, petrol, and water. The Group has established an "Environmental Protection Policy Statement" to regulate the use of resources, to continuously improve the efficiency of using resources and create more significant social benefits with minor energy consumption.

Energy Management

The Group's major energy consumption are electricity consumed in office and petrol consumed by vehicles. We aim to continuously improve the efficiency of energy use in order to achieve the purpose of saving energy, A five-year plan is in place to gradually reduce total energy consumption of the Group from 2022 onwards. To better manage the use of resources and improve resource utilisation, aside from energy-saving measures for vehicles described in the section "Air Emissions" under Aspect A1, the Group has implemented key steps to reduce resources consumption, which include:

- Switch off unnecessary lighting in unoccupied areas;
- Set up timer for display monitors that automatically enter standby mode when left idled for a certain period of time;
- Switch off personal computers after office hours;
- Purchase electronic appliances with energy efficiency label;
- Maintain or replace malfunctioning facilities in a timely manner to avoid power loss due to equipment damage;
- Strictly stipulate the use of air-conditioning temperature standards;
- Put up publicity paintings and slogans on electricity conservation; and
- Advocate employees to take public transportation to work to achieve green travel.

Due to the effective implementation of the Group's energy-saving measures, the total energy consumption intensity of the Group has kept in minimal level during the Fiscal Year.

Water Management

The majority of Group water consumption is for domestic use. The Group has not encountered any issues with sourcing water fit for purpose for its business operations. The property management company solely controls the offices' water supply, and the offices do not have a separate water meter. Therefore, the Group cannot obtain statistical data on water consumption, and no relevant targets have been set. Nevertheless, the Group is committed to reducing water consumption. It will continue exploring ways to achieve this, such as putting notices at prominent office locations. This will promote water conservation and encourage employees to use water efficiently.

Use of Packaging Materials

As a provider of services, the Group does not provide any physical product, and therefore, the Group's business does not involve the use of packaging materials.

A3. The Environment and Natural Resources

Although the Group's existing operations are unlikely to have a material impact on the environment, it strives to minimise its impact by implementing effective measures. The Group will periodically review its "Environmental Protection Policy Statement" and enhance its environmental protection measures. The Group hopes continuous improvement will contribute to the global ecological environment.

Raising Environmental Awareness

The Group integrates green and low-carbon development into the corporate culture. The Group encourages all employees to participate in a green office. To promote environmental awareness among its employees, the Group has formulated protection measures that strictly require employees to implement. In addition, the Group also issues a guide for green practices to its employees via email. Moreover, the Group will explore more feasible and appropriate ways to raise employee awareness of the environment and natural resources.

A4. Climate Change

At present, the impact of climate change on human beings has become a global concern, and climate change is affecting all aspects of our lives. In order to mitigate the impact of climate change, the Group closely monitors the trend of global climate change and in order to mitigate the impact of the climate change, the Group has implemented the "Climate Change Policy", which outlines the Group's management approach on climate-related issues and commitment to climate mitigation, adaptation and resilience across its operations and along the value chain.

The Group implements climate risk assessment practices to identify and mitigate potential climate-related risks in its operations, including physical risks and transition risks, in accordance with the reporting framework developed by the Task Force on Climate-related Financial Disclosures ("TCFD"). Based on the above method, the Group identified risks arising from the following potential material impacts on the business:

Physical Risks		Impact	Management and mitigation
Acute	• Increased frequency and severity of extreme weather events, such as typhoons, rainstorms, storms and extreme cold or hot weather events	• Increases the risk of power failures and damage to office premises, which in turn increases the costs of repairing or restoring damaged premises. • Loss of revenue due to supply chain and business disruption. • Impose safety risks to our employees.	• The Group established special work arrangements in its "Group Policy Handbook" to ensure all personnel are prepared for extreme weather conditions to reduce or avoid losses and to ensure employees' health and safety when severe weather hits its premises. • The Group closely monitors the latest weather news and suggestions issued by the local government as a countermeasure.
Chronic	• Heat stress	• Reducing productivity and increased loss of working days due to the heat stress-related illnesses suffered by employees in the long term results in lower revenue.	

Transition risk		Impact	Management and mitigation
Policy & legal	• Heightened regulatory oversight and reporting obligations	• Implement more stringent environmental laws, regulations and policies may elevate compliance costs and increase in legal risks for non-compliance of the new regulations. • Failure to meet climate change compliance requirements may expose the Group to claims and litigation.	• Pay close attention to the development of government policies and give more training on new regulations to staff to ensure compliance of new regulations. • Enhance its ability to address climate-related issues to make timely adjustments.
Reputation	• Changing customer preference	• Failure to grasp changes in consumer attitudes and sustainably improve services and operations will result in the risk of losing several consumers with increasingly conscious of climate issues.	

SOCIAL

B1. Employment

The success of our business depends on the continuous efforts and dedicated service of all employees. Employees are the most valuable asset to the Group. It is the policy of the Group to employ person which is suitable to the position and fit for the business. In order to attract the new and existing talents, our Group has established a diverse and fair working environment.

The Group has formulated the "Employment and Labour Practices Policy Statement" and "Group Policy Handbook", which standardize the policies, codes, and other common practices in relation to their employment. Upon joining to the Group, the employees were ensured to know clearly about their rights and responsibilities, the importance of protecting the interests and the legitimate rights of the each employee and the Group.

Competitive remuneration package has been provided for the employees. The Group has also complied with the relevant employment laws and regulations.

During the Fiscal Year, the Group was not aware of any non-compliance with laws and regulations relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, attendance and punctuality, professional ethics, equal opportunity, diversity, anti-discrimination, and other benefits and welfare. The Group has fully complied with the Employment Ordinance (Chapter 57 of the Laws of Hong Kong), Employees' Compensation Ordinance (Chapter 282 of the Laws of Hong Kong), Mandatory Provident Fund Schemes Ordinance (Chapter 485 of the Laws of Hong Kong) and Minimum Wage Ordinance (Chapter 608 of the Laws of Hong Kong).

Employment Practices

The Group ensures fairness and impartiality when recruiting new talents to join for the Group's businesses. When new workforce or replacement is identified by the department manager, those requests would be communicated to the department head and chief executive officer ("CEO") of the Group for their approvals. Recruitment commences and job applicants are assessed based on their suitability for the positions and potential to fulfil the Group's current and future needs.

Remuneration packages are generally structured by reference to market terms, individual qualifications, experience and merits. Salaries are normally reviewed on a regular basis. Discretionary year end payment, if any, will be offered based on the individual's performance appraisals and other relevant factors, like the Group's operating results and market condition. Salary increment and promotion opportunities would also be available when one's job performance, attitudes, qualification exceed and meet certain expectation.

Additional to the basic salary and Mandatory Provident Fund, the Group also offers employees with other rights and benefits, including statutory holidays, annual leaves, marriage leave, examination leave, jury service leave, etc. The Group also provides medical insurance to their employees. Business travel insurance is also applicable to all permanent full-time employees who require having their business trips.

The Group does not tolerate the dismissal of employees on any unreasonable basis. Management will assess all cases with the Department Head and Human Resources Department to ensure there are reasonable grounds and applicable laws and regulations in Hong Kong have been complied before action.

The Group understands the importance of diversity in a professional team, and continuously promotes fairness and impartiality for the staff composition in term of various aspects, including different genders, ages, nationalities, races, ethnicity, religion, family roles, family composition, sexual orientation, political beliefs, social status, etc. The Group also targets on eliminating all form of discrimination within the operations. Employees should enjoy mutual respect and equal opportunities in employment, training and career development. The Group firmly prohibits any form of discrimination or harassment and provides employees with safe and confidential reporting channels. The Group ensures that any or potential harassment reports will be taken seriously and appropriate investigation and handling procedures will be carried out. Additionally, the use of gender-inclusive language is promoted in the workplace to promote inclusion and respect.

The Group values feedback from employees and provides a responsive platform. The Group has established an effective communication channel for their staff to voice out their work related or other opinions relevant to the Group. Their suggestions would be highly appreciated, if applicable, the Department Head would then initiate the improvement through Human Resources Department and CEO's acceptance. These, undoubtedly improve efficiency of the Group's operation.

B2. Health and Safety

The Group believes that health and safety is an integral part of its overall business performance and has always attached importance to the health and work safety of its employees. Although the working environment within the Group does not expose employees to significant safety hazards due to the Group's business nature, it strives to provide its employees a healthy and safe working environment. To minimise the possibility of workplace injuries, illnesses, or occupational hazards, the Group's "Employment and Labour Practices Policy Statement" stipulates occupational health and safety measures.

The Group was not aware of any non-compliance with relevant laws and regulations in relation to health and safety. Occupational Safety and Health Ordinance (Chapter 509 of the Laws of Hong Kong) is the applicable law in this aspect. In the recent three years (including the Fiscal Year), there were no work-related fatalities within the Group. The Group also did not suffered of any lost working days due to the work-related injuries issue during the Fiscal Year.

Occupational Health and Safety

The Group maintains several measures and good practices to minimize the occupational hazards in office operations, for example, by maintaining the Group's physical assets in good condition to reduce any dangerous issues due to aging and damage of office furniture and equipment. Furthermore, The Group participates in regular fire drills to raise employees' safety and fire prevention awareness. Besides, the Group also purchased the medical insurance and compensation insurance during the Fiscal Year to protect the interest of employees. The staff could access the details of medical scheme from Human Resources Department. The Group takes practical actions to protect the physical and mental health of its employees, so that they can work with peace of mind and grow with the Group.

The Group complies with relevant laws and regulations, including but not limited to, the Occupation Safety and Health Ordinance. To the best knowledge of the Directors, no cases of work-related injuries or fatalities were recorded during the Fiscal Year and the previous two financial years.

B3. Development and Training

The Group values employee as an important assets to the Group, therefore the Group is committed to cultivating a talent team, promoting continuous professional development, providing employees with necessary learning and training opportunities to improve their professional knowledge and industry skills and enhance their working performance, thus, achieving the corporate goals.

Training Plans

The Group has regularly arranged various training to employees based on their needs in the position and the Group's business development. The Group encouraged the employee to take training courses and subsidized partially or fully to employee base on the course's relevancy. Topics including but not limit to money laundering, sponsor due diligence, listing of companies and regulatory compliance, have been arranged. The Compliance Department is responsible to ensure the licensed individual for the completion of sufficient continuing professional training hours per calendar year for each regulated activity and maintain the record.

The Group has regularly evaluated with employee through annual performance appraisals and identified areas for adequate training, personal development and career advancement. By collecting feedback from employees, the Group is capable to diversify the variety of the courses or seminars and offer adequate supports for employees' career development. The Group has conducted regular team-building activities that promote interpersonal skills and emotional intelligence. By encouraging employees to engage in these interactive sessions, the Group aims to strengthen team dynamics and facilitate a more inclusive environment where everyone can thrive.

Moreover, regular progress reviews allow for timely adjustments to training programs, ensuring they remain relevant and effective. Continuous dialogue between management and staff helps tailor development plans that align with both individual aspirations and organizational goals, fostering a path of growth that is beneficial for both parties.

B4. Labour Standards

Due to the business nature of the Group, the risk of child and forced labour is relatively low. The Group remains vigilant and has zero tolerance in all forms of child and forced labour, it takes all necessary steps to eliminate such practices. During the Fiscal Year, the Group was not aware of any non-compliance with laws and regulations nor any cases of child labour or forced labour in relation to employment and labour standards, including but not limited to the Employment Ordinance (Chapter 57 of the Laws of Hong Kong).

Prevention of Child and Forced Labour

The Group has detailed all recruitment procedures and requirements in the "Group Policy Handbook". With a comprehensive recruitment process and employment procedures, the Group prohibits the employment of child labour or forced labour at the source. During the recruitment process, the age and relevant qualification of all employees of the Group are verified. During the employment process, the Group requests the staff to complete the staff record and provide valid identity document for the verification of actual age by the Human Resources Department before commencement of the employment. Applicants who fail to meet the legal requirements will not be hired. The Group will immediately conduct investigations and impose punishment when irregularities are identified.

The "Group Policy Handbook" details all the relevant terms and conditions of employees' duties and rights as well as working hours and overtime regulations. Overtime arrangements must be agreed to with respect to the employees voluntarily in the "Employment Contract". No employee is made to work against his/her will or work as a forced labor, or is subject to corporal punishment or coercion of any type related to work. The Group has zero tolerance to employment of child labor and forced labor by the suppliers. Any indication of forced labour will be stopped and investigated. The Group will take corrective action to address the issue at the highest level, also review and amend its policies and procedures regularly.

B5. Supply Chain Management

Due to the business nature, the Group does not have material procurement and production of any physical products. The suppliers of the Group mainly include professional services providers, property management company, office supplies vendors, etc. The Group has formulated the "Supply Chain Management, Product Responsibility and Anti-corruption Policy Statement" to cover the practice on how to achieve a responsible supply chain management.

During the Fiscal Year, the Group had a total of around 20 suppliers, 19 located in Hong Kong and 1 from Cayman Islands.

Procurement Mechanism

During the reporting period, the Company's procurement management demonstrated remarkable efficacy. The Group selects its suppliers through regularly review of their performance in terms of quality, price, environmental, social and ethical values during sourcing stage. To ensure the fair selection has been in place, at least three quotations must be obtained when procuring products or services with fee more than HK$50,000. It was then subject to the approval from Department Head and the CEO of the Group and final decision among quotation must be documented and filed properly by the Administrative Department. The Group also strengthens financial control and audit supervision to ensure that the accounts are in line with the facts. Additionally, there was a concerted effort to elevate the procurement staff's awareness regarding integrity and self-discipline.

Supply Chain Environmental and Social Risk Management

The Group concerns about the social, ethical and environmental performance of the suppliers. In order to develop a sustainable relationship with the suppliers, the Group makes use of questionnaire to assess and understand their environmental (e.g. resource efficiency, waste) and social performance (e.g. labour practices, human rights, business ethics, animal welfare) and to consider whether their behaviors could fulfil the environmental, community and corporate sustainable needs. The Group values the sustainable procurement principles and has formulated the "Sustainable Supply Chain Policy" to monitor the environmental and social risks along the supply chain. Besides, the Group is also on alert for unfavourable news related to the environmental or social impact of its engaged suppliers. In the event of such news, the Group will internally discuss the need to change the supplier. The Company encourages suppliers to prioritize on ESG factors in their operations. This includes the adoption of more environmentally sustainable production processes and more socially responsible staff employment, and to strive to create an honest and sustainable business ecosystem and promote more resilient supply chain management.

B6. Product Responsibility

As a financial services provider, the Group values and respects the rights of customers. When delivering various financial products or providing financial services to the customers, the Group clearly explains the relevant risks associated to their clients. "Supply Chain Management, Product Responsibility and Anti-corruption Policy Statement" has been stipulated to promote the quality services.

During the Fiscal Year, the Group has complied with laws and regulations in relation to products and services provided. The relevant rules include Personal Data (Privacy) Ordinance (Chapter 486 of the Laws of Hong Kong), the SFO, the Listing Rules, etc. Due to the nature of financial services, no health and safety issues relating to products and services and no recall of products due to the reasons of health and safety.

Service Quality

The Group focuses on the quality of services provided to their customers as service quality is a critical factor impacting the Group's success. The Group always maintains high quality standards in its services and requires its employees to perform and deliver high quality of services according to the "Compliance Manual" and "Group Policy Handbook". Employees have to act in a professional manner and maintain high reputation on behalf of the Group. The Group also observes and updates with the best market practice and clearly communicates them to the employees for the prevention of any business misconduct.

The Group values the customers' feelings and maintains a friendly relationship with them at all times. For identification of any misconduct and poor experience encountered by the customers, the Group has established a complain system. The Group has detailed its complaints handling procedures in the manual and all the complaints are handled promptly and appropriately. The Compliance Department shall file the completed Complaint Form of every case and keep them in the complaints register. Detailed investigations shall be involved when the merits of the complaint confirmed. The Group tries to retain them by improving their experience and develops their loyalty towards the Group. Depending on the seriousness of the subject matter in the complaint, those cases would be handled by Compliance Department, senior management, or further report to the SFC.

During the Fiscal Year, there were no complaints received.

Customer Privacy Protection

The Group is well aware of the concerns of stakeholders on data privacy and understands that it is essential to maintain confidence and prevent customer loss. The Group and their employees always complied with the Personal Data (Privacy) Ordinance (Cap. 486) and any relevant codes of practice issued by the Privacy Commissioner for Personal Data when handling such information.

Upon new staff joining to the Group, they require to sign a Staff Declaration Form to ensure they would protect and safeguard the customer information. The Group also developed several measures to protect the customers data stored, including Chinese Wall and restricted access right to folders with clients' data. Unauthorized hardware and software installation are strictly prohibited. These effectively reduce the leakage of customer information.

Intellectual Property Rights

The Group understands the value of the intellectual property rights. Relevant guideline has been stated clearly in the "Group Policy Handbook" within the Group. No violations of copyright, trade secret, patent or other intellectual property is permitted. Employees are not allowed to install or distribute of pirated software or software that are not licensed for use by the Group. Unauthorized copying of copyrighted materials, like digitization and distribution of photographs from magazines, books or other copyrighted sources are also strictly prohibited. The Group will keep on monitoring to ensure no infringement of any intellectual property rights.

Advertising and Labelling

Due to the nature of the Group's business, it conducts only limited advertising campaigns. As a result, advertising-related risks are not significant. In rare cases, the Group should ensure advertisements and the marketing materials are accurate and not misleading, pre-approval from the Management Committee is required before publication, distribution, issuance, or other dissemination. Further approval is required by the SFC before publish. The Group has complied with laws and regulations related to advertising and labeling.

B7. Anti-corruption

The Group is committed to upholding high standards of business ethics and integrity as a financial services provider; it also strongly emphasizes honesty and fairness as core values in all its operations. The Group believes that adhering to these values can ensure customer trust, protect the Group's reputation and maintain a competitive advantage in the marketplace. Furthermore, the Group's commitment to honesty and fairness promotes a culture of transparency and accountability. This is essential for building trust and successful business partnerships. The Group is committed to its "Supply Chain Management, Product Responsibility and Anti-corruption Policy Statement". It ensures that the services offered comply with applicable laws and regulations in Hong Kong and the professional code of conduct.

During the Fiscal Year, the Group was not aware of any non-compliance cases against relevant laws and regulations, including but not limited to the Anti-Money Laundering and Counter-Terrorist Financing Ordinance (Chapter 615 of the Laws of Hong Kong) and Prevention of Bribery Ordinance (Chapter 201 of the Laws of Hong Kong). During the Fiscal Year, the Group and the employees of the Group were not involved in any concluded legal cases in relation to corruption.

