



財華社
FINET


Finet Group Limited

(Continued in Bermuda with limited liability)
(Stock Code: 08317)

2020 | 2023 ANNUAL 2021 | 2024 REPORT

- HONG KONG
- SHENZHEN
- BEIJING

MOVING
FORWARD



CHARACTERISTICS OF GEM OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)

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

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

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

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

Contents

Corporate Profile	2
Corporate Information	4
Financial Highlights	5
Statement from the Chairman	6
Management Discussion and Analysis	8
Board of Directors	14
Corporate Governance Report	16
Report of the Directors	26
Environmental, Social and Governance Report	33
Independent Auditors' Report	44
Consolidated Statement of Profit or Loss	49
Consolidated Statement of Comprehensive Income	50
Consolidated Statement of Financial Position	51
Consolidated Statement of Changes in Equity	53
Consolidated Statement of Cash Flows	54
Notes to the Consolidated Financial Statements	56
Five Year Financial Summary	127
Properties Held by the Group	128



Corporate Profile

The Company was incorporated in the Cayman Islands. The Company was deregistered in the Cayman Islands and duly continued in Bermuda as an exempted company under the laws of Bermuda in June 2011. The shares of the Company are listed on GEM of the Stock Exchange (stock code: 08317). The Company together with its subsidiaries (the "Group") are principally engaged in (i) the provision of financial information; (ii) advertising and financial public relationship service (including media business); (iii) the securities business that specializes in the provision of brokerage, underwriting and asset management; (iv) money lending business; and (v) property investments.

The Group is headquartered in Hong Kong with offices in Beijing and Shenzhen.

「下載財華財經 掘金環球商機」



掃描下載
財華財經Pro應用程序
新鮮資訊每日更新



財華財經 Pro

堅守價值 投資未來



財華社
FINET

<http://www.finet.hk/app>



關注財華網公眾號

Corporate Information

Board of Directors

Executive Directors

Ms. LO Yuk Yee (*Chairman*)
Ms. CHEN Weijie (resigned on 24 August 2023)
Mr. FO Chen Yuh
(appointed on 24 August 2023 and resigned on
26 February 2024)
Mr. TAI Kwok Leung, Alexander (appointed on
18 January 2024)

Independent Non-executive Directors

Mr. WONG Wai Kin
Mr. WONG Kwok Yin
Mr. CHU Ka Chung (resigned on 24 August 2023)
Mr. YUK Kai Yao (appointed on 24 August 2023)

Audit Committee

Mr. WONG Wai Kin (*Chairman*)
Mr. WONG Kwok Yin
Mr. CHU Ka Chung (resigned on 24 August 2023)
Mr. YUK Kai Yao (appointed on 24 August 2023)

Remuneration Committee

Mr. WONG Kwok Yin (*Chairman*)
Mr. WONG Wai Kin
Ms. LO Yuk Yee

Nomination Committee

Ms. LO Yuk Yee (*Chairman*)
Mr. WONG Wai Kin
Mr. WONG Kwok Yin

Corporate Governance Committee

Mr. YUK Kai Yao (*Chairman*)
(appointed on 24 August 2023)
Mr. WONG Wai Kin
Mr. CHU Ka Chung (*Chairman*)
(resigned on 24 August 2023)
Mr. WONG Kwok Yin

Company Secretary

Ms. CHEUNG Yin, HKICPA

Authorized Representatives

Ms. LO Yuk Yee
Ms. CHEUNG Yin

Compliance Officer

Ms. LO Yuk Yee

Auditor

Crowe (HK) CPA Limited
Certified Public Accountants

Registered Office

Clarendon House
2 Church Street
Hamilton HM11
Bermuda

Head Office and Principal Place of Business in Hong Kong

30/F, Fortis Tower
77-79 Gloucester Road, Wanchai
Hong Kong

Company Website

www.finet.hk

Principal Banker

The Hongkong and Shanghai Banking
Corporation Limited

Stock Code

08317

Investor Relations

Email: ir@finet.com.hk
Website: <http://ir.finet.hk>

Financial Highlights

Year ended 31 March

2024	2023
HK\$'000	HK\$'000

Operating results

Revenue	13,433	12,864
Loss attributable to owners of the Company	(8,497)	(16,341)
Profit attributable to non-controlling interests	1,216	107

As at 31 March

2024	2023
HK\$'000	HK\$'000

Financial position

Total assets	66,114	62,100
Total liabilities	22,272	43,046
Net assets	43,842	19,054
Cash and cash equivalents	8,551	8,022

Year ended 31 March

2024	2023
	(Restated)

Loss per share for loss attributable to owners to the Company during the year

Basic and diluted (HK dollar per share)	(0.01)	(0.02)
---	---------------	--------

Statement from the Chairman

Dear Shareholders,

On behalf of the Board, I am pleased to present the annual report of the Finet Group Limited (the “Group”) for the year ended 31 March 2024 (the “Reporting Period”). Over the past year, under the strategic guidance of continuous digital transformation, the Group not only overcame the challenges of the global economic environment but also achieved steady growth and innovative breakthroughs amidst new opportunities in HKEX and international financial markets.

Review and Achievements

With the gradual easing of the global COVID-19 situation, the Group has fully captured the opportunity of market recovery in the second half of the year to further optimize its business environment and service quality. We uphold our role as a leading financial media and information provider in the Greater China region, leveraging the advantages of both Mainland China and Hong Kong to offer investors comprehensive and high-quality financial market information services. By continuously upgrading the server structure and using cloud collaboration tools, we have significantly improved operational efficiency and customer satisfaction, laying a solid foundation for the Group’s long-term development.

In terms of our business, a turnover of approximately HK\$13,433,000 was recorded for the year ended 31 March 2024, maintaining a stable performance. The Group continuously innovated its service models and deepened its cooperative relationships with customers, creating greater value for them.