Anti-corruption and Integrity

The Board and its committees of the Group demonstrate a strong commitment to anti-corruption business practices and zero-tolerance of corruption and fraud. As a financial services provider, prevention and detection of money laundering is part of the core social responsibilities. The Group believes that effective monitoring and supervision can help the prevention and elimination of corruption and other fraudulent practices at source. Standard and the responsibilities of employees in preventing money laundering and terrorist financing have been outlined in the "Compliance Manual", employees are required to file for any conflict of interest to ensure independence and neutrality of the services provided. For customers, the Group also conducts pre-engagement assessment of the customer to ensure there is no conflict of interest or ethical business risks from potential customers. The Group will monitor and review regularly to ensure that the anti-corruption measures are effective and up-to-date.

At the same time, the Group also provides training and regularly communication to directors and employees through organizing seminars on anti-corruption business ethics, anti-money laundering and anti-terrorist financing in order to enhance their self-discipline awareness and emphasize the importance of compliance and business conduct. During the Fiscal Year, each director and employee of the Group received approximately an hour of anti-corruption training. The Group believes the awareness of ethics and corruption issues of the Board, and employees can be enhanced by training. Also, it helps to familiarize the Board and employees at various levels with their corresponding roles and responsibilities.

Whistle-blowing Mechanism

The Group educates all employees on anti-corruption awareness and encourages them to report any corruption or fraud activities. Additionally, comprehensive whistle-blowing channels have been established to ensure employees report any relevant suspicious matters in a safe, reliable and confidential manner, the Group will promptly conduct inspections and takes necessary measures while protecting the whistle-blower's identity to prevent conflicts of interest or behaviour that may harm the Group and its stakeholders. The Group will monitor and review the whistle-blowing mechanism's effectiveness regularly.

B8. Community Investment

The Group actively fulfills its social responsibilities and regards public welfare and community services as an important way to create social value. The Group encourages and supports employees to participate in public welfare and charity activities and carry out diversified volunteer service activities, it provides extra charity leaves for encouraging employees to take part in community volunteer activities so as to demonstrate important forces for fulfilling social responsibility and creating social value. The Group has formulated the "Community Investment Policy Statement", with the following commitments:

- Promote a responsible corporate culture within the Group;
- Encourage and arrange staff to participate in voluntary services and charity activities; and
- Leverage its expertise to contribute to the community where it operates.

During the Fiscal Year, the Group's community investment does not involve resource contribution. Looking forward, the Group will unswervingly fulfill its corporate social responsibilities, actively seek to participate in meaningful philanthropic events and charitable activities, allocate more resources to community investment, and give back to the society.

PERFORMANCE SUMMARY

- **Environmental Performance**

Category	Unit	2025	2024
Air Emissions[1]			
Nitrogen oxides (NOx)	kg	**10.13**	8.43
Sulphur oxides (SOx)	kg	**0.06**	0.05
Particulate matter (PM)	kg	**0.75**	0.62
GHG Emissions[2]			
Scope 1 – Direct GHG emissions			
• Combustion of fuels in mobile sources	tCO_2e	**11.43**	9.77
Scope 2 – Energy indirect GHG emissions			
• Purchased electricity	tCO_2e	**26.03**	38.38
Total GHG emissions (Scope 1 and 2)	tCO_2e	**37.46**	48.15
Total GHG emissions intensity[3]	tCO_2e/square foot	**0.01**	0.01
Waste Management			
Total non-hazardous wastes			
• Paper[4]	tonnes	**0.62**	0.65
Total non-hazardous wastes intensity	kg/square foot	**0.11**	0.10
Use of Resources[5]			
Direct energy consumption			
• Petrol	MWh	**38.17**	32.65
Indirect energy consumption			
• Purchased electricity	MWh	**43.4**	58.16
Total energy consumption	MWh	**81.57**	90.81
Total energy consumption intensity	MWh/square foot	**0.01**	0.01

- **Social Performance**

Category[6]	Unit	2025	2024
Employee breakdown			
Total	Number	**39**	42
By gender			
Male	Number	**19**	21
Female	Number	**20**	21
By age group			
Below 30	Number	**9**	13
30 to 50	Number	**21**	23
Over 50	Number	**9**	6
By employment type			
Full-time	Number	**38**	41
Part-time	Number	**1**	1
By geographical region			
Hong Kong	Number	**39**	42
Employee turnover rate			
Total[6]	Percentage	**27.16%**	19.57%
By gender[7]			
Male	Percentage	**35%**	17.78%
Female	Percentage	**19.51%**	21.28%
By age group[7]			
Below 30	Percentage	**63.64%**	14.29%
30 to 50	Percentage	**18.18%**	26.42%
Over 50	Percentage	**0%**	0%
By geographical location[7]			
Hong Kong	Percentage	**27.16%**	19.57%
Percentage of employees trained			
Total[8]	Percentage	**100.00%**	100.00%
By gender[9]			
Male	Percentage	**48.72%**	50.00%
Female	Percentage	**51.28%**	50.00%

Category[6]	Unit	2025	2024
By employee category[9]			
Senior management	Percentage	**28.21%**	21.43%
Middle management	Percentage	**17.95%**	19.05%
General employee	Percentage	**53.85%**	59.52%
Average training hours			
Total[10]	Hours	**12.31**	10.22
By gender[11]			
Male	Hours	**17.58**	14.61
Female	Hours	**7.3**	5.83
By employee category[11]			
Senior management	Hours	**14.09**	15.27
Middle management	Hours	**23.43**	10.87
General employee	Hours	**7.67**	7.25

Notes:

1 The calculation method of air emissions is based on "How to prepare an ESG Report – Appendix 2: Reporting Guidance on Environmental KPIs" issued by the Stock Exchange.

2 GHG emission data is presented in terms of carbon dioxide equivalent. The calculation method is based on, including but not limited to, "How to prepare an ESG Report – Appendix 2: Reporting Guidance on Environmental KPIs" issued by the Stock Exchange and the "Sustainability Report 2022" released by HK Electric Investments Limited.

3 During the Fiscal Year, the total floor area of the Group was approximately 5,474 square feet (2024: 6,668 square feet). This data will also be used to calculate other intensity data.

4 The figure only includes papers of confidential documents collected by certified recycler.

5 The unit conversion method of energy consumption data is based on the "Energy Statistics Manual" issued by the International Energy Agency.

6 The overall employee turnover rate is calculated by dividing the total number of employees leaving employment during the Fiscal Year by the average number of employees at the beginning and the end of the Fiscal Year.

7 The employee turnover rate for each category is calculated by dividing the number of employees leaving employment in the specified category during the Fiscal Year by the average number of employees in the specified category at the beginning and end of the Fiscal Year.

8 This percentage is calculated by dividing the total number of employees who took part in training during the Fiscal Year by the total number of employees at the end of the Fiscal Year.

9 The breakdown of employees trained by category is calculated by dividing the number of employees in the specified category who took part in training during the Fiscal Year by the total number of employees who took part in training during the Fiscal Year.

10 The average training hours completed per employee is calculated by dividing the total number of training hours during the Fiscal Year by the total number of employees at the end of the Fiscal Year.

11 The average training hours completed per employee by category is calculated by dividing the number of training hours for employees in the specified category during the Fiscal Year by the number of employees in the specified category at the end of Fiscal Year.

CONTENT INDEX OF THE ESG REPORTING GUIDE OF THE STOCK EXCHANGE

Mandatory Disclosure Requirements	Section/Declaration
Governance Structure	ESG Governance Structure
Reporting Principles	About the Environmental, Social and Governance Report – Reporting Framework
Reporting Boundary	About the Environmental, Social and Governance Report – Reporting Scope

Subject Areas, Aspects, General Disclosures and KPIs	Description	Section/Declaration
Aspect A1: Emissions		
General Disclosure	Information on: • the policies; and • compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	Emissions
KPI A1.1	The types of emissions and respective emissions data.	Performance Summary
KPI A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Performance Summary
KPI A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Not applicable – explained
KPI A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Performance Summary
KPI A1.5	Description of emissions target(s) set and steps taken to achieve them.	Emissions – Air Emissions, GHG Emissions
KPI A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	Emissions – Waste Management

Subject Areas, Aspects, General Disclosures and KPIs	Description	Section/Declaration
Aspect A2: Use of Resources		
General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	Use of Resources
KPI A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).	Performance Summary
KPI A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	Not applicable – explained
KPI A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	Use of Resources – Energy Management
KPI A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	Use of Resources – Water Management
KPI A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	Not applicable – explained
Aspect A3: The Environment and Natural Resources		
General Disclosure	Policies on minimising the issuer's significant impacts on the environment and natural resources.	The Environment and Natural Resources
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	The Environment and Natural Resources – Raising Environmental Awareness
Aspect A4: Climate Change		
General Disclosure	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	Climate Change
KPI A4.1	Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.	Climate Change – Physical Risks, Transition Risks

Subject Areas, Aspects, General Disclosures and KPIs	Description	Section/Declaration
Aspect B1: Employment		
General Disclosure	Information on: • the policies; and • compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	Employment
KPI B1.1	Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region.	Performance Summary
KPI B1.2	Employee turnover rate by gender, age group and geographical region.	Performance Summary
Aspect B2: Health and Safety		
General Disclosure	Information on: • the policies; and • compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	Health and Safety
KPI B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	Health and Safety
KPI B2.2	Lost days due to work injury.	Health and Safety
KPI B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	Health and Safety – Occupational Health and Safety, Response to COVID-19 Pandemic

Subject Areas, Aspects, General Disclosures and KPIs	Description	Section/Declaration
Aspect B3: Development and Training		
General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	Development and Training
KPI B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Performance Summary
KPI B3.2	The average training hours completed per employee by gender and employee category.	Performance Summary
Aspect B4: Labour Standards		
General Disclosure	Information on: • the policies; and • compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	Labour Standards
KPI B4.1	Description of measures to review employment practices to avoid child and forced labour.	Labour Standards – Prevention of Child and Forced Labour
KPI B4.2	Description of steps taken to eliminate such practices when discovered.	Labour Standards – Prevention of Child and Forced Labour

Subject Areas, Aspects, General Disclosures and KPIs	Description	Section/Declaration
Aspect B5: Supply Chain Management		
General Disclosure	Policies on managing environmental and social risks of the supply chain.	Supply Chain Management
KPI B5.1	Number of suppliers by geographical region.	Supply Chain Management
KPI B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	Supply Chain Management – Procurement Mechanism
KPI B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Supply Chain Management – Supply Chain Environmental and Social Risk Management
KPI B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Supply Chain Management – Procurement Mechanism
Aspect B6: Product Responsibility		
General Disclosure	Information on: • the policies; and • compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	Product Responsibility
KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Not applicable – explained
KPI B6.2	Number of products and service related complaints received and how they are dealt with.	Product Responsibility

Subject Areas, Aspects, General Disclosures and KPIs	Description	Section/Declaration
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	Product Responsibility – Intellectual Property Rights
KPI B6.4	Description of quality assurance process and recall procedures.	Product Responsibility – Service Quality
KPI B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	Product Responsibility – Customer Privacy Protection
Aspect B7: Anti-corruption		
General Disclosure	Information on: • the policies; and • compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	Anti-corruption
KPI B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	Anti-corruption
KPI B7.2	Description of preventive measures and whistleblowing procedures, how they are implemented and monitored.	Anti-corruption – Whistle-blowing Mechanism
KPI B7.3	Description of anti-corruption training provided to directors and staff.	Anti-corruption – Anti-corruption and Integrity
Aspect B8: Community Investment		
General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	Community Investment
KPI B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	Community Investment – Corporate Social Responsibility
KPI B8.2	Resources contributed (e.g. money or time) to the focus area.	Community Investment – Corporate Social Responsibility

Independent Auditor's Report

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INDEPENDENT AUDITOR'S REPORT
TO THE SHAREHOLDERS OF LFG INVESTMENT HOLDINGS LIMITED
(incorporated in the Cayman Islands with limited liability)

OPINION

We have audited the consolidated financial statements of LFG Investment Holdings Limited (the "Company") and its subsidiaries (together the "Group") set out on pages 86 to 168, 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 a summary of material accounting policy information.

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

BASIS FOR OPINION

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

KEY AUDIT MATTERS

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

KEY AUDIT MATTERS (Continued)

Impairment assessment of accounts receivable from corporate advisory and other services

As disclosed in note 17 to the consolidated financial statements, as at 31 March 2025, the Group had accounts receivable from corporate advisory and other services of approximately HK$2,260,000, net of impairment.

Assessing impairment of accounts receivable arising from corporate advisory and other services is a subjective area as it requires application of significant judgement and uses of estimates. Management performed periodic assessment on the recoverability of the accounts receivable and the sufficiency of impairment based on information including credit profile of different customers, historical settlement records, expected timing and amount of realisation of outstanding balances. Management also considered forward-looking information that may impact the customers' ability to repay the outstanding balances in order to estimate the expected credit losses ("ECLs") for the impairment assessment.

We had identified impairment of these accounts receivable as a key audit matter because significant judgements had to be made for the assessment of the recoverability for each debtor including service history, credit history and estimated future cash flows.

Our response:

The audit procedures to address the impairment of these accounts receivable included the followings:

- understanding, evaluating and validating the controls over the impairment assessment of accounts receivable arising from corporate advisory and other services, which related to management's identification of events that might trigger the increase in default rate;

- assessing, together with our internal valuation specialists, the reasonableness of management's loss allowance estimates on accounts receivable by examining the information used by management to form such judgements, including testing the accuracy of the historical default data, evaluating whether the historical loss rates are appropriately adjusted based on current conditions and forward-looking information and examining the actual losses recorded during the current period and assessing whether there was an indication of management bias when recognising loss allowances;

- testing the accuracy of the ageing of receivable balances on a sample basis;

- testing on large individual aged receivable balances, understanding the rationale for management's provision decisions by reference to payment patterns during the period as well as other information available;

- re-performing management's calculation of loss allowances under the ECLs model which grouped together all the receivables with similar risk characteristics and based on the probability of default, exposure at default and loss given default; and

- assessing the subsequent settlement of the customers after the reporting date to consider any additional provision required.

KEY AUDIT MATTERS (Continued)

Impairment assessment of accounts receivable from securities margin financing services

As disclosed in note 17 to the consolidated financial statements, as at 31 March 2025, the Group had accounts receivable from securities margin financing services of approximately HK$35,660,000, net of impairment.

Assessing impairment of accounts receivable from securities margin financing services is a subjective area as it requires application of significant judgement and uses of estimates. At each reporting date, the Group assesses whether there has been a significant increase in credit risk of default ("SICR") occurring over the expected life of the individual receivable between the reporting date and the date of initial recognition. The Group considers reasonable and supportable information that is relevant and available without undue cost or effort for this purpose. This includes quantitative and qualitative information, and forward-looking analysis. Judgement is applied in assessing customers that may default and identifying evidence of impairment which include assessment on creditworthiness of customers, their repayment history, and application of collateral ratio, that is the level of securities collateral in proportion to the outstanding receivables balance. Estimates are used in assessing the recoverable amount of the securities collateral.

We had identified impairment of these accounts receivable as a key audit matter because significant judgements had to be made for the assessment of the recoverability for each debtor including financing history, credit history, value of underlying securities and estimated future cash flows.

Our response:

The audit procedures to address the impairment of these accounts receivable included the followings:

- understanding, evaluating and validating the controls over the impairment assessment of accounts receivable from securities margin financing services, which related to management's identification of events that might trigger the SICR of accounts receivable and events of default;

- testing the appropriateness of the Group's determination of SICR and the basis of classification of exposures into the 3 stages as required by Hong Kong Financial Reporting Standard 9 "Financial Instruments" by checking to margin clients overdue information, collateral ratio and other factors determining the stage classification as determined by the Group;

- assessing, on a sample basis, the recoverability of the outstanding receivables through our discussion with management and with reference to credit profiles of the clients, available data, information and the latest correspondence with clients and checking subsequent settlements;

- assessing, together with our internal valuation specialists, the reasonableness of the Group's criteria for assessing if there has been a SICR and whether allowances for financial assets should be measured on a life time ECLs basis and the qualitative assessment;

- re-performing management's calculation of loss allowances under the ECLs model which grouped together all the receivables with similar risk characteristics and based on the probability of default, exposure at default and loss given default; and

- assessing the subsequent settlement of the clients after the reporting date to consider any additional provision required.

OTHER INFORMATION IN THE ANNUAL REPORT

The directors are responsible for the other information. The other information comprises the information included in the Company's 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.

DIRECTORS' RESPONSIBILITIES FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

The directors are also responsible for overseeing the Group's financial reporting process. The Audit Committee assists the directors in discharging their responsibility in this regard.

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. This report is made solely to you, as a body, in accordance with the terms of our 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.

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

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

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

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

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

- 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 of forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

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

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

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

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.

BDO Limited
Certified Public Accountants

Lau Kin Tat, Terry
Practising Certificate no. P07676

Hong Kong, 25 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
Revenue	6		
Corporate finance advisory services		**21,478**	60,275
Securities and underwriting services		**4,041**	8,531
Interest income from margin financing services		**7,117**	11,127
Asset management services		**288**	4,932
Net (loss)/gain from financial assets at fair value through profit or loss		**(7,753)**	9,308
Total revenue		**25,171**	94,173
Other income and gains or losses, net	7	**5,185**	(2,204)
Staff costs	8	**(35,217)**	(54,494)
Other expenses		**(21,126)**	(27,476)
Bad debt expenses		**(24)**	(18)
Expected credit loss on accounts receivable	17	**(7,225)**	(11,167)
Expected credit loss on other receivables	18	**438**	(1,188)
Finance costs	10	**(2,316)**	(1,949)
Loss before income tax	8	**(35,114)**	(4,323)
Income tax (expenses)/credits	11	**(26)**	94
Loss for the year		**(35,140)**	(4,229)
Other comprehensive expense for the year		**–**	–
Total comprehensive expense for the year		**(35,140)**	(4,229)

	Notes	2025 HK$'000	2024 HK$'000
Loss for the year attributable to:			
Owners of the Company		**(34,997)**	(3,987)
Non-controlling interests		**(143)**	(242)
		(35,140)	(4,229)
Total comprehensive expense for the year attributable to:			
Owners of the Company		**(34,997)**	(3,987)
Non-controlling interests		**(143)**	(242)
		(35,140)	(4,229)
Loss per share from loss for the year attributable to owners of the Company:	13		
Basic and diluted loss per share		**(8.6 HK cents)**	(1.0 HK cents)

Consolidated Statement of Financial Position

As at 31 March 2025

	Notes	2025 HK$'000	2024 HK$'000
Non-current assets			
Property, plant and equipment	14	**2,326**	2,240
Intangible asset	15	**500**	500
Deposits and prepayments	18	**1,511**	1,570
Right-of-use assets	25	**15,338**	880
Investment in life insurance policy	35	**3,720**	3,609
Deferred tax asset	30	**147**	147
Financial assets at fair value through profit or loss	16	**36**	–
		23,578	8,946
Current assets			
Financial assets at fair value through profit or loss	16	**26,991**	39,863
Accounts receivable	17	**39,711**	100,280
Other receivables, deposits and prepayments	18	**1,772**	3,334
Current tax recoverable		**2,026**	1,733
Pledged bank deposit	19	**10,000**	10,000
Cash and bank balances – held on behalf of customers	20	**103,910**	25,940
Cash and bank balances	21	**46,061**	41,273
		230,471	222,423
Current liabilities			
Accounts payable	22	**110,322**	43,929
Accruals and other payables	23	**6,795**	9,128
Other financial liabilities	24	**9,890**	17,808
Lease liabilities	25	**2,966**	246
Convertible bonds	26	**–**	698
Deferred revenue	6	**920**	970
Bank borrowings	27	**5,490**	24,639
Financial liabilities at fair value through profit or loss	16	**5,919**	–
		142,302	97,418
Net current assets		**88,169**	125,005
Total asset less current liabilities		**111,747**	133,951

	Notes	2025 HK$'000	2024 HK$'000
Non-current liabilities			
Accruals and other payables	23	**192**	197
Lease liabilities	25	**13,134**	–
		13,326	197
Net assets		**98,421**	133,754
Equity			
Share capital	28	**4,060**	4,060
Share premium		**110,371**	110,371
Reserves	29	**(16,010)**	18,509
Equity attributable to owners of the Company		**98,421**	132,940
Non-controlling interests		**–**	814
Total equity		**98,421**	133,754

On behalf of the directors

Mui Ho Cheung Gary
Director

Ng Siu Hin Stanley
Director

Consolidated Statement of Changes in Equity

For the year ended 31 March 2025

	Attributable to owners of the Company							
	Share capital HK$'000	Share premium HK$'000	Share option reserve HK$'000 (note 29)	Other reserve HK$'000 (note 29)	Retained earnings/ (Accumulated losses) HK$'000 (note 29)	Total HK$'000	Non-controlling interests HK$'000	Total equity HK$'000
At 1 April 2024	4,060	110,371	3,271	36,311	(21,073)	132,940	814	133,754
Loss for the year	–	–	–	–	(34,997)	(34,997)	(143)	(35,140)
Total comprehensive expense for the year	–	–	–	–	(34,997)	(34,997)	(143)	(35,140)
Recognition of equity settled share-based compensation (note 31)	–	–	478	–	–	478	–	478
Disposal of subsidiaries (note 36)	–	–	–	–	–	–	(671)	(671)
At 31 March 2025	4,060	110,371	3,749	36,311	(56,070)	98,421	–	98,421

	Attributable to owners of the Company							
	Share capital HK$'000	Share premium HK$'000	Share option reserve HK$'000 (note 29)	Other reserve HK$'000 (note 29)	Retained earnings/ (Accumulated losses) HK$'000 (note 29)	Total HK$'000	Non-controlling interests HK$'000	Total equity HK$'000
At 1 April 2023	4,060	110,371	3,317	36,311	(6,983)	147,076	1,056	148,132
Loss for the year	–	–	–	–	(3,987)	(3,987)	(242)	(4,229)
Total comprehensive expense for the year	–	–	–	–	(3,987)	(3,987)	(242)	(4,229)
Lapse of share options	–	–	(46)	–	46	–	–	–
Dividends (note 12)	–	–	–	–	(10,149)	(10,149)	–	(10,149)
At 31 March 2024	4,060	110,371	3,271	36,311	(21,073)	132,940	814	133,754

Consolidated Statement of Cash Flows

For the year ended 31 March 2025

	Notes	2025 HK$'000	2024 HK$'000
Cash flows from operating activities			
Loss before income tax		**(35,114)**	(4,323)
Adjustments for:			
Net loss/(gain) from financial assets at fair value through profit or loss	6	**7,753**	(9,308)
Interest income	7	**(757)**	(326)
Share of results of consolidated investment fund attributable to other redeemable participating shareholders	7	**(3,930)**	3,544
Gain on fair value change of investment in life insurance policy	7	**(111)**	(142)
Gain on disposal of subsidiaries	36	**(314)**	–
Loss on fair value change of convertible bonds	7	**(116)**	(472)
Depreciation of property, plant and equipment	8	**1,085**	998
Depreciation of right-of-use assets	8	**3,475**	6,526
Expected credit loss on accounts receivable		**7,225**	11,167
Expected credit loss on other receivables		**(438)**	1,188
Bad debts expenses		**24**	18
Equity settled share-based payment expenses	8	**478**	–
Finance costs	10	**2,316**	1,949
Operating (loss)/profit before working capital changes		**(18,424)**	10,819
Decrease in financial assets at fair value through profit or loss		**6,658**	9,046
Decrease in accounts receivable		**51,676**	29,572
Decrease/(increase) in other receivables, deposits and prepayments		**2,216**	(1,108)
Decrease in pledged bank deposit		**–**	8
(Increase)/decrease in cash and bank balances – held on behalf of customers		**(77,970)**	10,696
Increase/(decrease) in accounts payable		**66,393**	(13,172)
(Decrease)/increase in accruals and other payables		**(1,886)**	2,673
Decrease in deferred revenue		**(50)**	(1,051)
Increase in financial liabilities at fair value through profit or loss		**4,162**	–
Cash generated from operations		**32,775**	47,483
Interest received		**758**	403
Dividend received		**53**	223
Income tax paid		**(319)**	(2,179)
Interest paid on margin financing		**(129)**	(170)
Net cash generated from operating activities		**33,138**	45,760

	Notes	2025 HK$'000	2024 HK$'000
Cash flows from investing activities			
Purchase of property, plant and equipment	14	**(1,171)**	(1,350)
Net cash outflow on disposal of subsidiaries	36	**(1,415)**	–
Net cash used in investing activities		**(2,586)**	(1,350)
Cash flows from financing activities			
Dividend paid	12	**–**	(10,149)
Interest paid on bank borrowings	32	**(722)**	(1,736)
Interest paid on lease liabilities	32	**(1,465)**	(43)
Payment of principal portion of lease liabilities	32	**(2,084)**	(5,409)
Proceeds from issue of redeemable participating shares	32	**390**	–
Payment for redemption of redeemable participating shares	32	**(4,378)**	(3,259)
Repayment of bank borrowings	32	**(19,149)**	(149)
Net cash used in financing activities		**(27,408)**	(20,745)
Net increase in cash and cash equivalents		**3,144**	23,665
Cash and cash equivalents at the beginning of the year		**44,708**	21,043
Cash and cash equivalents at the end of the year		**47,852**	44,708
Analysis of cash and cash equivalents at end of the year:			
– Cash and bank balances		**46,061**	41,273
– Accounts receivable from brokers	17	**1,791**	3,435
Total cash and cash equivalents		**47,852**	44,708

1. GENERAL INFORMATION

LFG Investment Holdings Limited (the "Company") is an exempted company with limited liability incorporated in the Cayman Islands. Its issued shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). The Company's registered office is located at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands, and its principal place of business in Hong Kong is located at Room 1505, 15/F, Wheelock House, 20 Pedder Street, Central, Hong Kong with effect from 2 April 2024.

The Company is an investment holding company and, together with its subsidiaries (collectively referred to as the "Group"), are principally engaged in corporate finance advisory services, securities and underwriting services, margin financing services and asset management services.

In the opinion of the directors, the Company's ultimate parent is Lego Financial Group Limited, a company incorporated in the British Virgin Islands.

2. CHANGE IN ACCOUNTING POLICIES

(a) New standards, interpretations and amendments – effective on or after 1 April 2024

The Group has applied the following standards and amendments for the first time for their annual reporting period commencing on 1 April 2024:

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

None of these amendments has a material impact on the Group's results and financial position for the current or prior period. The Group has not early applied any new standards or amendments that is not yet effective for the current accounting period.

2. CHANGE IN ACCOUNTING POLICIES (Continued)

(b) New standards, interpretations and amendments that have been issued but are not yet effective

The following new standards, interpretation and amendments have been issued, but are not yet effective and have not been early adopted by the Group. The Group's current intention is to apply these changes on the date they become effective.

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

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

The Group is currently assessing the impact of these new accounting standards and amendments. Except for the new standard mentioned below, the Group does not expect any new or amendments to standard and interpretation issued by Hong Kong Institute of Certified Public Accountants, but are yet to be effective, to have a material impact on the Group.

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 Accounting Policies, Changes in Accounting Estimates and Errors and HKFRS 7 Financial Instruments: Disclosures. 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.

3. BASIS OF PREPARATION

(a) Statement of compliance

The consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs") and Interpretations (hereinafter collectively referred to as the "HKFRS Accounting Standards") issued by the Hong Kong Institute of Certified Public Accountants and the disclosure requirements of the Hong Kong Companies Ordinance. In addition, the consolidated financial statements include the applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules").

(b) Basis of measurement

The consolidated financial statements have been prepared under the historical cost basis except for certain financial and non-financial instruments, which are measured at fair values as explained in the accounting policies below.

(c) Functional and presentation currency

The consolidated financial statements are presented in Hong Kong Dollars ("HK$"), which is also the functional currency of the Company and all values are rounded to the nearest thousand ("HK$'000") unless otherwise stated.

4. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION

(a) Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries. Inter-company transactions and balances between group companies together with unrealised profits are eliminated in full in preparing the consolidated financial statements. Unrealised losses are also eliminated unless the transaction provides evidence of impairment on the asset transferred, in which case the loss is recognised in profit or loss.

The results of subsidiaries acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the effective dates of acquisition or up to the effective dates of disposal, as appropriate.

Non-controlling interests in subsidiaries are initially measured at their proportionate share of fair value of the acquiree's identifiable net assets at the date of acquisition.

4. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

(a) Basis of consolidation (Continued)

Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus such non-controlling interest's share of subsequent changes in equity. Non-controlling interests are presented in the consolidated statement of financial position within equity, separately from equity attributable to owners of the Company. Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non- controlling interests, even if this results in those non-controlling interests having a deficit balance.

When the Group loses control of a subsidiary, the gain or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. Amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for on the same basis as would be required if the relevant assets or liabilities were disposed of.

(b) Subsidiaries

A subsidiary is an investee over which the Company is able to exercise control. The Company controls an investee if the Group has: (i) power over the investee, (ii) exposure, or rights, to variable returns from the investee, and (iii) the ability to use its power to affect those variable returns. Control is reassessed whenever facts and circumstances indicate that there may be a change in any of these elements of control.

De-facto control exists in situations where the Company has the practical ability to direct the relevant activities of the investee without holding the majority of the voting rights. In determining whether de-facto control exists, the Company considers all relevant facts and circumstances, including:

- the size of the Company's voting rights relative to both the size and dispersion of other parties who hold voting rights;
- substantive potential voting rights held by the Company and other parties who hold voting rights;
- other contractual arrangements; and
- historic patterns in voting attendance.

In the Company's statement of financial position, investments in subsidiaries are stated at cost less impairment loss, if any. The results of subsidiaries are accounted for by the Company on the basis of dividend received and receivable.

4. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

(c) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. The cost of property, plant and equipment includes its purchase price and the costs directly attributable to the acquisition of the items.

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

Property, plant and equipment are depreciated so as to write off their cost net of expected residual value over their estimated useful lives on a straight-line basis. The estimated useful lives, estimated residual value and depreciation method are reviewed, and adjusted if appropriate, at the end of each reporting period. The estimated useful lives are as follows:

Leasehold improvements	Over the terms of related leases or 33% whichever is shorter
Computer and equipment	20%–33%
Office furniture and equipment	20%
Motor vehicles	20%

The gain or loss on disposal of an item of property, plant and equipment is the difference between the net sale proceeds and its carrying amount, and is recognised in profit or loss on disposal.

(d) Leases

The Group as lessee

All leases are capitalised in the statement of financial position as right-of-use assets and lease liabilities, except for (i) leases which are short-term leases and/or (ii) leases for which the underlying asset is of low-value. The lease payments associated with those leases have been expensed on straight-line basis over the lease term.

Right-of-use asset

The right-of-use asset is initially recognised at cost and would comprise: (i) the amount of the initial measurement of the lease liability (see below for the accounting policy to account for lease liability); (ii) any lease payments made at or before the commencement date, less any lease incentives received; (iii) any initial direct costs incurred by the lessee and (iv) an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset to the condition required by the terms and conditions of the lease.

Subsequent to initial recognition, the Group measures the right-to-use asset at cost, less any accumulated depreciation and any impairment losses, and adjusted for any remeasurement of lease liability.

4. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

(d) Leases (Continued)

Lease liability

The lease liability is recognised at the present value of the lease payments that are not paid at the date of commencement of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Group uses the lessee's incremental borrowing rate.

Subsequent to the commencement date, the Group measures the lease liability by: (i) increasing the carrying amount to reflect interest on the lease liability; (ii) reducing the carrying amount to reflect the lease payments made; and (iii) remeasuring the carrying amount to reflect any reassessment or lease modifications, or to reflect revised in-substance fixed lease payments.

(e) Intangible asset

Trading right held in the Stock Exchange is classified as an intangible asset. Trading right has an indefinite useful life and is carried at cost less accumulated impairment losses. Trading right has no foreseeable limit to the year over which the Group can use to generate net cash inflows. As a result, the trading right is considered by the management of the Group as having an indefinite useful life because it is expected to contribute net cash inflows indefinitely. Trading right will not be amortised until its useful lives are determined to be finite.

(f) Financial instruments

(i) Financial assets

A financial asset (unless it is a trade receivable without a significant financing component) is initially measured at fair value plus, for an item not at fair value through profit or loss ("FVTPL"), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

Trade receivables are initially recognised when they are originated. All regular way purchases and sales of financial assets are recognised on the trade date, that is, the date that the Group commits to purchase or sell the asset. All other financial assets are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

Debt instruments that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets at amortised cost are subsequently measured using the effective interest method. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

All other debt and equity instruments are classified as FVTPL, whereby changes in fair value, dividends and interest income are recognised in profit or loss.

4. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

(f) Financial instruments (Continued)

(ii) Impairment loss on financial assets

The Group recognises loss allowances for expected credit loss ("ECLs") on financial assets measured at amortised cost.

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured 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. The shortfall is then discounted at an approximation to the assets' original effective interest rate.

The Group measures loss allowances for accounts receivable other than accounts receivable arising from securities margin financing services using HKFRS 9 simplified approach and has calculated ECLs based on lifetime ECLs. The Group has established a provision matrix that is based on the Group's historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

For other debt financial assets measured at amortised cost, the ECLs are based on the 12-month ECLs. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward- looking information that is available without undue cost or effort.

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

- failure to make payments of principal or interest on their contractually due dates;
- an actual or expected significant deterioration in a financial instrument's external or internal credit rating (if available);
- significant changes in the value of the collateral supporting the obligation or in the quality of third-party guarantees or credit enhancements, which are expected to reduce the borrower's economic incentive to make scheduled contractual payments or to otherwise have an effect on the probability of a default occurring;
- an actual or expected significant deterioration in the operating results of the debtor; and
- existing or forecast changes in the technological, market, economic or legal environment that have a significant adverse effect on the debtor's ability to meet its obligation to the Group.

4. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

(f) Financial instruments (Continued)

(ii) Impairment loss on financial assets (Continued)

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

The Group considers that a default event occurs when (i) the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising securities (if any is held); or (ii) the financial asset is 90 days past due.

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

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

- significant financial difficulties of the debtor;
- a breach of contract, such as a default or delinquency in interest or principal payments;
- it becoming probable that the borrower will enter into bankruptcy or other financial reorganisation;
- significant changes in the technological, market, economic or legal environment that have an adverse effect on the debtor; or
- the disappearance of an active market for a security because of financial difficulties of the issuer.

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

Interest income on credit-impaired financial assets is calculated based on the amortised cost (i.e. the gross carrying amount less loss allowance) of the financial asset. For non credit-impaired financial assets, interest income is calculated based on the gross carrying amount.

4. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

(f) Financial instruments (Continued)

(iii) Financial liabilities

The Group classifies its financial liabilities, depending on the purpose for which the liabilities were incurred. Financial liabilities at fair value through profit or loss are initially measured at fair value and financial liabilities at amortised costs are initially measured at fair value, net of directly attributable costs incurred.

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognised in profit or loss.

Where a contract contains one or more embedded derivatives, the entire hybrid contract may be designated as a financial liability at fair value through profit or loss, except where the embedded derivative does not significantly modify the cash flows or it is clear that separation of the embedded derivative is prohibited.

Financial liabilities may be designated upon initial recognition as at fair value through profit or loss if the following criteria are met: (i) the designation eliminates or significantly reduces the inconsistent treatment that would otherwise arise from measuring the liabilities or recognising gains or losses on them on a different basis; (ii) the liabilities are part of a group of financial liabilities which are managed and their performance is evaluated on a fair value basis, in accordance with a documented risk management strategy; or (iii) the financial liability contains an embedded derivative that would need to be separately recorded.

Subsequent to initial recognition, financial liabilities at fair value through profit or loss are measured at fair value, with changes in fair value recognised in profit or loss in the period in which they arise, except for the gains and losses arising from the Group's own credit risk which are presented in other comprehensive income with no subsequent reclassification to the statement of profit or loss. The net fair value gain or loss recognised in the statement of profit or loss does not include any interest charged on these financial liabilities.

Financial liabilities at amortised cost

Financial liabilities at amortised cost are subsequently measured at amortised cost, using the effective interest method. The related interest expense is recognised in profit or loss.

Gains or losses are recognised in profit or loss when the liabilities are derecognised as well as through the amortisation process.

4. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

(f) Financial instruments (Continued)

(iv) Convertible loan notes

A conversion option that will be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Group's own equity instruments is a conversion option derivative.

At the date of issue, both the debt component and derivative components are recognised at fair value and the convertible loan notes are designated as at FVTPL. In subsequent period, changes in fair value are recognised in profit or loss as fair value gain or loss except for changes in the fair value that is attributable to changes in the credit risk (excluding changes in fair value of the derivatives component) is recognised in other comprehensive income, unless the recognition of the effects of changes in the credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. Changes in fair value attributable to the credit risk that are recognised in other comprehensive income are not subsequently reclassified to profit or loss, they are transferred to retained profits upon derecognition.

Transaction costs relating to the issue of the convertible loan notes designated as at FVTPL are charged to profit or loss immediately.

(v) Equity instruments

Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

(vi) Derecognition

The Group generally derecognises a financial asset when the contractual rights to the future cash flows in relation to the financial asset expires.

Financial liabilities are derecognised when the obligation specified in the relevant contract is discharged, cancelled or expires.