Our Group received the “2023 Industry Influential Brand” award at the CFS Finance Summit, the “Best Web3.0 Organization Award” at the Hong Kong Web3.0 Security Summit, the “Excellent Digital Media Award” and the “Best Web3 Service Provider Award” at the WIKI FINANCE EXPO2024.

Future Outlook and Strategic Planning

Looking ahead to 2024 to 2025, the Group will continue to uphold the spirit of innovation and pragmatism, and deepen the strategic environment regarding the following aspects:

1. Deepening collaboration with HKEX’s initiatives: The Group will actively respond to and cooperate with HKEX’s initiatives on Shanghai-Hong Kong Stock Connect, Shenzhen-Hong Kong Stock Connect, and RMB counter settlement. We will pay more efforts to promote Hong Kong stock investments to mainland investors, strengthen investor education, and promote the deep integration of the capital markets in both Mainland China and Hong Kong.
2. Leveraging the advantages of foreign-owned institutions’ licenses: We fully utilize the licenses of foreign institutions to provide financial information services within China, introduce more mainland investors’ funds into the Hong Kong stock market; at the same time, attract international funds through overseas communication capabilities to enhance market activity and trading volume, thereby supporting the internationalization of Hong Kong’s capital market.
3. Seizing the opportunity of capital inflow from the Middle East: With the accelerated inflow of capital from Saudi Arabia and the Middle East into the financial markets of Hong Kong and Mainland China, the Group will closely monitor this trend, develop financial products and services that adapt to market demands, expand its business scope, and capture new growth momentum.

Statement from the Chairman

4. Promoting family office business: Hong Kong encourages the establishment of family offices at the policy level. The Group will seize this opportunity to have closer cooperation with relevant institutions, providing clients with more professional and comprehensive asset management and inheritance services, thereby expanding the Group's business footprint.
 5. Digital transformation and innovation: The Group will deepen its digital strategy with the use of advanced technologies such as big data and artificial intelligence to enhance service efficiency and customer experience. At the same time, we actively explore application scenarios in the Web3.0 field, launch more innovative products and services, and lead industry development trends.
 6. Strengthening international cooperation and exchange: The Group will further broaden its international vision, enhance cooperation with global financial institutions, media, and technology companies, and jointly promote the internationalization and standardization of financial information services.
- Facing future opportunities and challenges, the Group will move forward with firm determination, closely align with strategic goals, continuously innovate and optimize to create greater value for customers and bring more substantial returns for shareholders. We believe that under the leadership of the Board and with the concerted efforts of all staff, our Group will definitely achieve even more brilliant development accomplishments, creating a better future together with our shareholders and partners!

Lo Yuk Yee
Chairman

28 June 2024

Management Discussion and Analysis

Overview

Financial Information, Advertising and Investor Relationship Service Business

The service income generated from advertising and investor relationship business continues to be the major source of revenue of our Group.

Service income from provision of financial information service business was relatively insignificant in recent years.

Media Business

In addition to the production and distribution of programmes through the branding “FinTV”, the Group also engaged in investor relationship business and creative advertising. For the purpose of segment reporting in this annual results, the results of the media business has been included in the “Financial information, advertising and investor relationship service business” segment.

Securities Brokerage and Assets Management Business

The Group through its wholly-owned subsidiary, Finet Securities Limited, holds licence under the SFC (“Licence”), to engage in Type 1, 4 and 9 regulated activities. The Group focuses on securities brokerage, underwriting and asset management businesses.

The revenue from such business for the year ended 31 March 2024 was approximately HK\$6,000 (2023: approximately HK\$10,000).

Property Investment Business

The investment properties in the PRC continued to provide income and result a positive contribution to the financial results of the Group.

Money Lending Business

The Group holds Money Lenders Licence to engage in money lending business for providing loan and financing to customers. In order to minimize the default risk of loan receivable, we need to tighten our internal works of credit control measurement. The difficulties in granting loan became higher and relevant income is insignificant in recent years. During the Reporting Period under review, no new loan was granted by the Group (2023: nil) and no interest income (2023: nil) during the year ended 31 March 2024.

Management Discussion and Analysis

Financial Review

Revenue of the Group remained stable at approximately HK\$13,433,000 for the year ended 31 March 2024 and approximately HK\$12,864,000 for the year ended 31 March 2023.

Other income and other net losses of the Group for the year ended 31 March 2024 was approximately HK\$6,622,000 (2023: approximately HK\$7,446,000). The decrease was mainly due to increase of loss in fair value changes on investment properties of approximately HK\$3,360,000 (2023: loss of approximately HK\$2,240,000).

Employee benefits expenses of the Group for the year ended 31 March 2024 was approximately HK\$13,595,000 (2023: approximately HK\$18,172,000), which represented a decrease of approximately 25.2% as compared to the Previous Corresponding Period.

Other operating expenses of the Group for the year ended 31 March 2024 was approximately HK\$5,829,000 (2023: approximately HK\$10,319,000), which represented a decrease of approximately 43.5% as compared to the Previous Corresponding Period.

Finance costs for the year ended 31 March 2024 were approximately HK\$160,000 (2023: approximately HK\$616,000), which represented a decrease of approximately 74.0% as compared to the Previous Corresponding Period. The decrease mainly due to no borrowing interest expenses.

Hong Kong taxation expense for the year ended 31 March 2024 was nil (2023: nil). The deferred tax credit of approximately HK\$2,016,000 (2023: deferred tax credit of approximately HK\$1,344,000) was mainly attributable to investment properties in the PRC and properties, plant and equipment in Hong Kong during the Reporting Period.

Loss after tax for the year ended 31 March 2024 was approximately HK\$7,281,000 (2023: loss after tax approximately HK\$16,234,000). The decrease in loss for the year ended 31 March 2024 was mainly attributable to reasons as analysed above.