(vii) Offsetting a financial asset and a financial liability

A financial asset and a financial liability are offset and the net amount is presented in the consolidated statement of financial position when, and only when, the Group has a legally enforceable right to set off the recognised amounts; and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

4. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

(g) Revenue recognition

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

Revenue arising from financial services is recognised on the following basis:

- Sponsorship, financial advisory, and other service income are recognised over time according to the entity's progress towards complete satisfaction of a performance obligation and transaction prices of the contracts. It is recognised over time when the Group has an enforceable right to payment for performance completed to date at all times throughout the duration of the contract and the performance does not create an asset with an alternative use. Payments are received by installments in accordance to the completion of milestones as specified in the mandate;

- Commission income for brokerage business are recognised on execution of purchase, sales or other transactions or services by the Group on behalf of its clients. Commission income is payable two days after the trade date;

- Underwriting, sub-underwriting, placing and sub-placing commissions are recognised at a point in time when the relevant services are completed in accordance with the terms of underlying agreement or deal mandate. Payments are due upon presentation of invoice; and

- Asset management fee income are recognised over time as those services are provided continuously over the contract period and the customers consumed the benefits when they are received. Invoices for these services income are issued on a regular basis based on the terms stated in the contract.

For each of above revenue recognised over time, the Group measured the progress towards complete satisfaction of a performance obligation based on input method, which is based on the Group's efforts or inputs incurred in satisfying a performance obligation relative to the total expected inputs to the satisfaction of that performance obligation ("percentage of completion"), that best depict the Group's performance in transferring control of goods or services.

A contract liability (i.e. deferred revenue) represents the Group's obligation to transfer services to a customer for which the Group has received consideration from the customer.

(h) Foreign currency

Transactions entered into by the group entities in currencies other than the functional currency are recorded at the rates ruling when the transactions occur. Foreign currency monetary assets and liabilities are translated at the rates ruling at the end of reporting period. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

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

4. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

(i) Income taxes

Income taxes for the year comprise current tax and deferred tax. Income taxes are recognised in profit or loss except when they relate to items recognised in other comprehensive income, in which case the taxes are also recognised in other comprehensive income or when they relate to items recognised directly in equity, in which case the taxes are also recognised directly in equity.

Current tax is based on the profit or loss from ordinary activities adjusted for items that are non-assessable or disallowable for income tax purposes and is calculated using tax rates that have been enacted or substantively enacted at the end of reporting period. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects any uncertainty related to income tax.

Deferred tax is recognised in respect of temporary differences. Except for goodwill not deductible for tax purposes and initial recognition of assets and liabilities that are not part of the business combination which affect neither accounting nor taxable profits and does not give rise to equal taxable and deductible temporary difference, taxable temporary differences arising on investments in subsidiaries, where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future, deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised, provided that the deductible temporary differences are not arises from initial recognition of assets and liabilities in a transaction other than in a business combination that affects neither taxable profit nor the accounting profit and does not give rise to equal taxable and deductible temporary difference. Deferred tax is measured at the tax rates appropriate to the expected manner in which the carrying amount of the asset or liability is realised or settled and that have been enacted or substantively enacted at the end of reporting period, and reflects any uncertainty related to income taxes.

(j) Employee benefits

(i) 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.

(ii) Defined contribution retirement plan

Contributions to defined contribution retirement plans are recognised as an expense in profit or loss when the services are rendered by the employees.

4. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

(k) Share-based payments

Where equity instruments are awarded to employees and others providing similar services, the fair value of the services received is measured by reference to the fair value of the equity instruments at the grant date. The grant-date fair value of equity-settled share-based payment arrangements granted to employees is generally recognised as an expense, with a corresponding increase in equity, over the vesting period of the awards. The amount recognised as an expense is adjusted to reflect the number of awards for which the related service and non-market performance conditions are expected to be met, such that the amount ultimately recognised is based on the number of awards that meet the related service and non-market performance conditions at the vesting date.

Upon exercise of share options, the amount previously recognised in share option reserve and the proceeds received net of directly attributable transaction costs up to the nominal value of the share issued are reallocated to share capital with any excess being recorded as share premium. When the share options are forfeited or still not exercised at the expiry date, the amount previously recognised in share option reserve will be transferred to retained earnings/accumulated losses.

(l) Impairment of non-financial assets

At the end of each reporting period, the Group reviews the carrying amounts of the following assets to determine whether there is any indication that those assets have suffered an impairment loss or an impairment loss previously recognised no longer exists or may have decreased:

- property, plant and equipment
- intangible asset
- right-of-use assets

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, irrespective of whether there is any indication that they may be impaired.

Where it is not possible to estimate the recoverable amount of an individual asset, the impairment test is carried out on the smallest group of assets to which it belongs for which there are separately identifiable cash flows (i.e. cash generating unit).

In testing a cash generating unit for impairment, corporate assets are allocated to the relevant cash generating unit on a reasonable and consistent basis of allocation. The recoverable amount is determined for the cash generating unit to which the corporate asset belongs, and is compared with the carrying amount of the relevant cash generating unit.

If the recoverable amount (i.e. the greater of the fair value less costs of disposal and value in use) of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately.

4. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

(m) Cash and cash equivalents

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

(n) Provisions and contingent liabilities

Provisions are recognised for liabilities of uncertain timing or amount when the Group has a legal or constructive obligation as a result of a past event, which will probably result in an outflow of resources embodying economic benefits that can be reliably estimated.

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

(o) Investment in life insurance policy

Investment in life insurance policy is measured at fair value whereby change in fair value is recognised in profit or loss.

5. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

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

(a) Critical judgements in applying accounting policies

Determination of consolidation scope of certain investments

The Group invested in investment funds (the "Investments") for the purpose of this note as well as note 24 which have been formed so that voting or similar rights may not be the dominant factor in deciding who controls the Investments, such as when any voting rights relate to administrative tasks only, and the relevant activities are directed by means of contractual arrangements.

All facts and circumstances must be taken into consideration in the assessment of whether the Group, as an investor, controls the Investments. The principle of control sets out the following three elements of control:

(a) power over the Investments;

(b) exposure, or rights, to variable returns from involvement with the Investments; and

(c) the ability to use power over the Investments to affect the amount of the investor's returns.

An investor's initial assessment of control or its status as a principal or an agent would not change simply because of a change in market conditions (e.g. a change in the investee's returns driven by market conditions), unless the change in market conditions changes one or more of the three elements of control listed above or changes the overall relationship between a principal and an agent.

In conducting the assessment to determine the consolidation scope, the directors consider whether the Group has power to remove or control over the party having the ability to direct the relevant activities of the Investments based on the facts and circumstances and whether the Group has material exposure to variable returns of the Investments or not.

Among the Investments held by the Group where the Group is directly or indirectly involved as an investment manager, the Group regularly assesses and determines whether:

(a) the Group is acting as an agent or a principal in the Investments;

(b) substantive removal rights held by other parties may remove the Group as an investment manager; and

(c) the Investments interests held together with its remuneration from servicing and managing the Investments create significant exposure to variability of returns that is of such significance that indicates the Group is a principal.

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

(b) Key sources of estimation uncertainty

In addition to information disclosed elsewhere in these consolidated financial statements, other key sources of estimation uncertainty that have a significant risk of resulting a material adjustment to the carrying amounts of assets and liabilities within next financial year are as follows:

(i) Useful lives of property, plant and equipment

In accordance with HKAS 16, the Group estimates the useful lives of property, plant and equipment in order to determine the amount of depreciation expenses to be recorded in each period. The useful lives are estimated at the time the asset is acquired based on historical experience, the expected usage, wear and tear of the assets, as well as technical obsolescence arising from changes in the service output of the assets. The Group also performs annual reviews on whether the assumptions made on useful lives continue to be valid. As at 31 March 2025, the carrying amount of property, plant and equipment was approximately HK$2,326,000 (2024: HK$2,240,000).

(ii) Impairment of financial assets measured at amortised cost

Management estimates the amount of loss allowance for ECLs on financial assets that are measured at amortised cost based on the credit risk of the respective financial asset. The loss allowance amount is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows after taking into consideration of expected future credit loss of the respective financial asset. The assessment of the credit risk of the respective financial asset involves high degree of estimation and uncertainty. When the actual future cash flows are different from expected, a material impairment loss or a material reversal of impairment loss may arise, accordingly. At 31 March 2025, total carrying amount of financial assets measured at amortised cost was approximately HK$202,034,000 (2024: HK$181,932,000), net of accumulated impairment losses of accounts receivable and other receivables of approximately HK$27,548,000 (2024: HK$22,190,000).

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

(b) Key sources of estimation uncertainty (Continued)

(iii) Current taxes and deferred taxes

The Group is subject to taxation in Hong Kong. Significant judgement is required in determining the amount of the provision for taxation and the timing of the related payments. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such difference will have impact on the current tax and/or deferred tax provisions in the period in which such determination is made.

(iv) Impairment of non-financial assets

If a triggering event occurs indicating that the carrying amount of an asset may not be recoverable, an assessment of the carrying amount of that asset will be performed. Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, irrespective of whether there is any indication that they may be impaired. Triggering events include significant adverse changes in the market value of an asset, changes in the business or regulatory environment, or certain legal events. The interpretation of such events requires judgement from management with respect to whether such an event has occurred.

In determining the amount of loss to be recognised, the carrying amounts of non-financial assets are compared with their recoverable amounts. The recoverable amount, which is based on value-in-use calculation, is the present value of estimated net future cash flows which the Group expects to generate from the future use of the asset, plus any net cash flows to be received or paid for the disposal of the asset at the end of its useful life. Where the recoverable amount of non-financial assets is less than its carrying value, an impairment loss is recognised to write the assets down to its recoverable amount.

In estimating the recoverable amount, various factors such as forecast of future performance and long-term growth rates and the selection of a suitable discount rates are involved. If these forecast and assumptions prove to be inaccurate or circumstances change, further write- down or reversal of the write-down of the carrying value of the non-financial assets may be required.

As at 31 March 2025, the carrying amount of property, plant and equipment, intangible assets and right-of-use assets were approximately HK$2,326,000, HK$500,000 and HK$15,338,000, respectively (2024: HK$2,240,000, HK$500,000 and HK$880,000, respectively). No impairment has been recognised during the year ended 31 March 2025 (2024: nil).

6. REVENUE AND SEGMENT INFORMATION

Revenue represents consideration expected to be entitled by the Group in respect of service rendered.

Information reported to the executive directors, being the chief operating decision maker (the "CODM"), for the purposes of resource allocation and assessment of segment performance focuses on revenue for each type of services provided. CODM considers the business from service perspectives whereby the performance of the segment is assessed based on revenue generated in the course of the ordinary activities of a recurring nature of the Group.

The CODM considers the businesses of the Group as a whole which engaged in financial services. Therefore, the management of the Group considers that the Group only has one single operating segment.

As no discrete financial information is available for identifying operating segments among different services, no further analysis of segment information is presented.

Geographical information

No geographical segment information is presented as the Group's revenue are all derived from Hong Kong based on the location of services delivered and the Group's non-current assets (excluding financial assets) are all located in Hong Kong.

Information about major customers

During the years ended 31 March 2025 and 2024, revenue from major customers who contributed over 10% of the total revenue of the Group is as follows:

	2025 **HK$'000**	2024 HK$'000
Customer A	**N/A***	17,248

* The corresponding revenue did not contribute over 10% of total revenue of the Group

Revenue contributed from customer A is derived from corporate finance advisory services and/or securities and underwriting services.

6. REVENUE AND SEGMENT INFORMATION (Continued)

(a) Nature of services

Services	Nature, timing of satisfaction of performance obligation and significant payment terms
(i) Corporate finance advisory services	Acting as a sponsor to companies seeking to list their shares on the Stock Exchange, advising and guiding them and their directors throughout the listing process. Sponsor fee income are recognised over time during the initial public offering ("IPO") process; Acting as a financial adviser to companies listed in Hong Kong as well as their shareholders and investors and advising them on transactions involving the Listing Rules, GEM Listing Rules or Takeovers Code. Financial advisory fee income are recognised over time during the service period; Acting as an independent financial adviser to independent board committees and independent shareholders of companies listed in Hong Kong and rendering recommendations and opinions. Independent advisory fee income are recognised over time during the service period; and Acting as a compliance adviser to companies listed in Hong Kong and advising them on post-listing matter. Compliance advisory fee income are recognised over time during the compliance service period.
(ii) Securities and underwriting services	
(1) Placing and underwriting services	Acting as a global coordinator, a bookrunner, a lead manager or an underwriter for listing applicants in IPOs and acting as an underwriter or a placing agent for secondary market transactions. Income is recognised at point in time and billed when the service obligation is completed (e.g. when the listing approval is obtained and the shares are listed on the Stock Exchange).

6. REVENUE AND SEGMENT INFORMATION (Continued)

(a) Nature of services (Continued)

Services	Nature, timing of satisfaction of performance obligation and significant payment terms
(2) Securities dealing and brokerage services	Providing securities dealing and brokerage services for trading of securities on the Stock Exchange (including equities, exchange traded products, derivative warrants, callable bull/bear contracts, real estate investment trusts and debt securities) and securities on the major exchanges in the United States. Commission income is recognised as income on a trade date basis when the services are rendered. Service fee is billed when the service obligation is completed (e.g. when the trading of securities is executed).
(iii) Asset management services	Providing investment advisory and asset management services. The asset management income is charged at a fixed percentage per annum of the asset value of the funds under management of the Group. The Group is also entitled to a performance fee for certain accounts when pre-set performance target for the relevant performance period is met. Performance target is evaluated on an annual basis for each of the account. The performance fee is recognised when it is highly probable that a significant reversal in the cumulative revenue recognised will not occur.

6. REVENUE AND SEGMENT INFORMATION (Continued)

(a) Nature of services (Continued)

The Group's revenue recognised during the year is as follows:

	2025 HK$'000	2024 HK$'000
Corporate finance advisory services		
Sponsor fee income	**3,199**	7,901
Advisory fee income		
– financial and independent financial advisory	**17,919**	51,515
– compliance advisory	**360**	859
	21,478	60,275
Securities and underwriting services	**4,041**	8,531
Interest income from margin financing services	**7,117**	11,127
Asset management services	**288**	4,932
Net (loss)/gain from financial assets at fair value through profit or loss	**(7,753)**	9,308
Total	**25,171**	94,173

	2025 HK$'000	2024 HK$'000
Revenue from contracts with customers:		
Corporate finance advisory services	**21,478**	60,275
Securities and underwriting services	**4,041**	8,531
Asset management services	**288**	4,932
	25,807	73,738
Revenue from other sources:		
Interest income from margin financing services	**7,117**	11,127
Interest income from financial assets at fair value through profit or loss	**–**	75
Dividend income from financial assets at fair value through profit or loss	**232**	483
Net changes in fair value on financial assets at fair value through profit or loss	**(7,985)**	8,750
	(636)	20,435
	25,171	94,173

6. REVENUE AND SEGMENT INFORMATION (Continued)

(b) Timing of revenue recognition from contracts with customers

	2025 HK$'000	2024 HK$'000
Services transferred at a point in time	**4,041**	25,779
Services transferred over time	**21,766**	47,959
Total	**25,807**	73,738

(c) Contract balances

The following table provides information about accounts receivable and contract liabilities from contracts with customers at the end of the year.

	2025 HK$'000	2024 HK$'000
Accounts receivable (note 17)	**39,711**	100,280
Deferred revenue	**920**	970

Movements in deferred revenue

	2025 HK$'000	2024 HK$'000
Balance as at beginning of the year	**970**	2,021
Decrease in deferred revenue as a result of recognising revenue during the year that was included in deferred revenue at the beginning of the year	**(863)**	(1,931)
Increase in deferred revenue as a result of billing in advance of corporate finance advisory services	**813**	880
Balance as at end of the year	**920**	970

Sponsor fee income is generally received in advance prior to the beginning of each project and is initially recorded as deferred revenue in the consolidated statement of financial position. The portion of consideration received from customers but not yet recognised as revenue is recorded as deferred revenue in the consolidated statement of financial position and included in current liability if such amount represents revenue that the Group expects to be recognised within one year from each reporting date or within the normal operating cycle.

6. REVENUE AND SEGMENT INFORMATION (Continued)

(d) Transaction price allocated to the remaining performance obligations

As at 31 March 2025 and 2024, the aggregated amount of the transaction price allocated to the remaining performance obligations under the Group's existing contracts are approximately HK$18,635,000 and HK$23,991,000 respectively. This amount represents revenue expected to be recognised in the future from partially completed long-term service contracts. The Group will recognise the expected revenue in future when or as the promised services has been provided, which is expected to occur in the next 1 to 11 months (2024: 1 to 13 months).

7. OTHER INCOME AND GAINS OR LOSSES, NET

	2025 HK$'000	2024 HK$'000
Interest income	**757**	326
Exchange (loss)/gain, net	**(43)**	400
Gain on fair value change of investment in life insurance policy	**111**	142
Gain on disposal of subsidiary (note 36)	**314**	–
Loss on fair value change of convertible bonds	**116**	472
Share of results of consolidated investment fund attributable to other redeemable participating shareholders	**3,930**	(3,544)
	5,185	(2,204)

8. LOSS BEFORE INCOME TAX

The Group's loss before income tax is arrived at after charging:

	2025 **HK$'000**	2024 HK$'000
Auditor's remuneration	**770**	770
Depreciation of property, plant and equipment (note 14)	**1,085**	998
Depreciation of right-of-use assets (note 25)		
– Leased properties	**3,360**	6,526
– Office equipment	**115**	–
	3,475	6,526
Low value assets lease expenses (note 25)	**–**	108
Staff costs (including directors' remuneration):		
– Salaries, allowances and other benefits	**34,143**	53,804
– Equity settled share-based payment expenses (note 31)	**478**	–
– Contributions to retirement benefits schemes	**596**	690
Total staff costs	**35,217**	54,494

9. DIRECTORS' REMUNERATION AND FIVE HIGHEST PAID INDIVIDUALS

(a) Directors' remuneration

The emolument of each of the directors for the year is set out below:

	Fees HK$'000	Salaries, allowances and other benefits HK$'000	Bonus HK$'000	Equity settled share-based payment expenses HK$'000	Contributions to retirement benefits schemes HK$'000	Total HK$'000
Year ended 31 March 2025						
Executive directors:						
Mr. Mui Ho Cheung Gary ("Mr. Mui")	–	742	5,000	282	18	6,042
Mr. Liu Chi Wai ("Mr. Liu")	–	1,676	595	28	18	2,317
Mr. Ng Siu Hin Stanley ("Mr. Ng")	–	1,468	62	28	18	1,576
Ms. Ho Sze Man Kristie ("Ms. Ho")	–	1,676	720	28	18	2,442
Mr. Tang Chun Fai Billy ("Mr. Tang")	–	1,440	–	28	18	1,486
	–	7,002	6,377	394	90	13,863
Independent non-executive directors:						
Ms. Lim Yan Xin Reina	180	–	–	28	–	208
Mr. Poon Lai Yin Michael	180	–	–	28	–	208
Dr. Wong Ho Ki	180	–	–	28	–	208
	540	–	–	84	–	624
Total	540	7,002	6,377	478	90	14,487

9. DIRECTORS' REMUNERATION AND FIVE HIGHEST PAID INDIVIDUALS (Continued)

(a) Directors' remuneration (Continued)

	Fees HK$'000	Salaries, allowances and other benefits HK$'000	Bonus HK$'000	Equity settled share-based payment expenses HK$'000	Contributions to retirement benefits schemes HK$'000	Total HK$'000
Year ended 31 March 2024						
Executive directors:						
Mr. Mui Ho Cheung Gary ("Mr. Mui")	–	720	10,000	–	18	10,738
Mr. Liu Chi Wai ("Mr. Liu")	–	1,560	1,980	–	18	3,558
Mr. Ng Siu Hin Stanley ("Mr. Ng")	–	1,560	810	–	18	2,388
Ms. Ho Sze Man Kristie ("Ms. Ho")	–	1,560	540	–	18	2,118
Mr. Tang Chun Fai Billy ("Mr. Tang")	–	1,860	2,220	–	18	4,098
	–	7,260	15,550	–	90	22,900
Independent non-executive directors:						
Ms. Lim Yan Xin Reina	180	–	–	–	–	180
Mr. Poon Lai Yin Michael	180	–	–	–	–	180
Dr. Wong Ho Ki	180	–	–	–	–	180
	540	–	–	–	–	540
Total	540	7,260	15,550	–	90	23,440

There was no arrangement under which a director waived or agreed to waive any emoluments during the years ended 31 March 2025 and 2024.

Bonus is determined at the management's sole discretion based on, among other things, the relevant employee's performance and the Group's financial performance.

9. DIRECTORS' REMUNERATION AND FIVE HIGHEST PAID INDIVIDUALS (Continued)

(a) Directors' remuneration (Continued)

As at 31 March 2025 and 2024, save as disclosed in note 17(i) to the consolidated financial statements, there is no other loans, quasi-loans and other dealing arrangements in favour of directors, bodies corporate controlled by and entities connected with such directors (2024: nil).

Save as disclosed in notes 17, 31 and 37 to the consolidated financial statements, no significant transactions, arrangements and contracts in relation to the Group's business to which the Group was a party and in which a director of the Group had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the years ended 31 March 2025 and 2024.

(b) Five highest paid individuals

The five individuals whose emoluments were the highest in the Group for the year included five directors (2024: five directors) of the Company whose emoluments are included in the disclosure presented above.

10. FINANCE COSTS

The Group's finance costs are recognised as follows:

	2025 **HK$'000**	2024 HK$'000
Interest on bank borrowings	**722**	1,736
Interest on margin financing	**129**	170
Interest on lease liabilities (note 25)	**1,465**	43
	2,316	1,949

11. INCOME TAX EXPENSES/(CREDITS)

	2025 **HK$'000**	2024 HK$'000
Current tax – Hong Kong profits tax – Charged for the year	**–**	–
Withholding tax on dividend income	**26**	53
Deferred tax – credited for the year (note 30)	**–**	(147)
Income tax expenses/(credits)	**26**	(94)

Hong Kong profits tax was provided at a rate of 16.5% on the estimated assessable profits for the years ended 31 March 2025 and 2024, except for one subsidiary of the Group which is a qualifying corporation under the two-tiered profits tax rates regime. Under the two-tiered profits tax rate regime, the first HK$2 million of profits of qualifying entities are taxed at 8.25%, and the profits above HK$2 million are taxed at 16.5%.

Dividend income received from listed equity investments in the United States is subject to withholding tax imposed in the country of origin. During the year ended 31 March 2025, the withholding tax rate was 21% to 30% (2024: 21% to 30%).

11. INCOME TAX EXPENSES/(CREDITS) (Continued)

The income tax expenses/(credits) for the year can be reconciled to the loss before income tax in the consolidated statement of profit or loss and other comprehensive income as follows:

	2025 HK$'000	2024 HK$'000
Loss before income tax	**(35,114)**	(4,323)
Tax calculated at the applicable tax rates	**(5,794)**	(713)
Tax effect of non-taxable income	**(2,070)**	(1,703)
Tax effect of non-deductible expenses	**3,119**	1,560
Tax effect of deductible temporary differences not recognised	**768**	1,721
Tax effect of tax losses not recognised	**3,977**	288
Tax effect of utilisation of tax losses not recognised	**–**	(1,300)
Withholding tax on dividend income	**26**	53
Income tax expenses/(credits)	**26**	(94)

As at 31 March 2025, the Group has estimated unused tax losses of approximately HK$36,994,000 (2024: HK$12,889,000) which were available for offset against future taxable profits. No deferred tax asset has been recognised in respect of the estimated tax losses as it is not probable that taxable profit will be available against which the tax losses can be utilised. The estimated tax losses have no expiry date.

As at 31 March 2025, the Group has deductible temporary differences of approximately HK$37,113,000 (2024: HK$32,460,000). No deferred tax asset has been recognised in relation to such deductible temporary difference because, in the opinion of the directors, it is not probable that taxable profits will be available against which those deductible temporary differences can be utilised.

12. DIVIDENDS

	2025 HK$'000	2024 HK$'000
Interim dividend of HK$nil per ordinary share paid during the year (2024: HK$0.025 per ordinary share)	**–**	10,149

13. LOSS PER SHARE

The calculation of the basic and diluted loss per share attributable to the ordinary equity holders of the Company is based on the following data:

	2025 **HK$'000**	2024 HK$'000
Loss for the year attributable to owners of the Company	**(34,997)**	(3,987)

	2025	2024
Weighted average number of ordinary shares for the purpose of basic loss per share	**405,962,965**	405,962,965
Effect of dilutive potential ordinary shares in respect of the Company's share option schemes and convertible bonds issued by a subsidiary (notes (ii) and (iii))	**–**	–
Weighted average number of ordinary shares for the purpose of diluted loss per share	**405,962,965**	405,962,965

Notes:

(i) Basic loss per share is calculated by dividing loss for the year attributable to owners of the Company by the weighted average number of ordinary shares in issue of the Company during the year.

(ii) The calculation of diluted loss per share is based on loss for the year attributable to owners of the Company and the weighted average number of ordinary shares after adjustment for the effect of the exercise of the Company's outstanding share options under the Pre-IPO share option and share option scheme, and assuming the exercise is made at no consideration at the beginning of the year or the grant date, whichever is the later.

The Company's share options outstanding for the year ended 31 March 2025 do not have dilutive effect to the loss per share because the sum of exercise price and fair value of services yet to be rendered per option were higher than the average market price of the Company's shares during the year ended 31 March 2025 (2024: the same).

(iii) The effect of convertible bonds issued by a subsidiary is not considered for the calculation of diluted loss per share as it reduced loss for the year attributable to owners of the Company.

14. PROPERTY, PLANT AND EQUIPMENT

	Leasehold improvements HK$'000	Computer and equipment HK$'000	Office furniture and equipment HK$'000	Motor vehicles HK$'000	Total HK$'000
Cost:					
At 1 April 2023	3,998	2,058	387	3,550	9,993
Additions	–	–	–	1,350	1,350
At 31 March 2024 and 1 April 2024	3,998	2,058	387	4,900	11,343
Additions	935	52	184	–	1,171
Written off	(3,996)	–	–	–	(3,996)
At 31 March 2025	937	2,110	571	4,900	8,518
Accumulated depreciation:					
At 1 April 2023	3,885	2,010	367	1,843	8,105
Provided for the year	113	25	15	845	998
At 31 March 2024 and 1 April 2024	3,998	2,035	382	2,688	9,103
Provided for the year	135	23	40	887	1,085
Written off	(3,996)	–	–	–	(3,996)
At 31 March 2025	137	2,058	422	3,575	6,192
Net carrying amount:					
At 31 March 2025	800	52	149	1,325	2,326
At 31 March 2024	–	23	5	2,212	2,240

15. INTANGIBLE ASSET

	Total HK$'000
Cost and net carrying amount:	
At 1 April 2023, 31 March 2024, 1 April 2024 and 31 March 2025	500

As at 31 March 2025 and 2024, intangible asset comprised trading rights held in the Stock Exchange, which allow the Group to trade securities on or through the Stock Exchange. It is considered by the Group's management as having an indefinite useful life since it is expected to generate net cash inflow indefinitely; and therefore, it is required to be tested for impairment annually and is considered not impaired at the reporting date.

16. FINANCIAL ASSETS AND FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS

Financial assets and financial liabilities at fair value through profit or loss as at 31 March 2025 mainly represented securities, bonds and other financial derivative listed in Hong Kong, Amsterdam, Taiwan and the United States (2024: Hong Kong, Amsterdam, Japan and the United States). Fair value of the listed securities, bonds and other financial derivative have been determined by reference to their quoted bid prices at the reporting date in active markets and inactive markets.

17. ACCOUNTS RECEIVABLE

	Notes	2025 HK$'000	2024 HK$'000
Accounts receivable arising from:			
– Securities margin financing services	(i)	**35,660**	85,421
– Securities dealing and brokerage services from the clearing house	(ii)	**–**	6,788
– Corporate advisory and other services	(iii)	**2,258**	4,636
– Asset management services	(iii)	**2**	–
Accounts receivable from brokers	(iv)	**1,791**	3,435
		39,711	100,280

Notes:

(i) Advances to margin clients in margin financing are repayable within one year or on demand and carry interest at Hong Kong Dollar Prime Rate plus a spread. Credit facility limits for margin clients are determined by discounted market value of securities collateral accepted by the Group. Fair values of these securities at 31 March 2025 and 2024 were approximately HK$42,205,000 and HK$536,950,000, respectively. Based on agreement terms with margin clients, the Group is permitted to sell or repledge securities in securities account in the absence of default by margin clients.

No ageing analysis is disclosed as, in the opinion of the directors, an ageing analysis does not give additional value to users of these financial statements in view of the business nature of securities margin financing services.

The Group evaluates the collectability of loans based on management's judgement regarding the change in credit quality, collateral value and past collection history of each margin client. At 31 March 2025 and 2024, the Group has a concentration of credit risk on accounts receivable arising from margin clients. The top five accounts receivable of the Group from margin clients constituted approximately 72.9% of total accounts receivable from margin clients at 31 March 2025 (2024: 58.5%).

17. ACCOUNTS RECEIVABLE (Continued)

Notes: (Continued)

(i) (Continued)

Details of margin loan granted to Mr. Mui, a director of the Company, are as follows:

Name of the director	Outstanding balance at the beginning of the year HK$'000	Outstanding balance at the end of the year HK$'000	Maximum outstanding balance during the year HK$'000	Margin finance facilities approved HK$'000
At 31 March 2025				
Mr. Mui	**1,537**	**1,002**	**1,537**	**2,000**
At 31 March 2024				
Mr. Mui	1,408	1,537	1,537	2,000

The margin loan granted to Mr. Mui were secured by securities, bearing interest at Hong Kong Dollar Prime Rate plus a spread and repayable on demand.

(ii) The settlement of accounts receivable from the clearing house are 2 days after the trade date. The balance is not yet past due at the reporting date.

(iii) In respect of accounts receivable arising from corporate advisory and other services, the ageing analysis based on invoice date (net of impairment loss) is as follows:

	2025 HK$'000	2024 HK$'000
Less than 30 days	**974**	648
31–90 days	**31**	2,109
91–365 days	**1,254**	1,879
Over 365 days	**1**	–
	2,260	4,636

Movements in the provision for impairment of accounts receivable are as follows:

	2025 HK$'000	2024 HK$'000
Opening balance	**14,618**	10,605
Impairment losses recognised	**7,225**	11,167
Written off against receivables	**(1,629)**	(7,154)
Recovered during the year	**200**	–
Closing balance	**20,414**	14,618

(iv) The Group has no credit terms for the accounts receivable from broker. The balance is not yet past due at the reporting date.

18. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	Notes	**2025 HK$'000**	2024 HK$'000
Other receivables	(i), (ii)	**935**	1,515
Deposits		**1,417**	2,924
Prepayments		**931**	465
		3,283	4,904
Non-current portion			
Deposits		**(1,321)**	(1,366)
Prepayments		**(190)**	(204)
		(1,511)	(1,570)
Current portion		**1,772**	3,334

Note:

(i) Movements in the provision for impairment of other receivables are as follows:

	2025 HK$'000	2024 HK$'000
Opening balance	**7,572**	6,384
Impairment losses (reversed)/recognised	**(438)**	1,188
Closing balance	**7,134**	7,572

(ii) Salary reimbursement from a staff of HK$500,000 was included in other receivables in 2024. The balance is fully settled during the year.

19. PLEDGED BANK DEPOSIT

As at 31 March 2025, HK$10,000,000 (2024: HK$10,000,000) was pledged to a bank for securing bank facilities granted to the Group. The deposit carried interests at 0.98% per annum for the year ended 31 March 2025 (2024: 0.98% per annum).

20. CASH AND BANK BALANCES – HELD ON BEHALF OF CUSTOMERS

The Group maintains segregated client accounts with a recognised institution to hold clients' monies arising from its normal course of business. The Group has classified the clients' monies as cash and bank balances – held on behalf of customers under the current assets section of the consolidated statement of financial position and recognised the corresponding accounts payable (note 22) to respective clients as it is liable for any loss or misappropriation of clients' monies. The segregated clients account balances are restricted and governed by the Hong Kong Securities and Futures (Client Money) Rules under the Hong Kong Securities and Futures Ordinance.

21. CASH AND BANK BALANCES

Cash at banks earns interest at floating rates based on daily bank deposit rates.

22. ACCOUNTS PAYABLE

	Notes	2025 HK$'000	2024 HK$'000
Accounts payable arising from securities dealing and brokerage services	(i)		
– Cash clients		**105,280**	22,790
– Margin clients		**4,662**	13,836
– Clearing house		**4**	–
Accounts payable to broker	(ii)	**376**	7,303
		110,322	43,929

Notes:

(i) The settlement terms of accounts payable attributable to securities dealing and brokerage services are two days after the trade date.

No ageing analysis is disclosed as, in the opinion of the directors, an ageing analysis does not give additional value to users of these financial statements in view of the business nature of securities dealing and brokerage services.

As at 31 March 2025, included in accounts payable arising from securities dealing and brokerage services was an amount of approximately HK$107,860,000 (2024: HK$25,940,000) payable to clients in respect of segregated account balances received and held for clients in the course of conducting the regulated activities.

(ii) As at 31 March 2025, amounts payable to broker are secured by securities held by the Group with amount of approximately HK$15,336,000 (2024: HK$34,065,000) which are now or which shall at any time hereafter be deposited with, transferred to or held by the brokers for the Group's obligations under the relevant agreements.

The Group had unutilised credit limit of approximately HK$9,108,000 from margin finance facilities as at 31 March 2025 (2024: HK$19,629,000).

23. ACCRUALS AND OTHER PAYABLES

	2025 HK$'000	2024 HK$'000
Accrued staff costs	**4,459**	5,141
Other accruals	**1,446**	742
	5,905	5,883
Deposit received	**1**	–
Other payables	**1,081**	3,245
	6,987	9,128
Non-current portion		
Other accruals	**(192)**	–
Current portion	**6,795**	9,128

24. INTERESTS IN CONSOLIDATED INVESTMENT FUND AND OTHER FINANCIAL LIABILITIES

Lego Funds SPC Limited was incorporated in the Cayman Islands under the Companies Law as a segregated portfolio company with limited liability on 14 February 2019. Lego Vision Fund SP (the "Investment") is a segregated portfolio under Lego Funds SPC Limited with initial subscription date of 28 March 2019 and was launched on 1 April 2019.

As at 31 March 2025, approximately 28,807 shares and 23,365 shares in Lego Vision Fund SP Class A were held by the Group and other parties (represented approximately 55.2% and 44.8% of issued redeemable participating shares) at a consideration of approximately US$3,000,000 (equivalent to approximately HK$23,400,000) and US$3,637,000 (equivalent to approximately HK$28,369,000), respectively.

As at 31 March 2024, approximately 28,807 shares and 30,310 shares in Lego Vision Fund SP Class A were held by the Group and other parties (represented approximately 48.7% and 51.3% of issued redeemable participating shares) at a consideration of approximately US$3,000,000 (equivalent to approximately HK$23,400,000) and US$4,148,000 (equivalent to approximately HK$32,357,000), respectively.

The Group invested in the Investment with primary objectives for capital appreciation, investment gains and selling in the near future for profit. The Investment is set up and managed by respective investment manager who has the power and authority to manage and make decisions for the Investment. Among the Investment held by the Group, where the Group is directly or indirectly involved as an investment manager and also as an investor, the Group regularly assesses and determines whether:

(i) the Group is acting as an agent or a principal in the Investment;

(ii) substantive removal rights held by other parties may remove the Group as an investment manager; and

(iii) the Investment interests held together with its remuneration from servicing and managing the Investment create significant exposure to variability of returns that is of such significance that indicates the Group is a principal.

In the opinion of the directors, the variable returns that the Group is exposed to with respect to the Investment are significant and the Group is primarily acting as a principal and not subject to substantive removal rights held by other parties who may remove the Group as an investment manager. Therefore, the Group did consolidate the Investment.

As at 31 March 2025, total assets and total liabilities (excluding other parties' interest as stated below) of the Investment, were approximately HK$16,422,000 and HK$4,001,000 (31 March 2024: HK$21,346,000 and HK$4,420,000), respectively.

As at 31 March 2025, other parties' interests in the Investment consist of other redeemable participating shareholders' interests in the Investment which are reflected as a liability at approximately HK$9,890,000 (2024: HK$17,808,000) because they can be put back to the Group for cash at any time on demand. The realisation of net assets in the Investment attributable to other parties cannot be predicted with accuracy because the realisation is subject to the actions of other parties.

For the year ended 31 March 2025, share of results of consolidated investment fund attributable to other redeemable participating shareholders of approximately HK$3,930,000 (2024: HK$3,544,000) was included in "other income and gains or losses, net".

25. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

The Group leases two properties and one office equipment in Hong Kong from which it operates in the capacity of lessee. The periodic rent of lease contracts comprise only fixed payments over the lease terms.

The Group also leases certain items of office equipment in 2024, which the Group had elected to apply the recognition exemption for leases of low-value assets to these leases. Leases of office equipment comprise only fixed payments over the lease terms.

(a) Right-of-use assets

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

	2025 HK$'000	2024 HK$'000
Leased properties	**14,879**	880
Office equipment	**459**	–
Total	**15,338**	880

(b) Lease liabilities

	2025 HK$'000	2024 HK$'000
Balance as at beginning of the year	**443**	5,350
Addition	**17,741**	502
Interest on lease liabilities (note 10)	**1,465**	43
Lease payments	**(3,549)**	(5,452)
Balance as at end of the year	**16,100**	443

25. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (Continued)

(b) Lease liabilities (Continued)

Future lease payments are due as follows:

	Future lease payments HK$'000	Interest HK$'000	Present value HK$'000
31 March 2025			
Not later than one year	**4,018**	**1,052**	**2,966**
Later than one year and not later than two years	**7,630**	**1,464**	**6,166**
Later than two years and not later than five years	**7,494**	**526**	**6,968**
	19,142	**3,042**	**16,100**
31 March 2024			
Not later than one year	269	23	246
Later than one year and not later than two years	203	6	197
Later than two years and not later than five years	–	–	–
	472	29	443

The present value of future lease payments is analysed as:

	2025 HK$'000	2024 HK$'000
Current liabilities	**2,966**	246
Non-current liabilities	**13,134**	197
	16,100	443

(c) Amounts recognised in profit or loss

	2025 HK$'000	2024 HK$'000
Low value assets lease expenses (note 8)	**–**	108
Depreciation of right-of-use assets (note 8)	**3,475**	6,526
Interest on lease liabilities (note 10)	**1,465**	43
	4,940	6,677

25. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (Continued)

(d) Other

During the year ended 31 March 2025, the total cash outflow for lease amount to approximately HK$3,549,000 (2024: HK$5,452,000).