Management Discussion and Analysis

Profit attributable to non-controlling interests of approximately HK\$1,216,000 for the year ended 31 March 2024 (2023: approximately HK\$107,000) represented its share of profit or loss in the group of Xian Dai TV which principally engages in media and financial PR business.

The consolidated loss attributable to owners of the Company for the year ended 31 March 2024 was approximately HK\$8,497,000 (2023: approximately HK\$16,341,000).

Liquidity, Financial Resources and Capital Structure

	As at 31 March		change
	2024 HK\$'000	2023 HK\$'000	
Net current assets	21,695	18,807	15.4%
Total assets	66,114	62,100	6.5%
Total liabilities	22,272	43,046	(48.3)%
Total equity	43,842	19,054	130.1%
Cash and cash equivalents	8,551	8,022	6.6%
Loan from a shareholder	3,600	24,018	(85.0)%
Debts to equity ratio (<i>Note 1</i>)	(0.5x)	(2.3x)	(78.3)%
Gearing ratio (<i>Note 2</i>)	—	98%	N/A

Notes:

1. Debts to equity ratio is calculated based on total liabilities divided by total equity.
2. Gearing ratio is calculated based on net debt (bank borrowings plus loan from a shareholder less cash and cash equivalents) divided by total equity.

The capital of the Company comprises of only ordinary shares. Apart from the changes in bank borrowings, there is no material change in the capital structure during the year.

Commitment

As at 31 March 2024 and 31 March 2023, the Group had not incurred any capital commitment.

Segmental Information

Segmental information is presented for the Group as disclosed in note 5 to the consolidated financial statement.

Contingent Liabilities

During the year ended 31 March 2008, three libel actions were brought by a company and an individual (collectively the "Plaintiffs A") against the Group in respect of the publication of words alleged to be defamatory and concerning articles published on the Group's website in 2007. The Plaintiffs A sought, among other things, injunctive relief and unliquidated damages. The Executive Directors of the Company are of the opinion that the Group has a meritorious defense against such claims and therefore filed defense on 13 November 2007 and 9 April 2008 against all three libel actions consecutively. No further steps have been taken by the Plaintiffs A since the filing of the defense.

Management Discussion and Analysis

During the year ended 31 March 2022, a way of a writ of summons by a company and a statement of claim were filed by a company (the "Plaintiff B") on 10 October 2021 and 18 January 2022 respectively, the Plaintiff B commenced high court action 1578 of 2021 against the Group alleging the Group having published/participated in the publication of defamatory statements against it. The Group has filed a defense on 19 April 2022 and the Plaintiff B has filed their reply on 27 July 2022. No further steps have been taken by Plaintiff B since the filing of the reply.

Accordingly, the Executive Directors of the Company are of the opinion that these claims would not have any material adverse effect on the Group, and no provisions have been made in the consolidated financial statements in respect thereof.

Significant Investment Held, Material Acquisition and Disposal of Subsidiaries

During the year ended 31 March 2024 and 2023, the Group did not have any other significant investments or material acquisitions or disposals.

Charges of Assets

As at 31 March 2024, the Group has no charges of assets (2023: property, plant and equipment and investment properties with an aggregate carrying value of approximately HK\$27,260,000 was pledged as security for the borrowing facilities of the Group).

Exposure to Fluctuation in Exchange Rates

The Group holds investment properties which income are denominated in RMB. The Group is therefore exposed to currency risks, as the value of the assets will fluctuate due to change in exchange rates.

Employees and Remuneration

The Group had 52 (2023: 58) full-time employees (including directors) in Hong Kong and the PRC as at 31 March 2024.

During the Reporting Period, the Group incurred total employee benefits expenses (including Directors' emoluments) of approximately HK\$13,595,000 (2023: approximately HK\$18,172,000).

Employees' remuneration are determined in accordance with their experiences, competence, qualifications and nature of duties and the current market trend. Apart from the basic salary, commission, discretionary bonus or other incentives are offered to employees to reward their performance and contributions.

The emoluments of the Directors are decided by their individual performance, their responsibilities and the current market rate.

The Company has adopted a share option scheme under which the Company may grant options to Directors and eligible employees to subscribe the shares of the Company.

Dividend

The Board does not recommend the payment of a final dividend for the year ended 31 March 2024 (2023: Nil).

Disclosure Under Chapter 17 of the GEM Listing Rules

The Directors confirmed that they were not aware of any circumstances which would give rise to disclosure requirement under Rules 17.15 to 17.21 of the GEM Listing Rules.

Management Discussion and Analysis

Prospect

We will continue to allocate our resources to strengthen our leading position in providing financial news services. With our competitive edge and strength arising from our integrated multiple platforms in our three vertical websites and two mobile App (Finet.hk, FinTV.hk, Finet.com.cn, FinTV APP, Finet Finance Pro APP), we can achieve a further improvement in our market share in the media industry in China and Hong Kong, and further strengthen our Digital marketing business development.

We will continue to strengthen our sales and marketing team to boost and diversify the Group revenue. Moreover, FinTV is expected to provide strong support to our investor relationship business (“IR business”). IR business is expected to become our profitable stream of the Group in the coming years. IR business will both cover the listed companies and pre-IPO assignments. The services that we have been providing include the followings: (1) production of promotional videos; (2) arrangement of press conferences and celebration events; (3) arrangement of investor meetings; (4) preparing of investor relationship articles; (5) news distribution for the listed companies and pre-IPO assignments; and (6) online results announcement.

Our outstanding FinTV production team will continue to support the growth and expansion of our IR business.

The Group continues to host the TOP 100 HK Listed Companies Selection events that created a strong foundation for us to develop the event management business and to achieve lots of reputation and recognition in China including Hong Kong.

Meanwhile, Finet Securities Limited (“Finet Securities”), our securities arm, continues to expand our services including discretionary portfolio management, investment advisory and management of private funds. Finet Securities is expected to generate satisfactory management fee and performance fee income from fund management business in near future.

Events After Reporting Period

The Group does not have any significant events after the reporting period and up to the date of this report.

Management Discussion and Analysis

Use of Proceeds from Rights Issue

References are made to the announcement of the Company dated 14 April 2023, 25 April 2023, 4 May 2023, 16 June 2023, 27 June 2023, 13 July 2023, 20 July 2023 and 26 July 2023 and the circular of the Company dated 24 May 2023.

The net proceeds (after deducting the expenses, Rights Shares Set-off and Underwritten shares Set-off) were approximately HK\$22.5 million. During the year ended 31 March 2024, the Company had applied the net proceeds according to the disclosure as set out in the announcement dated 20 July 2023.

Details of the use of the net proceeds from the Rights Issue for the year ended 31 March 2024 are as follows:

	Planned use of net proceeds as stated in the Announcement (HK\$'000)	Actual use of net proceeds up to 31 March 2024 (HK\$'000)	Net proceeds utilised during the year ended 31 March 2024 (HK\$'000)	Unutilised net proceeds as at 31 March 2024 (HK\$'000)
Repayment of the Shareholder's loan	12,500	12,500	12,500	—
Expansion of the IR business in Hong Kong and the PRC	9,000	9,000	9,000	—
General working capital	1,000	1,000	1,000	—
Total	22,500	22,500	22,500	—

Board of Directors

Executive Directors

Ms. LO Yuk Yee (“Ms. LO”)

Ms. LO, aged 64, is an experienced investor in cutting-edge technology and venture capital in the past 30 years. Her experience covers a broad range of industries crossing biotechnology, internet business, and finance field in the PRC, United States of America and Hong Kong. Ms. LO also worked in the banking, insurance and finance fields before she became an entrepreneur.

Ms. LO was the chief executive officer and chairman of a listed company in Hong Kong between 2002 and 2006. She has been the independent non-executive director of Da Sen Holdings Group Limited (Stock code: 1580), a company listed on the Main Board of the Stock Exchange, since November 2020. She is a director of Maxx Capital International Limited and Pablos International Limited, which have an interest in the share capital of the Company that are required to be disclosed under the provision in Division 2 and 3 of Part XV of the Securities and Futures Ordinance (Cap 571 of the Laws of Hong Kong) (“SFO”). Ms. LO joined our Group on 28 October 2010.

Mr. TAI Kwok Leung, Alexander (“Mr. TAI”)

Mr. Tai, aged 66, graduated from Victoria University of Wellington in New Zealand with a degree in Bachelor of Commerce and Administration in 1982 and became an associate member of the Hong Kong Institute of Certified Public Accountants in 1983. Mr. Tai has extensive accountancy, corporate finance and investment experience in Hong Kong and overseas. Mr. Tai is licensed under the Securities and Futures Ordinance to conduct Type 1 (dealing in securities), Type 4 (advising on securities), and Type 9 (asset management) regulated activities. Mr. Tai is an independent non-executive director of G&M Holdings Limited (Stock Code: 6038), Shengjing Bank (Stock Code: 2066) and China Star Entertainment Limited (Stock Code: 326) which are listed on the Main Board of The Stock Exchange of Hong Kong Limited. Mr. Tai is a member of Shandong Committee of the Chinese People’s Political Consultative Conference. Mr. Tai joined our Group on 18 January 2024.

Independent non-executive Directors

Mr. WONG Wai Kin (“Mr. W.K. WONG”)

Mr. W.K. WONG, aged 65, is a practising certified public accountant and a proprietor of a public accounting firm in Hong Kong. Mr. W.K. WONG holds a Diploma in Accounting and is a member of the Association of Chartered Certified Accountants and the Hong Kong Institute of Certified Public Accountants. Mr. W.K. WONG has over 38 years of professional and commercial experience in accounting, auditing, taxation and corporate finance. Mr. W.K. WONG joined our Group on 13 September 2010.

Board of Directors

Mr. WONG Kwok Yin (“Mr. K.Y. Wong”)

Mr. K.Y. Wong, aged 44, served as an independent non-executive Director, the chairman of the Audit Committee and a member of the Nomination Committee of Jiayuan Services Holdings Limited (stock code: 1153) start from October 2020, a company listed on the Main Board of the Stock Exchange. He has over 15 years of experience in investment banking. From March 2006 to November 2006, he was a business valuer in Vigers Appraisal and Consulting Limited (威格斯資產評估顧問有限公司). From November 2006 to April 2007, he worked as the executive of Platinum Management Services Limited (百德能管理服務有限公司). From April 2007 to June 2017, he successively served as an associate manager and associate director at Investec Capital Asia Limited (天達融資亞洲有限公司). Since July 2017 to December 2022, he worked for VMS Securities Limited (鼎珮證券有限公司), a company mainly engaged in securities brokerage and corporate finance services in Hong Kong, where he was a managing director of corporate finance department and was responsible for business development and overseeing the overall operation of the corporate finance department.

Mr. K.Y. Wong obtained a bachelor’s degree of science majoring in applied chemistry from Hong Kong Baptist University in December 2002. He also obtained a master’s degree of arts majoring in accounting and information systems from the City University of Hong Kong in November 2005. He was admitted as a fellow of the Association of Chartered Certified Accountants in September 2015. He was a licensed representative and was accredited to carry out type 1 (dealing in securities) and type 6 (advising on corporate finance) regulated activities under the SFO since December 2006 and was accredited as a responsible officer in November 2016 to carry out type 1 (dealing in securities) and type 6 (advising on corporate finance) regulated activities under the SFO.

Mr. K.Y. Wong joined our Group on 16 September 2022.