26. CONVERTIBLE BONDS

On 12 October 2018, a subsidiary of the Group, Lohas Holdings Limited ("Lohas Holdings") issued convertible bonds at its face value of US$250,000 to WS International Limited (a shareholder of Lohas Holdings). WS International Limited is an independent third party to the Group.

The convertible bonds are denominated in US$, unsecured, bear no interest and had an original maturity date of 31 December 2022. The convertible bonds shall be converted into Lohas Holdings' share at a conversion price, which is based on the latest consolidated net asset value per share of Lohas Holdings upon the conversion request at any time before the maturity date. No redemption is allowed before the maturity date. All of the convertible bonds shall be automatically converted into Lohas Holdings' shares immediately before the maturity date if such convertible bonds have not been converted.

At the date the Group acquired Lohas Holdings, there were outstanding convertible bonds with principal amount of US$150,000 (equivalent to approximately HK$1,170,000).

On 31 December 2022, Lohas Holdings and WS International Limited entered into the 1st Deed of Amendment to extend the maturity date of the remaining outstanding convertible bonds to 31 December 2024 and amend certain terms, including amendments to maturity date and certain amendments regarding the undertaking given by Lohas Holdings to WS International Limited. Save as amended and supplemented by the 1st Deed of Amendments, all other terms and conditions of the subscription agreement signed on 12 October 2018 shall remain in full force and effect.

Under the 1st Deed of Amendment, the parties thereto agreed to, amongst others, the following principal amendments:

the maturity date of the convertible bonds will be changed from the date falling 24 months from the original maturity date, upon the 1st Deed of Amendment of the convertible bonds. The conversion period will accordingly be extended for 24 months to 31 December 2024.

The convertible bonds are classified as financial liabilities at fair value through profit or loss. During the period, there is loss on fair value of convertible bond of US$15,000 (equivalent to HK$116,000). The convertible bond is transferred by WS International Limited to an independent third party, Moreplus Limited. On 17 December 2024, the whole convertible bonds are converted and 375 shares are allotted to Moreplus Limited (2024: nil).

27. BANK BORROWINGS

	2025 HK$'000	2024 HK$'000
Current – Secured		
Bank loans due for repayment within one year or on demand	**5,490**	24,639

Bank loans are secured by the Group's bank deposits amounted to HK$10,000,000 (2024: HK$10,000,000) (note 19), and investment in life insurance policy amounted to HK$3,720,000 (2024: HK$3,609,000) (note 35), guaranteed by the Company with unlimited amount and a letter of undertaking granted by a director of the Company. The bank loans carried floating rates at Hong Kong Interbank Offered Rate ("HIBOR") plus a spread which ranges from 1.25% to 2.5%.

28. SHARE CAPITAL

	Par value	Number of shares	Amount HK$'000
Authorised:			
At 1 April 2023 and 31 March 2024, 1 April 2024 and 31 March 2025	HK$0.01	10,000,000,000	100,000
Issued and fully paid:			
At 1 April 2023 and 31 March 2024, 1 April 2024 and 31 March 2025	HK$0.01	405,962,965	4,060

29. RESERVES

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

Reserves of the Company:

	Share option reserve HK$'000	Accumulated losses HK$'000	Total HK$'000
At 1 April 2023	3,317	(7,071)	(3,754)
Profit and total comprehensive income for the year	–	17,077	17,077
Lapse of share options	(46)	46	–
Interim dividend	–	(10,149)	(10,149)
At 31 March 2024 and 1 April 2024	3,271	(97)	3,174
Loss and total comprehensive expense for the year	–	(25,717)	(25,717)
Recognition of equity-settled share-based compensation	478	–	478
At 31 March 2025	3,749	(25,814)	(22,065)

The following describes the nature and purpose of each reserve within owners' equity.

Reserves	Description and purpose
Share option reserve (note 31)	Cumulative expense recognised on the granting of share options to the grantees over the vesting periods.
Other reserve	The aggregate amount of share capital of subsidiaries comprising the Group pursuant to group reorganisation prior to the listing of the Company's shares.
Accumulated losses	Cumulative net profit and loss recognised in statement of profit or loss.

30. DEFERRED TAX ASSET

The deferred tax balances recognised by the Group and the movement therein during the year are as follows:

	Tax losses HK$'000	Total HK$'000
At 1 April 2023	–	–
Credited to profit or loss for the year	147	147
At 31 March 2024, 1 April 2024 and 31 March 2025	147	147

31. SHARE-BASED PAYMENT TRANSACTIONS

(a) Pre-IPO Share Option Scheme

The Group operates a pre-IPO share option scheme (the "Pre-IPO Share Option Scheme") in order to motivate and retain key staff of the Group for the operation and development of the Group. Eligible participants of the Pre-IPO Share Option Scheme include the Group's directors and employees. The Pre-IPO Share Option Scheme was conditionally adopted on 6 March 2019 and, unless otherwise cancelled or amended, will remain in force until 6 March 2027, being the eighth anniversary of the date of adoption of the Pre-IPO Share Option Scheme.

On 6 March 2019, the Group conditionally granted 33,041,054 options to 44 grantees to subscribe for an aggregate of 33,041,054 shares under the Pre-IPO Share Option Scheme for a consideration of HK$1 per grant.

An option shall vest unto a grantee and may be exercised in whole or in part by the grantee at HK$0.6 per Share during the option period (the "Option Period"), being a period commencing from the Listing Date (i.e. 30 September 2019) and ending on 6 March 2027, being the eighth anniversary of the date of adoption of the Pre-IPO Share Option Scheme, and in accordance with the manner provided in the grant letter of the option issued by the Company to the grantee subject to any adjustments under the Pre-IPO Share Option Scheme. The options shall only be exercised in following manner:

(a) not more than 10,200,000 Shares (representing not more than 30% of the total number of Shares to be allotted and issued pursuant to the exercise of all the options under the Pre-IPO Share Option Scheme) comprised in all the options under the Pre-IPO Share Option Scheme shall vest unto the grantees and become exercisable during the period commencing from the Listing Date and ending on the day immediately before the first anniversary of the Listing Date (the "First Vesting Period");

(b) not more than 10,200,000 Shares (representing not more than 30% of the total number of Shares to be allotted and issued pursuant to the exercise of all the options under the Pre-IPO Share Option Scheme) comprised in all the options under the Pre-IPO Share Option Scheme shall vest unto the grantees and become exercisable during the period commencing on the day falling on the first anniversary of the Listing Date and ending on the day immediately before the second anniversary of the Listing Date (the "Second Vesting Period"); and

31. SHARE-BASED PAYMENT TRANSACTIONS (Continued)

(a) Pre-IPO Share Option Scheme (Continued)

(c) the remaining Shares comprised in the options under the Pre-IPO Share Option Scheme (being not more than 13,600,000 Shares, representing not more than 40% of the total number of Shares to be allotted and issued pursuant to the exercise of all the options under the Pre-IPO Share Option Scheme) shall vest unto the grantees and become exercisable during the period commencing on the day falling on the second anniversary of the Listing Date and ending on the day immediately before the third anniversary of the Listing Date (the "Third Vesting Period"). For the avoidance of doubt, any outstanding and unexercised option(s) at the end of the First Vesting Period shall be carried over to the Second Vesting Period and shall be exercisable during the Second Vesting Period. Any outstanding and unexercised option(s) at the end of the Second Vesting Period shall be carried over to the Third Vesting Period and shall be exercisable during the Third Vesting Period and until the end of the Option Period.

The estimated fair value of the options granted on the grant date is approximately HK$9,037,000.

The fair value was measured using the Binomial Option Pricing model. The inputs used in the model were as follows:

Share Options granted on 6 March 2019:

Risk-free Rate (Continuous rate)	1.69%
Share Value as at the Appraisal Date	HK$0.46 per share
Initial Exercise Price	HK$0.60
Expected Tenor	8 years
Expected Volatility	60.84%
Expected Dividend Yield	0.00%

The Binomial Option Pricing model has been used to estimate the fair value of the options. The variables and assumptions used in computing the fair value of the share options is based on the directors' best estimate. The value of an option varies with different variables of certain subjective assumptions.

The volatility measured at the standard deviation of expected share price returns is based on statistical analysis of comparable listed companies in the same industry.

The valuation was performed by Hong Kong Appraisal Advisory Limited, who is independent to the Group.

During the year ended 31 March 2025, the Group recognised total expense in relation to share options granted under Pre-IPO Share Option Scheme of approximately HK$nil (2024: HK$nil).

31. SHARE-BASED PAYMENT TRANSACTIONS (Continued)

(a) Pre-IPO Share Option Scheme (Continued)

Movements in the number of share options are as follows:

	Outstanding at 1 April 2024	Exercised during the year (note (i))	Lapsed during the year	Outstanding at 31 March 2025 (note (ii))
Directors				
Mr. Mui	**2,858,070**	**–**	**–**	**2,858,070**
Mr. Liu	**1,039,298**	**–**	**–**	**1,039,298**
Mr. Ng	**1,039,298**	**–**	**–**	**1,039,298**
Ms. Ho	**1,039,298**	**–**	**–**	**1,039,298**
Mr. Tang	**389,737**	**–**	**–**	**389,737**
	6,365,701	**–**	**–**	**6,365,701**
Employees	**1,714,839**	**–**	**–**	**1,714,839**
	8,080,540	**–**	**–**	**8,080,540**

	Outstanding at 1 April 2023	Exercised during the year (note (i))	Lapsed during the year	Outstanding at 31 March 2024 (note (ii))
Directors				
Mr. Mui	2,858,070	–	–	2,858,070
Mr. Liu	1,039,298	–	–	1,039,298
Mr. Ng	1,039,298	–	–	1,039,298
Ms. Ho	1,039,298	–	–	1,039,298
Mr. Tang	389,737	–	–	389,737
	6,365,701	–	–	6,365,701
Employees	1,883,724	–	(168,885)	1,714,839
	8,249,425	–	(168,885)	8,080,540

31. SHARE-BASED PAYMENT TRANSACTIONS (Continued)

(a) Pre-IPO Share Option Scheme (Continued)

Notes:

(i) No share options were exercised during the years ended 31 March 2025 and 2024.

(ii) Exercisable share options and weighted average exercise prices are as follows:

	2025		2024	
	Number of exercisable share options	**Weighted average exercise price**	Number of exercisable share options	Weighted average exercise price
Balance at 1 April	**8,080,540**	**HK$0.6**	8,249,425	HK$0.6
Exercised during the year	**–**	**N/A**	–	N/A
Lapsed during the year	**–**	**N/A**	(168,885)	HK$0.6
Balance at 31 March	**8,080,540**	**HK$0.6**	8,080,540	HK$0.6

(b) Share Option Scheme

On 10 September 2019, pursuant to a written resolution passed by the shareholders of the Company, the Company has adopted a share option scheme (the "Scheme"), which is effective from the Listing Date (i.e. 30 September 2019).

The purpose of the Scheme is to enable the board to grant option to eligible persons (including employees or other eligible persons) as incentives or rewards for their contribution or potential contribution to the Group and/or to recruit and retain high caliber eligible persons and attract human resources that are valuable to the Group.

Subject to the provisions in the Scheme, the directors of the Company may at any time and from time to time within a period of 10 years commencing from the date of adoption of the Scheme at their absolute discretion and subject to such terms, conditions, restrictions or limitations as they may think fit offer, at a consideration of HK$1 per option, to grant option to any eligible persons as defined in the Scheme (the "Eligible Person(s)").

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 Scheme and any other share option schemes of the Company shall not, in aggregate, exceed 30% of the total number of Shares in issue from time to time. The total number of shares in respect of which options may be granted under the Scheme and any other share option schemes of the Company shall not in aggregate exceed 40,000,000 shares, being 10% of the total number of shares (assuming the Over-allotment Option is not exercised and no options granted under the Pre-IPO Share Option Scheme are exercised) in issue on the Listing Date (the "Scheme Limit") unless approved by the shareholders. Options lapsed in accordance with the terms of the Scheme or any other share option schemes of the Company shall not be counted for the purpose of calculating the Scheme Limit.

31. SHARE-BASED PAYMENT TRANSACTIONS (Continued)

(b) Share Option Scheme (Continued)

The Company may seek separate approval of the shareholders in general meeting for refreshing the Scheme Limit provided that such limit as refreshed shall not exceed 10% of the total number of shares in issue as at the date of the approval of the shareholders on the refreshment of the Scheme Limit. Options previously granted under the Scheme or any other share option schemes of the Company (including options outstanding, cancelled, lapsed in accordance with the terms of the Scheme or any other share option schemes of the Company or exercised) will not be counted for the purpose of calculating the limit as refreshed.

No option shall be granted to any Eligible Person 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 would exceed 1% of the total number of shares in issue from time to time (the "Participant Limit"), unless relevant exception conditions were met.

The offer of a grant of share options may be accepted by an eligible person (in whole or in part) within the date not later than 21 days inclusive of, and from, the date upon which it is made, by which the eligible person must accept the offer or be deemed to have declined it, provided that such date shall not be more than 10 years after the date of adoption of the Scheme or after the termination of the Scheme, and no such offer may be accepted by a person who ceases to be an eligible person after the offer has been made. An offer shall be deemed to have been accepted on the date when the duly signed duplicate comprising acceptance of the offer by the eligible person, together with the payment of nominal consideration of HK$1 per option by the grantee.

The option may be exercised in whole or in part by the grantee at any time before the expiry of the period to be determined and notified by the board of directors to the grantee which in any event shall not be longer than 10 years commencing on the date of the offer letter and expiring on the last day of such 10-year period.

The subscription price of a share in respect of any option granted under the Scheme shall be such price as determined by the board of directors, and shall be at least the highest of: (i) the closing price of the shares as stated in the Stock Exchange's daily quotations sheet on the date (the "Offer Date"), which must be a trading day, on which the directors passes a resolution approving the making of an offer of grant of an option to an Eligible Person; (ii) the average closing price of the shares as stated in the Stock Exchange's daily quotation sheets for the five trading days immediately preceding the Offer Date; and (iii) the nominal value of a share on the Offer Date.

On 1 April 2021, options to subscribe 4,000,000 ordinary shares were granted to a director of the Company. The share options vest immediately as the grantee is not required to complete a specified period of service before becoming unconditionally entitled to those equity instruments. The Company recognised the services provided in full at the date of grant.

31. SHARE-BASED PAYMENT TRANSACTIONS (Continued)

(b) Share Option Scheme (Continued)

The estimated fair value of the options granted on the grant date is approximately HK$670,000, which was measured using the Binomial Option Pricing model with the key inputs into the model as disclosed below.

Share Options granted on 1 April 2021:

Risk-free Rate (Continuous rate)	1.46%
Share Value as at the Valuation Date	HK$0.285 per share
Initial Exercise Price	HK$0.285
Vesting Period	Nil
Expected Tenor	10 years
Expected Volatility	110.38%
Expected Dividend Yield	0.00%
Early Exercise Multiple	2.47

The Binomial Option Pricing model has been used to estimate the fair value of the options. The variables and assumptions used in computing the fair value of the share options is based on the directors' best estimate. The value of an option varies with different variables of certain subjective assumptions.

The volatility measured at the standard deviation of expected share price returns is based on statistical analysis of comparable listed companies in the same industry.

The valuation was performed by Hong Kong Appraisal Advisory Limited, who is independent to the Group.

On 14 July 2022, options to subscribe 4,000,000 ordinary shares were granted to a director of the Company. The share options vest immediately as the grantee is not required to complete a specified period of service before becoming unconditionally entitled to those equity instruments. The Company recognised the services provided in full at the date of grant.

The estimated fair value of the options granted on the grant date is approximately HK$404,000.

The fair value was measured using the Binomial Option Pricing model. The inputs used in the model were as follows:

Share Options granted on 14 July 2022:

Risk-free Rate (Continuous rate)	3.02%
Share Value as at the Valuation Date	HK$0.168 per share
Initial Exercise Price	HK$0.17
Vesting Period	Nil
Expected Tenor	10 years
Expected Volatility	90.29%
Expected Dividend Yield	0.00%
Early Exercise Multiple	2.47

31. SHARE-BASED PAYMENT TRANSACTIONS (Continued)

(b) Share Option Scheme (Continued)

The Binomial Option Pricing model has been used to estimate the fair value of the options. The variables and assumptions used in the computing the fair value of the share options is based on the directors' best estimate. The value of an option varies with different variables of certain subjective assumptions.

The volatility measured at the standard deviation of expected share price returns is based on statistical analysis of comparable listed companies in the same industry.

The valuation was performed by Vincorn Consulting and Appraisal Limited, who is independent to the Group.

On 23 April 2024, options to subscribe 6,800,000 ordinary shares were granted to the directors of the Company. Share options will not vest in the first 12 months from the date of grant as the grantee is required to complete a specified period of service before becoming unconditionally entitled to those equity instruments. The Company recognised the services provided over the vesting period.

The estimated fair value of the options granted on the grant date is approximately HK$508,000.

The fair value was calculated using the Binomial Lattice Pricing Model. The inputs into the model were as follows:

Share Options granted on 23 April 2024:

Risk-free Rate (Continuous rate)	3.86%
Share Value as at the Valuation Date	HK$0.075 per share
Initial Exercise Price	HK$0.136
Vesting Period	1 year
Expected Tenor	10 years
Expected Volatility	86.92%
Expected Dividend Yield	4.75%
Early Exercise Multiple	2.47

The Binomial Lattice Pricing Model has been used to estimate the fair value of the options. The variables and assumptions used in the computing the fair value of the share options is based on the directors' best estimate. The value of an option varies with different variables of certain subjective assumptions. The volatility measured at the standard deviation of expected share price returns is based on statistical analysis of comparable listed companies in the same industry.

For the year ended 31 March 2025, the Group recognised an equity-settled share-based payment expense of HK$478,000 (2024: HK$nil) for the share options under Share Option Scheme in the consolidated statement of profit or loss.

31. SHARE-BASED PAYMENT TRANSACTIONS (Continued)

(b) Share Option Scheme (Continued)

On 13 August 2024, the Share Option Scheme has been terminated and no further grants will be made thereunder (the "Termination of Scheme"), while the outstanding share options granted under the Share Option Scheme shall continue to vest, be valid and exercisable in accordance with the terms of the Share Option Scheme. Due to the Termination of Scheme, save as disclosed above, as at 31 March 2025, no further options has been granted under the Share Option Scheme.