Mr. YUK Kai Yao (“Mr. YUK”)

Mr. Yuk, aged 43, has been acting as a sales director of China Financial Services Holdings Limited (“China Financial”) (stock code: 605), a company listed on the Main Board of The Stock Exchange since January 2016. He is responsible for overseeing the group of China Financial’s Hong Kong sales teams and sales strategies and business development activities.

Mr. Yuk was an executive director of GBA Holdings Limited (stock code: 261), a company listed on the Main Board of the Stock Exchange from May 2022 to August 2023. He was an independent non-executive director of Grand Talents Group Holdings Limited (Stock Code: 8516), a company listed on the GEM of the Stock Exchange from September 2018 to May 2023. He was a vice president of Hao Tian Development Group Limited (stock code: 474), a company listed on the Main Board of the Stock Exchange, during the period from January 2013 to December 2015. He was responsible for driving the sales activities of money lender business as well as fund raising and treasury matters. Mr. Yuk worked in The Hong Kong and Shanghai Banking Corporation Limited from September 2007 to March 2012 with his last position held as an associate director. He also worked in Standard Chartered Bank (Hong Kong) Limited from March 2007 to September 2007 with his last position held as a Manager.

Mr. Yuk graduated from The University of Hong Kong with a Bachelor Degree of Economics and Finance in 2004.

Mr. Yuk joined our Group on 24 August 2023.

Corporate Governance Report

Introduction

The Board is pleased to present its corporate governance report of the Company for the year ended 31 March 2024, pursuant to Rule 18.44(2) of the GEM Listing Rules.

The Company has made continued efforts to incorporate the key elements of sound corporate governance in its management structures and internal control procedures. The Company is committed to maintaining a high standard of corporate governance, the principles of which serve to uphold a high standard of ethics, transparency, responsibility and integrity in all aspects of business, and to ensure that affairs are conducted in accordance with applicable laws and regulations.

The Board believes that good and effective corporate governance practices are keys to obtaining and maintaining the trust of the shareholders of the Company (the "Shareholders") and other stakeholders, and are essential for encouraging accountability and transparency so as to sustain the success of the Group and to create long-term value for the Shareholders.

Corporate Governance Practices

The Board is responsible for performing the corporate governance duties as set out in the Corporate Governance Code (the "CG Code") contained in Appendix C1 to the GEM Listing Rules, which includes developing and reviewing the Company's policies and practices on corporate governance, training and continuous professional development of Directors, and reviewing the Company's compliance with the code provision in the CG Code and disclosures in this annual report.

The Board is of the view that the Company has complied with all the principles and applicable code provisions of the CG Code throughout the year ended 31 March 2024.

Securities Transactions by Directors

The Company has adopted the required standard of dealings as set out in Rules 5.48 to 5.68 of the GEM Listing Rules in respect of directors' securities transactions ("Required Standard Dealing").

Specific enquiry has been made with all the Directors and the Directors have confirmed that they have complied with the Required Standard Dealing throughout the year ended 31 March 2024.

The Company has adopted a compliance manual for securities transactions by senior management as written guidelines no less exacting than the Required Standard of Dealing for relevant employees ("Written Guidelines") in respect of dealing in the Company's shares.

During the year ended 31 March 2024, the Company is not aware of any incident of non-compliance of the Required Standard Dealing and Written Guidelines by the relevant employees.

The Board

The composition of the Board during the year ended 31 March 2024 and as at the date of this report and the biographical details of the Directors as at the date of this report are set out in the section headed "Report of the Directors" and the section headed "Board of Directors" of this annual report respectively.

Corporate Governance Report

During the year ended 31 March 2024, the Board held nine meetings and the attendance of the Directors are as follows:

Name of directors	Meetings attended/held	
	Board meetings	General meetings
Executive Directors		
Ms. LO Yuk Yee	13/13	1/1
Ms. CHEN Weijie (resigned on 24 August 2023)	9/13	—
Mr. TAI Kwok Leung, Alexander (appointed on 18 January 2024)	1/13	—
Mr. FO Chen Yuh (appointed on 24 August 2023 and resigned on 26 February 2024)	4/13	1/1
Independent non-executive Directors		
Mr. WONG Wai Kin	13/13	1/1
Mr. YUK Kai Yao (appointed on 24 August 2023)	4/13	1/1
Mr. WONG Kwok Yin	13/13	1/1
Mr. CHU Ka Chung (resigned on 24 August 2023)	9/13	—

In addition to meetings, the Board also approved matters by resolutions in writing from all the Directors.

The Board is responsible for the overall management of the Company in accordance with the bye-laws of the Company ("Bye-Laws") and is entitled to delegate its powers in respect of daily management to any executive Directors, committees of the Board and the management team. The Board is primarily responsible for approving and monitoring the Company's major corporate matters, the evaluation of the performance of the Company and oversight of the management. The senior management of the Group is responsible for the implementation of the business strategies and the day-to-day operations of the Group under the leadership of the executive Directors. The Directors have full access to all the information of the Group in relation to the business operation and financial performance of the Group.

To the knowledge of the Directors, the Board members have no financial, business, family or other material/relevant relationships with each other.

Pursuant to Rule 5.08 of the GEM Listing Rules, the Company has at least three independent non-executive Directors with at least one of them having appropriate professional or accounting or related financial management expertise. The Company has received the annual confirmation of independence from all the independent non-executive Directors pursuant to Rule 5.09 of the GEM Listing Rules and considered them to be independent.

Each of the non-executive Director and independent non-executive Director is appointed for a term of one year. Each Director is subject to retirement and rotation requirement under the Bye-Laws.

Corporate Governance Report

Audit Committee

The Board established an Audit Committee with written terms of reference in accordance with Rule 5.28 of the GEM Listing Rules. During the year ended 31 March 2024, the audit committee comprised of three members who are independent non-executive Directors, namely, Mr. WONG Wai Kin, Mr. WONG Kwok Yin and Mr. YUK Kai Yao (with Mr. WONG Wai Kin as the chairman thereof).

The principal duties of the Audit Committee are to review and supervise the financial reporting process, risk management and internal control procedures of the Company, and nominate and monitor external auditors.

The Audit Committee met four times during the year ended 31 March 2024 and the attendance of the members are as follows:

Name of committee members	Meetings attended/held
Mr. WONG Wai Kin	3/3
Mr. YUK Kai Yao (appointed on 24 August 2023)	1/3
Mr. WONG Kwok Yin	3/3
Mr. CHU Ka Chung (resigned on 24 August 2023)	2/3

During the year ended 31 March 2024, the Audit Committee discharged its duties by reviewing the financial matters, quarterly, interim and annual financial reports and financial statements as well as audit matters of the Company, discussing with executive Directors, management and the auditors of the Company, and making recommendations to the Board.

The audited consolidated financial statements of the Group for the year ended 31 March 2024 have been reviewed by the Audit Committee.

The consolidated financial statements for the year ended 31 March 2024 were audited by Crowe (HK) CPA Limited whose term of office will expire upon the forthcoming annual general meeting of the Company. The Audit Committee has recommended to the Board that Crowe (HK) CPA Limited be reappointed as the auditors of the Company at the forthcoming annual general meeting of the Company.

Corporate Governance Report

Remuneration Committee

During the year ended 31 March 2024, the Remuneration Committee of the Company comprised of the executive Director, Ms. LO Yuk Yee and two independent non-executive Directors, namely, Mr. WONG Wai Kin and Mr. WONG Kwok Yin (with Mr. WONG Kwok Yin as the chairman thereof). The principal responsibilities of the Remuneration Committee include the formulation of the Company's remuneration policy, the approval or recommendation to the Board on remuneration packages for the Directors and the senior management, and the review and approval of performance-based remuneration by reference to corporate goals and objectives.

According to the terms of reference, the Remuneration Committee should meet at least once a year. The Remuneration Committee met three meetings during the year ended 31 March 2024 in which the Remuneration Committee reviewed the remuneration policy of the Company and the performance of the executive Directors and the attendance of the members are as follows:

Name of committee members	Meetings attended/held
Mr. WONG Kwok Yin	3/3
Ms. LO Yuk Yee	3/3
Mr. WONG Wai Kin	3/3

Nomination Committee

During the year ended 31 March 2024, the Nomination Committee comprised of the executive Director, Ms. LO Yuk Yee and two independent non-executive Directors, namely Mr. WONG Kwok Yin and Mr. WONG Wai Kin (with Ms. LO Yuk Yee as the chairman thereof). The principal responsibilities of the Nomination Committee include, amongst other things, making recommendations on any proposed changes to the Board to complement the Company's corporate strategy.

The Nomination Committee is mainly responsible for looking for suitable candidates to join the Board when there are vacancies or when it is necessary to hire additional Directors. The members of the Nomination Committee will propose the appointment of the candidates concerned to each member of the Board, and all members of the Nomination Committee will review the qualifications of the candidates concerned and decide whether they are suitable to join the Company and the terms of their appointment based on their caliber, experience and background.

According to the terms of reference, the Nomination Committee should meet at least once a year. The Nomination Committee met three meetings during the year ended 31 March 2024 and the attendance of the members are as follows:

Name of committee members	Meetings attended/held
Ms. LO Yuk Yee	3/3
Mr. WONG Wai Kin	3/3
Mr. WONG Kwok Yin	3/3

Corporate Governance Report

Corporate Governance Committee

During the year ended 31 March 2024, the Corporate Governance Committee comprised of three independent non-executive Directors, namely Mr. YUK Kai Yao, Mr. WONG Kwok Yin and Mr. WONG Wai Kin (with Mr. YUK Kai Yao as the chairman thereof).

The Corporate Governance Committee is responsible for performing the corporate governance duties including:

- (a) to develop and review the Company's policies and practices on corporate governance and making recommendations to the Board;
- (b) to review and monitor the training and continuous professional development of Directors and senior management of the Company and its subsidiaries;
- (c) to review and monitor the Company's policies and practices on compliance with legal and regulatory requirements;
- (d) to develop, review and monitor the code of conduct and compliance management (if any) applicable to employees and directors of the Company and its subsidiaries; and
- (e) to review the Company's compliance with the CG Code and disclosure on the Corporate Governance Report.

According to the terms of reference, the Corporate Governance Committee should meet at least once a year. The Corporate Governance Committee met one meeting during the year ended 31 March 2024 and the attendance of the members are as follows:

Name of committee members	Meetings attended/held
Mr. YUK Kai Yao (appointed on 24 August 2023)	1/1
Mr. WONG Wai Kin	1/1
Mr. CHU Ka Chung (resigned on 24 August 2023)	—
Mr. WONG Kwok Yin	1/1

Board Diversity Policy

The Company has adopted the Board Diversity Policy which sets out the approach to achieve diversity of the Board. The Company recognises and embraces the benefits of having a diverse Board and sees increasing diversity at the Board level as an essential element in maintaining the Company's competitive advantage.

Pursuant to the Board Diversity Policy, the Nomination Committee will review annually the structure, size and composition of the Board and where appropriate, make recommendations on changes to the Board to complement the Company's corporate strategy and to ensure that the Board maintains a balanced diverse profile. In relation to reviewing and assessing the Board composition, the Nomination Committee is committed to diversity at all levels and will consider a number of aspects, including but not limited to gender, age, cultural and educational background, professional qualifications, skills, knowledge and regional and industry experience.