Movements in the number of share options are as follows:

	Outstanding at 1 April 2024	**Exercised during the year (note (i))**	**Granted during the year**	**Outstanding at 31 March 2025 (note (ii))**
Director				
Mr. Mui	**8,000,000**	**–**	**4,000,000**	**12,000,000**
Mr. Liu	**–**	**–**	**400,000**	**400,000**
Mr. Ng	**–**	**–**	**400,000**	**400,000**
Ms. Ho	**–**	**–**	**400,000**	**400,000**
Mr. Tang	**–**	**–**	**400,000**	**400,000**
Ms. Lim	**–**	**–**	**400,000**	**400,000**
Mr. Poon	**–**	**–**	**400,000**	**400,000**
Dr. Wong	**–**	**–**	**400,000**	**400,000**
	8,000,000	**–**	**6,800,000**	**14,800,000**

	Outstanding at 1 April 2023	Exercised during the year (note (i))	Granted during the year	Outstanding at 31 March 2024 (note (ii))
Director				
Mr. Mui	8,000,000	–	–	8,000,000

Notes:

(i) No share options were exercised during the years ended 31 March 2025 and 2024.

31. SHARE-BASED PAYMENT TRANSACTIONS (Continued)

(b) Share Option Scheme (Continued)

Notes: (Continued)

(ii) Exercisable share options and weighted average exercise prices are as follows:

	2025	
	Number of exercisable share options	**Weighted average exercise price**
Balance at the beginning of the year	**8,000,000**	**HK$0.228**
Granted during the year	**6,800,000**	**HK$0.136**
Exercised during the year	**–**	**N/A**
Lapsed during the year	**–**	**N/A**
Balance at the end of the year	**14,800,000**	**HK$0.185**

	2024	
	Number of exercisable share options	Weighted average exercise price
Balance at the beginning of the year	8,000,000	HK$0.228
Granted during the year	–	N/A
Exercised during the year	–	N/A
Lapsed during the year	–	N/A
Balance at the end of the year	8,000,000	HK$0.228

(c) 2024 Share Scheme

The Group has adopted the 2024 Share Scheme on 13 August 2024 (the "Adoption Date") for the purpose of providing the Group with a flexible means of, attracting, remunerating, incentivising, retaining, rewarding, compensating and/or providing benefits to eligible participants through aligning the interests of eligible participants with those of the Company and shareholders by providing them with an opportunity to acquire shareholding interests in the Company and to encourage eligible participants to contribute to the long-term growth, performance and profits of the Company and to enhance the value of the Company and the Shares for the benefit of the Group and the shareholders as a whole.

The number of shares which may be issued upon exercise of all options and awards to be granted pursuant to the scheme mandate limit under the 2024 Share Scheme shall not exceed 40,596,296 (the "Scheme Mandate Limit"), representing 10% of the total number of shares in issue (excluding treasury shares) as at the Adoption Date. The number of shares which may be issued upon exercise of all options and awards to be granted pursuant to the service provider sublimit under the 2024 Share Scheme shall not exceed 4,059,629 (the "Service Provider Sublimit"), representing 1% of the total number of Shares in issue (excluding treasury shares) as at the Adoption Date. No options and awards were granted under the 2024 Share Scheme since the Adoption Date.

As at the Adoption Date and 31 March 2025, the number of options and awards available for grant under the Scheme Mandate Limit and the Service Provider Sublimit were 40,596,296 and 4,059,629, respectively.

32. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

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

	Other financial liabilities HK$'000	Lease liabilities HK$'000	Convertible bonds HK$'000	Bank borrowings HK$'000
At 1 April 2024	**17,808**	**443**	**698**	**24,639**
Changes from financing cash flow:				
Interest paid on bank borrowings	**–**	**–**	**–**	**(722)**
Interest paid on lease liabilities	**–**	**(1,465)**	**–**	**–**
Payment of principal portion of lease liabilities	**–**	**(2,084)**	**–**	**–**
Proceeds from issue of redeemable participating shares	**390**	**–**	**–**	**–**
Payment for redemption of redeemable participating shares	**(4,378)**	**–**	**–**	**–**
Repayment of bank borrowings	**–**	**–**	**–**	**(19,149)**
Changes from disposals of subsidiaries	**–**	**–**	**(582)**	**–**
Other changes:				
Share of results of consolidated investment fund attributable to other redeemable participating shareholders	**(3,930)**	**–**	**–**	**–**
Interest on bank borrowings	**–**	**–**	**–**	**722**
Addition of lease	**–**	**17,741**	**–**	**–**
Interest on lease liabilities	**–**	**1,465**	**–**	**–**
Loss on fair value change of convertible bonds	**–**	**–**	**(116)**	**–**
At 31 March 2025	**9,890**	**16,100**	**–**	**5,490**

32. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES (Continued)

	Other financial liabilities HK$'000	Lease liabilities HK$'000	Convertible bonds HK$'000	Bank borrowings HK$'000
At 1 April 2023	17,523	5,350	1,170	24,788
Changes from financing cash flow:				
Interest paid on bank borrowings	–	–	–	(1,736)
Interest paid on lease liabilities	–	(43)	–	–
Payment of principal portion of lease liabilities	–	(5,409)	–	–
Payment for redemption of redeemable participating shares	(3,259)	–	–	–
Repayment of bank borrowings	–	–	–	(149)
Other changes:				
Share of results of consolidated investment fund attributable to other redeemable participating shareholders	3,544	–	–	–
Interest on bank borrowings	–	–	–	1,736
Addition of lease	–	502	–	–
Interest on lease liabilities	–	43	–	–
Loss on fair value change of convertible bonds	–	–	(472)	–
At 31 March 2024	17,808	443	698	24,639

33. EMPLOYEE RETIREMENT BENEFITS

The employees of the Company's subsidiaries in Hong Kong participate in a Mandatory Provident Fund Scheme (the "MPF Scheme") established under the Mandatory Provident Fund Schemes Ordinance. The assets of the scheme are held separately from those of the Group, in funds under the control of trustee. All employees joining the Group are required to join the MPF Scheme.

Under the current rules of the MPF Scheme, employer and its employees are each required to make contributions to the MPF Scheme at 5% of the employees' relevant income capped at HK$1,500 per month. The retirement benefit costs charged to profit or loss represent contributions payable by the Group at rates specified in the rules of the MPF Scheme.

As at 31 March 2025 and 2024, there were no forfeited contributions available to offset future employers' contributions to the MPF Scheme.

34. FINANCIAL RISK MANAGEMENT

(a) Categories of financial instruments

	2025 HK$'000	2024 HK$'000
Financial assets:		
Financial assets at amortised cost		
Accounts receivable	**39,711**	100,280
Other receivables and deposits	**2,352**	4,439
Pledged bank deposit	**10,000**	10,000
Cash and bank balances – held on behalf of customers	**103,910**	25,940
Cash and bank balances	**46,061**	41,273
	202,034	181,932
Financial assets at fair value through profit or loss		
Listed securities	**15,336**	34,150
Listed bonds	**7,789**	5,081
Unlisted securities	**36**	–
Other financial derivative	**3,866**	632
	27,027	39,863
	229,061	221,795
Financial liabilities:		
Financial liabilities at amortised cost		
Accounts payable	**110,322**	43,929
Accruals and other payables (excluding accrued staff costs)	**2,528**	3,987
Other financial liabilities	**9,890**	17,808
Bank borrowings	**5,490**	24,639
	128,230	90,363
Financial liabilities at fair value through profit or loss		
Convertible bonds	**–**	698
Other financial derivative	**5,919**	–
	5,919	698
Others		
Lease liabilities	**16,100**	443
	150,249	91,504

34. FINANCIAL RISK MANAGEMENT (Continued)

(b) Financial risk management objectives and policies

The objective of the Group's risk management is to achieve an appropriate balance between risk and return, and reduce the negative impact on the Group's operating results and maximise shareholder's value. The Group's risk management strategy is to identify and analyse various risks faced by the Group, establish appropriate risk tolerance, and reliably measure and monitor the risks on a timely and effective manner to ensure the risks are controlled within the tolerance level.

The main risks arising from the Group's financial instruments include interest rate risk, credit risk, liquidity risk and equity and other price risk. The Group has no significant exposures to other financial risks except as disclosed below. Directors of the Company review and agree policies for managing each of these risks and they are summarised below:

(i) Interest rate risk

Interest rate risk arises from the effects of fluctuations in the prevailing levels of market interest rates on the fair value of financial assets and liabilities and future cash flows.

Fair value interest rate risk

The Group's fair value interest rate risk relates primarily to investments in debt securities within financial assets at FVTPL that carried at fixed interest rates.

The Group's interest rate profile and fair value interest rate risk exposure are summarised as follows:

	2025		2024	
	Effective interest rate	**HK$'000**	Effective interest rate	HK$'000
Financial assets carried at fixed interest rates				
Listed bonds measured at FVTPL	**0.00%–15.00%**	**7,789**	0.00%–15.00%	5,081

If the interest rates had been increased/decreased by 50 basis points at the beginning of the year and all other variables were held constant, the Group's loss after income tax would decrease/increase and accumulated losses would decrease/increase by approximately HK$39,000 for the year ended 31 March 2025 (2024: approximately HK$25,000). The assumed changes have no impact on the other components of equity.

34. FINANCIAL RISK MANAGEMENT (Continued)

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

(i) Interest rate risk (Continued)

Cash flow interest rate risk

The Group's cash flow interest rate risk relates primarily to accounts receivable from securities margin financing services, cash at banks and advances from margin financing carried at floating interest rates. The Group's exposure to interest rate risk arising from the interest-bearing assets can be offset against the Group's interest-bearing liabilities. Management actively monitors the Group's net interest rate exposure through setting limits on the level of mismatch of interest rate re-pricing and duration gap and aims at maintaining an interest rate spread, such that the Group is always in a net interest-bearing asset position and derives net interest income. The directors considered that there is no significant concentration of interest rate risk exposure.

The Group's interest rate profile and cash flow interest rate risk exposure arises on positions with the following carrying values:

	2025 Effective interest rate	**2025** HK$'000	2024 Effective interest rate	2024 HK$'000
Floating rate assets				
Accounts receivable from securities margin financing services	**Prime rate + a spread**	**35,660**	Prime rate + a spread	85,421
Floating rate liabilities				
Accounts payable to broker	**Prime rate + a spread**	**(376)**	Prime rate + a spread	(7,303)
Bank borrowings	**Prime rate + a spread**	**(5,490)**	Prime rate + a spread	(24,639)
Net exposure*		**29,794**		53,479

* The net exposure excluded cash at banks held on behalf of customers and cash at banks of the Group, which have limited fluctuation on interest rate over the year. In the opinion of the directors, the Group's exposure to cash flow interest rate risk on these financial assets is minimal. Accordingly, no sensitivity analysis is presented on these cash at banks.

34. FINANCIAL RISK MANAGEMENT (Continued)

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

(i) Interest rate risk (Continued)

Cash flow interest rate risk (Continued)

If the interest rates had been increased/decreased by 50 basis points at the beginning of the year and all other variables were held constant, the Group's loss for the year would decrease/increase and accumulated losses would decrease/increase by approximately HK$141,000 for the year end 31 March 2025 (2024: approximately HK$197,000). The assumed changes have no impact on the other components of equity.

The assumed changes in interest rates are considered to be reasonably possible based on observation of current market conditions and represents management's assessment of a reasonably possible change in interest rate over the next twelve-month period.

The sensitivity analysis included in the consolidated financial statements for the year ended 31 March 2024 has been prepared on the same basis.

(ii) Credit risk

The Group's maximum exposure to credit risk is the carrying amounts of investments in debt securities classified as financial assets at FVTPL, cash at banks, accounts receivable, other receivables and deposits. At the end of the reporting period, the Group has a certain concentration of credit risk as 17% and 68% (2024: 12% and 50%) of the total accounts receivable was due from the Group's largest debtor and the five largest debtors, respectively.

For the Group's investments in listed bonds, the investment team of the Group assess the financial performance of the issuers to ensure that the issuers can satisfy the repayment of the principal and interest as they fall due. The Group has set portfolio size and single issuer limits to control the Group's exposure to the credit risk. The Group also monitors the credit rating and market news of the issuers of respective bonds.

All transactions in listed securities are settled/paid for upon delivery using approved brokers. The risk of default is considered minimal, as delivery of securities sold is only made once the broker has received payment. Payment is made on a purchase once the securities have been received by the broker. The trade will fail if either party fails to meet its obligation.

As at 31 March 2025 and 2024, substantially all of the Group's cash at banks were deposited with major financial institutions in Hong Kong, which management believes are of high-credit-quality without significant credit risk.

34. FINANCIAL RISK MANAGEMENT (Continued)

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

(ii) Credit risk (Continued)

The credit risk is primarily attributable to accounts receivable. In order to minimise the credit risk on margin financing and IPO financing, the credit committee is responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts and receivables from margin clients with shortfalls in repayment. In addition, the Group reviews the recoverable amount of each individual receivable at the end of each reporting period to ensure that adequate impairment losses are made for irrecoverable amounts.

The Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout the reporting period. To assess whether there is a significant increase in credit risk, the Group compares the risk of default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forwarding-looking information.

Accounts receivable

The Group applies the simplified approach to providing ECLs prescribed by HKFRS 9, which requires the use of simplified approach for accounts receivable arising from corporate advisory and other services, and asset management services; and general approach to measure ECLs on accounts receivable arising from securities margin financing services. Under the simplified approach, the Group measures the loss allowance at an amount equal to lifetime ECLs. Under the general approach, financial assets migrate through the following three stages based on the change in credit risk since initial recognition: Stage 1: 12-months ECLs, Stage 2: Lifetime ECLs – not credit-impaired and Stage 3: Lifetime ECLs – credit-impaired.

As accounts receivable from brokers and accounts receivable arising from securities dealing and brokerage services from the clearing house, which the counterparties had high credit rating and are governed by regulators including the Hong Kong Monetary Authority and the Hong Kong Securities and Futures Commission, whereas the cash clients had sufficient cash held by the Group, the risk of default in repayment of these debtors are considered to be minimal by the directors and no ECLs provision were made for these debtors.

The ECLs on accounts receivable arising from corporate advisory and other services are estimated with reference to past default experience of the debtors and current market condition in relation to each debtor's exposure. The ECLs also incorporates forward-looking information with reference to general macroeconomic conditions that may affect the ability of the debtors to settle outstanding balances. To measure the ECLs, the accounts receivable have been grouped together with similar risk characteristics and the days past due according to the ageing analysis as disclosed in note 17 to the consolidated financial statements.

34. FINANCIAL RISK MANAGEMENT (Continued)

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

(ii) Credit risk (Continued)

Accounts receivable (Continued)

Expected loss rates of accounts receivable arising from corporate advisory and other services are assessed to be 9.13% to 99.79% (2024: 9.62% to 100%) due to the decrease in balance that have been past due for over 1 year period and decreasing credit risk of customers. The provision is determined as follows:

	Less than 30 days	31–90 days	91–365 days	Over 365 days	Total
As 31 March 2025					
Expected loss rates	**9.13%**	**11.43%**	**17.55%**	**99.79%**	
Gross carrying amount (HK$'000)	**1,072**	**35**	**1,521**	**471**	**3,099**
Loss allowance provision (HK$'000)	**98**	**4**	**267**	**470**	**839**
As 31 March 2024					
Expected loss rates	9.62%	13.67%	18.76%	100%	
Gross carrying amount (HK$'000)	717	2,443	2,313	686	6,159
Loss allowance provision (HK$'000)	69	334	434	686	1,523

The Group provides clients with securities margin financing services for securities transactions, which are secured by clients' securities or cash held as collateral. Each client has a maximum credit limit based on the quality of collateral held and the financial background of the client. Management has delegated a team responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. The overdue outstanding balances for margin clients are reviewed daily, and force-sell action may be taken against clients with overdue outstanding balances on case by case basis.

34. FINANCIAL RISK MANAGEMENT (Continued)

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

(ii) Credit risk (Continued)

Accounts receivable (Continued)

Analysis of the gross carrying amount of accounts receivable arising from securities margin financing services is as follows:

	12-month ECL HK$'000	Lifetime ECL, not credit-impaired HK$'000	Lifetime ECL, credit-impaired HK$'000	Total HK$'000
At 1 April 2023	120,834	14,147	3	134,984
Financial assets that have been derecognised	(46,236)	(3,555)	–	(49,791)
Transfer to lifetime ECL not credit-impaired	(18,072)	18,072	–	–
Transfer to lifetime ECL credit-impaired	–	(7,152)	7,152	–
Transfer from lifetime ECL not credit-impaired	–	–	–	–
New financial assets originated	11,158	2,000	165	13,323
At 31 March 2024 and 1 April 2024	67,684	23,512	7,320	98,516
Financial assets that have been derecognised	(44,193)	(376)	–	(44,569)
Transfer to lifetime ECL not credit-impaired	(16,767)	16,767	–	–
Transfer to lifetime ECL credit-impaired	–	(720)	720	–
Transfer from lifetime ECL not credit-impaired	–	–	–	–
New financial assets originated	38	1,122	128	1,288
At 31 March 2025	6,762	40,305	8,168	55,235

34. FINANCIAL RISK MANAGEMENT (Continued)

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

(ii) Credit risk (Continued)

Accounts receivable (Continued)

Movements in the allowances for impairment that has been recognised for securities margin financing services are as follows:

	12-month ECL HK$'000	Lifetime ECL, not credit-impaired HK$'000	Lifetime ECL, credit-impaired HK$'000	Total HK$'000
At 1 April 2023	76	7,193	3	7,272
Derecognition	(26)	(705)	–	(731)
Transfer to lifetime ECL not credit-impaired	(21)	21	–	–
Transfer to lifetime ECL credit-impaired	–	(5,431)	5,431	–
Impairment loss charged to profit or loss	2	4,666	1,886	6,554
At 31 March 2024 and 1 April 2024	31	5,744	7,320	13,095
Derecognition	(21)	(61)	–	(82)
Transfer to lifetime ECL not credit-impaired	(10)	10	–	–
Transfer to lifetime ECL credit-impaired	–	(70)	70	–
Impairment loss charged to profit or loss	3	5,822	737	6,562
At 31 March 2025	3	11,445	8,127	19,575

As at 31 March 2025 and 2024, the fair value of accounts receivable approximated their carrying amounts. The maximum exposure to credit risk at the reporting date was the carrying value of each class of receivables mentioned above.

Other receivables and deposits

As at 31 March 2025, the management of the Group takes into account the historical default experience and forward-looking information, as appropriate, for example the Group considers the consistently low historical default rates of counterparties, and concludes that credit risk inherent in the Group's outstanding deposits is insignificant. The management of the Group has assessed that deposits do not have a significant increase in credit risk since initial recognition and risk of default is insignificant, therefore the ECLs for these financial assets were immaterial under the 12-months ECLs method and no loss allowance provision was recognised during the reporting period (2024: nil).