Corporate Governance Report

The Company aims to maintain an appropriate balance of diversity perspectives that are relevant to the Company's business growth and is also committed to ensuring that recruitment and selection practices at all levels (from the Board downwards) are appropriately structured so that a diverse range of candidates are considered.

During the year ended 31 March 2024 and as at the date of this annual report, the Board is comprised of members with a diverse range of expertise, including management and maintenance, finance and accounting and sales and marketing. The Board is also comprised of individuals from different age group and genders. As such, the Board considers that its current board composition is diversified with appropriate balanced professional background, skill and experience and has achieved gender diversity in respect of the Board.

The Board will consider setting measurable objectives to implement the Board Diversity Policy and review such objectives from time to time to ensure their appropriateness and ascertain the progress made towards achieving those objectives.

At present, the Nomination Committee considered that the Board is sufficiently diverse and the Board has not set any measurable objectives.

The Nomination Committee will review the Board Diversity Policy, as appropriate, to ensure its effectiveness.

Director Nomination Policy

The Board has delegated its responsibilities and authority for selection and appointment of Directors to the Nomination Committee.

The Company has adopted the Director Nomination Policy which sets out the selection criteria and process and the Board succession planning considerations in relation to nomination and appointment of Directors and aims to ensure that the Board has a balance of skills, experience and diversity of perspectives appropriate to the Company and the continuity of the Board and appropriate leadership at Board level.

The Director Nomination Policy sets out the factors for assessing the suitability and the potential contribution to the Board of a proposed candidate, including but not limited to the following:

- Character and integrity;
- Qualifications including professional qualifications, skills, knowledge and experience that are relevant to the Company's business and corporate strategy;
- Diversity in all aspects, including but not limited to gender, age (18 years or above), cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service;
- Requirements of independent non-executive Directors on the Board and independence of the proposed independent non-executive Directors in accordance with the GEM Listing Rules; and
- Commitment in respect of available time and relevant interest to discharge duties as a member of the Board and/or Board committee(s) of the Company.

The Director Nomination Policy also sets out the procedures for the selection and appointment of new Directors and re-election of Directors at general meetings.

Corporate Governance Report

The Nomination Committee will review the Director Nomination Policy, as appropriate, to ensure its effectiveness.

Gender Ratio in the Workforce

The Company values gender diversity across all levels of the Group. In terms of employment, the Group insists on the principle of fairness and equal treatment regardless of citizenship, nationality, race, gender, religious belief and cultural background, and does not impose any restrictive requirements on gender, ethnicity, nationality and region. The gender ratio in the workforce (including senior management) is set out in the section headed “Summary of Social Performance Data — Employment Conditions” in the Environment, Social and Governance (the “ESG”) Report of this annual report. The Group will continue to take steps to promote gender diversity at all levels of the Group, including but not limited to the Board and the senior management levels.

Directors’ Training and Professional Development

Every Director keeps abreast of responsibilities as a Director of the Group and of the business activities and development of the Group. Every newly appointed Director is provided with an induction on the first occasion of his/her appointment to ensure that he/she has adequate understanding of the businesses and operations of the Group. The Directors are also kept informed on a timely basis of their responsibilities and obligations under the GEM Listing Rules, as well as other relevant statutory or regulatory requirements. The Company also encourages its Directors to participate in other continuous professional development programmes for directors. All Directors are committed to comply with the CG Code on Directors’ training for the year ended 31 March 2024.

A summary of training received by Directors for the year ended 31 March 2024 according to the records provided by the Directors is as follows:

Name of Directors	Attending seminars and trainings
Ms. Lo Yuk Yee	√
Ms. Chen Weijie (resigned on 24 August 2023)	x
Mr. Tai Kwok Leung, Alexander (appointed on 18 January 2024)	√
Mr. Fo Chen Yuh (appointed on 24 August 2023 and resigned on 26 February 2024)	√
Mr. Wong Wai Kin	√
Mr. Wong Kwok Yin	√
Mr. Chu Ka Chung (resigned on 24 August 2023)	x
Mr. Yuk Kai Yao (appointed on 24 August 2023)	√

Auditors’ Remuneration

In line with the sound practice that the independence of external auditors should not be impaired by other non-audit assignments, the Group ensures that assignments other than statutory audits undertaken by external auditors should not have an adverse impact on their independence. For the year ended 31 March 2024, the auditors of the Company received approximately HK\$500,000 for audit service and Nil for non-audit services.

Directors’ Responsibility for the Consolidated Financial Statements

The Directors acknowledge their responsibility for preparing the financial statements for the year ended 31 March 2024.

Corporate Governance Report

Company Secretary

Ms. Cheung Yin (“Ms. Cheung”) was appointed as the company secretary at 1 September 2022. In her capacity acting as the company secretary of the Company, Ms. Cheung is responsible for company secretarial works. Ms. Cheung has taken not less than 15 hours of relevant professional training and in compliance with Rule 5.15 of the GEM Listing Rules.

Risk Management and Internal Control

The Board is responsible for evaluating and determining the nature and extent of the risks and it is willing to take in achieving the Group’s strategic objectives and ensuring that the Group establishes and maintains appropriate and effective risk management and internal control systems and reviewing their effectiveness. The Board is also responsible for overseeing the design, implementation and monitoring of the risk management and internal control systems. The risk management and internal control systems are designed to provide reasonable, but not absolute, assurance against material misstatement or loss and to manage rather than eliminate risks of failure in operating systems or in achievement of the Group’s business objectives.

The Board, through the Audit Committee, conducts a review of the effectiveness of the Group’s risk management and internal control systems. It covers all material controls, including financial, operational and compliance controls, on an annual basis. It also considers the adequacy of resources, staff qualifications and experience, training programs and budget of the Group’s accounting and financial reporting function.