For other receivables, the Group applied expected loss rate based on that of counterparties with similar credit ratings, with adjustment to reflect current conditions and forecasts of future economic conditions through the use of financial market analysis and Moody's Analytics, as appropriate. The Group recognised a reversal of loss allowance of HK$438,000 under stage 3 lifetime ECL (credit impaired) on the amounts during the reporting period (2024: loss allowance of HK$1,188,000).

34. FINANCIAL RISK MANAGEMENT (Continued)

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

(iii) Liquidity risk

The Group's policy is to regularly monitor current and expected liquidity requirements to ensure that it maintains sufficient reserves of cash to meet its liquidity requirements in the short and long terms.

The following table shows the remaining contractual maturities at the end of reporting periods of the Group's non-derivative and derivative financial liabilities, based on undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on the rates at the reporting date) and the earliest date the Group can be required to settle the obligations.

	Carrying amount HK$'000	Total contractual undiscounted cash flow HK$'000	Within 1 year or on demand HK$'000	More than 1 year but less than 2 years HK$'000	More than 2 years but less than 5 years HK$'000
31 March 2025					
Accounts payable	**110,322**	**110,322**	**110,322**	**–**	**–**
Accruals and other payables*	**2,528**	**2,528**	**2,336**	**–**	**192**
Lease liabilities	**16,100**	**19,142**	**4,018**	**7,630**	**7,494**
Other financial liabilities	**9,890**	**9,890**	**9,890**	**–**	**–**
Bank borrowings	**5,490**	**5,523**	**5,523**	**–**	**–**
Other financial derivative	**5,919**	**5,919**	**5,919**	**–**	**–**
	150,249	**153,324**	**138,008**	**7,630**	**7,686**
31 March 2024					
Accounts payable	43,929	43,929	43,929	–	–
Accruals and other payables*	3,987	3,987	3,987	–	–
Lease liabilities	443	472	269	203	–
Other financial liabilities	17,808	17,808	17,808	–	–
Bank borrowings	24,639	24,717	24,717	–	–
Convertible bonds	698	–	–	–	–
	91,504	90,913	90,710	203	–

* Excluding accrued staff costs

34. FINANCIAL RISK MANAGEMENT (Continued)

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

(iv) Equity and other price risk

The Group is exposed to equity and other price changes arising from listed securities and bonds measured at FVTPL.

The Group's listed investments are listed on various stock exchange. Decisions to buy and sell trading securities are based on daily monitoring of the performance of individual securities compared to that of industry indicators. The portfolio is diversified in terms of industry distribution, in accordance with the limits set by the Group.

The sensitivity analysis on equity and other price risk includes the Group's financial instruments, which fair value or future cash flows will fluctuate because of changes in their corresponding or underlying asset's market price. If the prices of the respective equity and debt instruments had been 5% lower/higher, loss for the year (and accumulated losses) would decrease/increase by HK$768,000 (2024: HK$1,707,000).

(v) Fair value and fair value hierarchy

(a) Financial instruments not measured at fair value

At 31 March 2025 and 2024, the fair values of the Group's financial assets and financial liabilities approximated to their respective carrying amounts.

The fair values of the financial assets and liabilities are the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The fair values of cash and bank balances, pledged bank deposit, accounts receivable, other receivables and deposits, accounts payable, accruals and other payables, other financial liabilities, lease liabilities and bank borrowings approximate to their respective carrying amounts largely due to the short term maturities of these instruments.

34. FINANCIAL RISK MANAGEMENT (Continued)

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

(v) Fair value and fair value hierarchy (Continued)

(b) Financial instruments measured at fair value

HKFRS 13 introduced a three-level hierarchy for fair value measurement and disclosures about fair value measurements.

The hierarchy groups financial assets and financial liabilities into three levels based on the relative reliability of significant inputs used in measuring the fair value of these financial assets and financial liabilities. The fair value hierarchy has the following levels:

- Level 1: unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2: observable direct and indirect inputs other than quoted prices included within Level 1; and
- Level 3: unobservable inputs for which market data are not available.

The financial assets and financial liabilities measured at fair value in the consolidated statement of financial position are grouped into the fair value hierarchy as follows:

	Level 1 HK$'000	Level 2 HK$'000	Level 3 HK$'000	Total HK$'000
At 31 March 2025				
Financial assets at FVTPL				
– Listed securities	**15,336**	**–**	**–**	**15,336**
– Listed bonds	**–**	**7,789**	**–**	**7,789**
– Other financial derivative	**3,866**	**–**	**–**	**3,866**
– Unlisted securities	**–**	**–**	**36**	**36**
	19,202	**7,789**	**36**	**27,027**
Financial liabilities at FVTPL				
– Convertible bonds	**–**	**–**	**–**	**–**
– Other financial derivative	**5,919**	**–**	**–**	**5,919**
	5,919	**–**	**–**	**5,919**
At 31 March 2024				
Financial assets at FVTPL				
– Listed securities	34,150	–	–	34,150
– Listed bonds	–	5,081	–	5,081
– Other financial derivative	632	–	–	632
	34,782	5,081	–	39,863
Financial liabilities at FVTPL				
– Convertible bonds	–	–	698	698

34. FINANCIAL RISK MANAGEMENT (Continued)

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

(v) Fair value and fair value hierarchy (Continued)

(b) Financial instruments measured at fair value (Continued)

The level in the fair value hierarchy within which the financial assets and financial liabilities are categorised in its entirety is based on the lowest level of input that is significant to the fair value measurement. During the year, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3 for financial assets and financial liabilities (2024: nil).

The methods and valuation techniques used for the purpose of measuring fair value are unchanged from the previous reporting period.

Information about level 1 fair value measurements

Financial instruments which value are based on quoted market prices in active markets, and are therefore classified within level 1, include listed shares and other financial derivative denominated in HK$, EUR, TWD and US$ (2024: HK$, EUR, JPY and US$) classified as financial assets at FVTPL as at 31 March 2025 and 2024.

A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an on-going basis.

Information about level 2 fair value measurements

Financial instruments that are not traded in active markets but are valued based on quoted market prices, dealer quotations or alternative pricing sources from brokers supported by observable inputs are classified within level 2. Level 2 instruments include listed debt securities denominated in US$ classified as financial assets at FVTPL as at 31 March 2025 and 2024. As the securities were trade in markets that are not considered to be active, the valuations may be adjusted to reflect illiquidity and/or non-transferability, which are generally based on available market information.

34. FINANCIAL RISK MANAGEMENT (Continued)

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

(v) Fair value and fair value hierarchy (Continued)

Information about level 3 fair value measurements

(a) Convertible bonds

The fair value of convertible bonds is determined by using adjusted net asset method, based on the unaudited consolidated financial statements of Lohas Holdings. The valuation takes account of the terms and conditions of convertible bonds and the amount of outstanding convertible bonds.

A reconciliation of the opening and closing fair value balance is provided below.

	HK$'000
At 1 April 2023	1,170
Loss on fair value recognised in profit or loss	(472)
At 31 March 2024 and 1 April 2024	698
Loss on fair value recognised in profit or loss	(116)
Disposal of subsidiaries	(582)
At 31 March 2025	–

(b) Unlisted securities

The fair value of the unlisted instruments is determined by using adjusted net asset method, based on the unaudited consolidated financial statements of the issuer. The valuation takes account of the discount of lack of control factor of unlisted instruments and the total equity interest in the investee.

A reconciliation of the opening and closing fair value balance is provided below.

	HK$'000
At 1 April 2023, 31 March 2024 and 1 April 2024	–
Retained interest in the former subsidiaries	50
Loss on fair value recognised in profit or loss	(14)
At 31 March 2025	36

34. FINANCIAL RISK MANAGEMENT (Continued)

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

(vi) Offsetting financial assets and financial liabilities

The following tables present details of financial instruments subject to offsetting, enforceable master netting arrangements and similar agreements.

	Financial assets subject to offsetting					
				Related amounts not offset in the consolidated statement of financial position		
	Gross amount of recognised financial assets HK$'000	Gross amount of recognised financial liabilities offset in the consolidated statement of financial position HK$'000	Net amount of financial assets presented in the consolidated statement of financial position HK$'000	Financial instruments other than cash collateral HK$'000	Cash collateral received HK$'000	Net amount HK$'000
At 31 March 2025						
Type of financial assets						
Accounts receivable arising from securities margin financing services and securities dealing and brokerage services from the clearing house	**39,817**	**(4,157)**	**35,660**	**–**	**(35,660)**	**–**
At 31 March 2024						
Type of financial assets						
Accounts receivable arising from securities margin financing services and securities dealing and brokerage services from the clearing house	106,800	(14,591)	92,209	–	(92,209)	–

34. FINANCIAL RISK MANAGEMENT (Continued)

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

(vi) Offsetting financial assets and financial liabilities (Continued)

	Financial liabilities subject to offsetting					
				Related amounts not offset in the consolidated statement of financial position		
	Gross amount of recognised financial liabilities HK$'000	Gross amount of recognised financial assets offset in the consolidated statement of financial position HK$'000	Net amount of financial liabilities presented in the consolidated statement of financial position HK$'000	Financial instruments other than cash collateral HK$'000	Cash collateral received HK$'000	Net amount HK$'000
At 31 March 2025						
Type of financial liabilities						
Accounts payable arising from securities margin financing services and securities dealing and brokerage services to the clearing house	**114,103**	**(4,157)**	**109,946**	**–**	**–**	**109,946**
At 31 March 2024						
Type of financial liabilities						
Accounts payable arising from securities margin financing services and securities dealing and brokerage services to the clearing house	51,217	(14,591)	36,626	–	–	36,626

34. FINANCIAL RISK MANAGEMENT (Continued)

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

(vi) Offsetting financial assets and financial liabilities (Continued)

The tables below reconcile the amounts of accounts receivable and accounts payable as presented in the consolidated statement of financial position:

	2025 **HK$'000**	2024 HK$'000
Accounts receivable		
Net amount of accounts receivable arising from securities margin financing services and securities dealing and brokerage services from the clearing house	**35,660**	92,209
Accounts receivable not in the scope of offsetting disclosure	**4,051**	8,071
Accounts receivable as disclosed in the consolidated statement of financial position	**39,711**	100,280
Accounts payable		
Net amount of accounts payable arising from securities margin financing services and securities dealing and brokerage services to the clearing house	**109,946**	36,626
Accounts payable not in the scope of offsetting disclosure	**376**	7,303
Accounts payable as disclosed in the consolidated statement of financial position	**110,322**	43,929

(c) Capital risk management

The Group's objectives of managing capital are:

- To safeguard the entity's ability to continue as a going concern, so that it can continue to provide returns for the shareholders and benefits for other stakeholders, and

- To provide an adequate return to the shareholders by pricing services commensurate with the level of risk.

The Group sets the amount of capital in proportion to risk. The Group manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends pay to shareholder, return capital to shareholder, issue new shares, or sell assets to reduce debt.

34. FINANCIAL RISK MANAGEMENT (Continued)

(c) Capital risk management (Continued)

As at 31 March 2025, the Group has bank borrowings, accounts payable to broker, convertible bonds and lease liabilities of approximately HK$5,490,000, HK$376,000, HK$nil and HK$16,100,000, respectively (31 March 2024: HK$24,639,000, HK$7,303,000, HK$698,000 and HK$443,000, respectively). As at 31 March 2025, the Group's total debt incurred (including bank borrowings, amounts payable to broker and lease liabilities) were approximately HK$21,966,000 (31 March 2024: HK$33,083,000), representing a gearing ratio of approximately 22.3% (31 March 2024: 24.7%). Gearing ratio is calculated based on total debt incurred divided by the total equity as at the reporting date.

Certain subsidiaries of the Group are regulated by the Securities and Futures Commission and are required to comply with certain minimum liquid capital requirements according to the Securities and Futures Ordinance. Management monitors, on a daily basis, their liquid capital to ensure they meet the minimum liquid capital requirements in accordance with the Securities and Futures (Financial Resources) Rules.

There is no non-compliance of the capital requirements imposed by the regulators during both years.

35. INVESTMENT IN LIFE INSURANCE POLICY

In prior year, the Group entered into a life insurance policy with an insurance company to insure one of the directors of the Company. The Group has paid the total insurance premium with an aggregate amount of US$503,007 (equivalent to approximately HK$3,923,000) at the inception of the insurance policy. The Group can terminate the policy at any time after one year from the inception date and receive back the money based on the surrender value of the contract at the date of withdrawal, which is determined by the insurance premium of the insurance policy plus the accumulated interest earned and minus the insurance costs ("Surrender Value"). In addition, if the withdrawal is made between the first and eighteenth policy years, there is a special amount of surrender charge by the insurance company. The insurance company will declare a guaranteed fixed interest of 4.25% per annum plus a premium determined by the insurance company on the outstanding Surrender Value of the contract of the first year. Commencing from the second year, the guaranteed interest will be reduced to 2% per annum.

During the year ended 31 March 2025, approximately HK$111,000 (2024: HK$142,000) in respect of the gain on fair value change of investment in life insurance policy was recognised as part of "other income and gains or losses, net".

As at 31 March 2025, the carrying amount of the investment in life insurance policy was approximately HK$3,720,000 (2024: HK$3,609,000) and pledged to a bank for securing bank facilities granted to the Group.

The fair value of the investment in life insurance policy is under level 2 of the fair value hierarchy, which is determined by reference to the Surrender Value of the life insurance policy at the end of the reporting period.

36. DISPOSAL OF SUBSIDIARIES

On 17 December 2024, the Group had allotted 375 shares of Lohas Holdings Limited to an independent third party, Moreplus Limited and transferred 200 shares of Lohas Holdings Limited to Moreplus Limited for a consideration of US$59,593 (equivalent to approximately HK$465,000). Since then, the Group's equity interests in Lohas Holdings Limited have been diluted to 8%, the Group ceased to control and had no significant influence over Lohas Holdings Limited and its subsidiaries. Remaining equity interests in Lohas Holdings Limited and its subsidiaries at the date on which control being lost are recognised as equity investments designated at FVTPL.

The net assets of the Lohas Holdings Limited and its subsidiaries was as follows:

	HK$'000
Analysis of assets and liabilities over which control was loss during the year:	
Prepayment	22
Cash and cash equivalents	1,880
Accruals and other payables	(448)
Convertible bonds	(582)
Net assets disposed of	872
Analysis of assets and liabilities over which control was loss during the year:	
Gain on disposal:	
Cash consideration	465
Fair value of the retained interests	50
Less: Non-controlling interest	671
Net assets disposed of	(872)
	314
Net cash outflow on disposal of subsidiaries:	
Cash consideration	465
Cash and cash equivalents disposed of	(1,880)
	(1,415)

37. RELATED PARTY TRANSACTIONS

Save as disclosed elsewhere in these consolidated financial statements, the Group also had the following significant related party transactions during the reporting period:

(a) Compensation of key management personnel

Compensation of key management personnel of the Group, including directors' remuneration as disclosed in note 9(a) to the consolidated financial statements, is as follows:

	2025 HK$'000	2024 HK$'000
Directors' fees	**540**	540
Salaries, allowances, bonus and other benefits	**13,379**	22,810
Equity settled share-based payment expenses	**478**	–
Contributions to retirement benefits schemes	**90**	90
	14,487	23,440

(b) Related party transactions

Name of related parties	Nature of transactions	2025 HK$'000	2024 HK$'000
Mr. Mui	Brokerage and securities financing income	**49**	129

The related party transactions in respect of provision of securities brokerage and/or financing services fall under the definition of "connected transaction" or "continuing connected transactions" under Chapter 14A of the Listing Rules, but are fully exempted from shareholders' approval, annual review and all disclosure requirements under Chapter 14A of the Listing Rules.

The Company has complied with the provisions of Chapter 14A of the Listing Rules for the years ended 31 March 2025 and 2024.

38. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

	Notes	2025 HK$'000	2024 HK$'000
Non-current assets			
Investment in subsidiaries	39	**406**	5,026
Amounts due from subsidiaries		**94,238**	113,518
Current assets			
Cash and bank balances		**959**	2,285
		95,603	120,829
Current liabilities			
Accruals and other payables		**1,123**	1,110
Net current (liabilities)/assets		**(164)**	1,175
Net assets		**94,480**	119,719
Equity			
Share capital	28	**4,060**	4,060
Share premium		**112,485**	112,485
Reserves	29	**(22,065)**	3,174
Total equity		**94,480**	119,719

On behalf of the directors

Mui Ho Cheung Gary
Director

Ng Siu Hin Stanley
Director

39. PARTICULAR OF SUBSIDIARIES

The following list contains only the particulars of subsidiaries which principally affected the assets or liabilities of the Group as at 31 March 2025 and results for the year then ended. The class of shares held is ordinary unless otherwise stated.

Name of company	Place and date of incorporation	Principal activities and place of operation	Issued share capital	Percentage of equity attributable to the Company	
				Directly	Indirectly
Lego Financial Group Investment Holdings Limited	British Virgin Islands 15 March 2018	Investment holding	US$1,024	100%	–
Lego Corporate Finance Limited	Hong Kong 30 July 2015	Provision of corporate finance advisory services in Hong Kong	HK$18,300,000	–	100%
Lego Securities Limited	Hong Kong 27 June 2016	Provision of brokerage, underwriting and securities margin financing services in Hong Kong	HK$104,500,000	–	100%
Lego Asset Management Limited	Hong Kong 6 April 2017	Provision of asset management services in Hong Kong	HK$11,500,000	–	100%
Lego Asset Management (Cayman) Limited	Cayman Islands 12 February 2019	Investment holding	US$1	–	100%
Lego Funds SPC Limited	Cayman Islands 14 February 2019	Provision of mutual fund business	US$100*	–	100%
Bountiful Sky Limited	British Virgin Islands 13 June 2018	Investment holding	US$2	–	100%

* Being management shares held by the Group.

39. PARTICULAR OF SUBSIDIARIES (Continued)

In addition, the following segregated portfolio is also a consolidated investment for the purpose of Appendix 16 of the Listing Rules. The consolidated investment is not a body corporate and therefore does not have any paid-up register capital.

Name of investment fund	Place of registration and operation and date of initial subscription	Principal activity	Net assets attributable to holders of redeemable participating shares	Percentage of equity attributable to the Company	
				Directly	Indirectly
Lego Vision Fund SP (a segregated portfolio of Lego Funds SPC Limited)	Cayman Islands 28 March 2019	Investment holding	US$2,833,905	–	55.2%

40. CONTINGENT LIABILITIES

As at 31 March 2025, the Group did not have significant contingent liabilities (2024: nil).

41. SUBSEQUENT EVENTS

There is no significant subsequent event after the year ended 31 March 2025.

42. APPROVAL OF FINANCIAL STATEMENTS

These consolidated financial statements were approved and authorised for issue by the directors on 25 June 2025.