Under the enterprise risk management framework, policies and procedures are in place to identify, assess, manage, control and report risks. Such risks include strategic, credit, operational (administrative, system, human resources, reputation), market, liquidity, legal and regulatory risks. Exposure to these risks is continuously monitored by the Board through the Audit Committee.

The internal control system includes a defined management structure with specified limits of authority. The Board has clearly defined the authorities and key responsibilities of each division to ensure adequate checks and balances. The internal control system has been designed to safeguard the Group’s assets against authorized use of disposition, to ensure the maintenance of proper accounting records for producing reliable financial information, and to ensure compliance with applicable laws, regulations and industry standard.

To assist the Board in its monitoring control function, an internal audit function (“Internal Audit”) provide an independent appraisal and assurance of its internal governance process, effectiveness of the risk management framework, methodology, together with the control activities in the Group’s business operations.

To ensure the independence of the Internal Audit, the internal audit function reports directly to the Audit Committee on audit matters.

Internal Audit performs its independent reviews of different financial, business and functional operations and activities using a risk based approach to focus on areas of major risks as identified by a comprehensive risk analysis. Division or department heads and the management concerned will be notified of all control deficiencies for rectification within a set time frame.

During the year under review, the Board has reviewed the effectiveness of the internal control system of the Group and there were no major issue identified by the Audit Committee and Internal Audit. The Board is of the view that the enterprise risk management and internal control systems in place for the year and up to the date of issuance of the annual report is effective and adequate.

Corporate Governance Report

Whistleblowing Policy and Anti-Corruption Policy

The Board adopted a whistleblowing policy (the “Whistleblowing Policy”) in April 2022. The purpose of the Whistleblowing Policy is to commit to the highest possible standards of openness, probity and accountability. It provides the employees of the Group with protection, support, reporting channels and guidance on whistleblowing. The nature, status and the results of the complaints received under the Whistleblowing Policy are reported to designated officers and the Audit Committee. No incident of fraud or misconduct that have material effect on the Group’s financial statements or overall operations for the year ended 31 March 2024 has been discovered. The Whistleblowing Policy is reviewed annually by the Audit Committee to ensure its effectiveness.

Anti-corruption Policy

The Board adopted an anti-fraud and gifts and kickbacks policy (the “Anti-corruption Policy”) in April 2022. The Group is committed to preventing, detecting and reporting fraud, including fraudulent financial reporting. The Anti-corruption Policy applies to the Directors, officers and employees of the Group. The Group encourages all of its business partners, including joint venture partners, associated companies, contractors and suppliers to abide by the principles of the Anti-corruption Policy. In the Anti-corruption Policy, fraud is defined as acts such as deception, bribery, forgery, extortion, corruption, theft, conspiracy, embezzlement, misappropriation, false representation, concealment of material facts and collusion. For practical purposes, fraud may be defined as the use of deception with the intention of obtaining an advantage, avoiding an obligation or causing loss to another party. The Anti-corruption Policy forms an integral part of the Group’s corporate governance framework. The Anti-corruption Policy sets out the specific behavioural guidelines that the Group’s personnel and business partners must follow to combat corruption. It demonstrates the Group’s commitment to the practice of ethical business conduct and the compliance of the anti-corruption laws and regulations that apply to its local and foreign operations. The Anti-corruption Policy is reviewed and updated periodically to align with the applicable laws and regulations as well as the industry best practice.

Handling and dissemination of inside information

The Group has in place a policy on disclosure of inside information which sets out the procedures and internal controls for handling and dissemination of inside information. The policy provides guidelines to the Directors, officers and all relevant employees of the Group to ensure proper safeguards exist to prevent the Company from breaching the statutory disclosure requirements. It also includes appropriate internal control and reporting systems to identify and assess potential inside information.

Key procedures in place include:

- defines the requirements of periodic financial and operational reporting to the Board and Company Secretary to enable them to assess inside information and make timely disclosures, if necessary;
- controls the access to inside information by employees on a need-to-know basis, and safeguarding the confidentiality of the inside information before it is properly disclosed to public; and
- procedures of communicating with the Group’s stakeholders, including shareholders, investors, analysts, etc. in ways which are in compliance with the GEM Listing Rules.

The Group has also established and implemented procedures to handle enquiries from external parties related to the market rumours and other Group’s affairs.

Corporate Governance Report

To avoid uneven dissemination of inside information, the dissemination of inside information of the Company shall be conducted by publishing the relevant information on the Stock Exchange's website and the Company's website.

Shareholders' Rights

To safeguard shareholders' interests and rights, separate resolutions are proposed at shareholders' meetings on each substantial issue, including the election of individual directors, for shareholders' consideration and voting. Besides, pursuant to the Bye-Laws, shareholder(s) holding not less than one-tenth of the paid-up capital of the Company carrying the right of voting at general meetings may request the Company to convene a special general meeting by sending a written requisition to the Board or the company secretary. The objects of the meeting must be stated in the written requisition.

Shareholders may send written enquiries to the Company for putting forward any enquiries or proposals to the Board directly to its principal place of business in Hong Kong by post or email to ir@finet.com.hk. The Company will respond to all enquiries on a timely and proper basis.

For the avoidance of doubt, shareholder(s) must deposit and send the original duly signed written requisition, notice or statement, or enquiry (as the case may be) to the above address and provide their full name, contact details and identification in order to give effect thereto. Shareholders' information may be disclosed as required by law.

An up-to-date version of the Bye-Laws is available on the Company's website and the Stock Exchange's website. Shareholders may refer to the Bye-Laws for further details of their rights.

All resolutions put forward at shareholders' meetings will be voted by poll pursuant to the GEM Listing Rules and the poll voting results will be posted on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.finet.hk) immediately after the relevant general meetings.

Investor Relations and Communication

The Company has adopted shareholders communication policy (the "Shareholders Communication Policy") with the objective of ensuring that the Shareholders and potential investors are provided with ready, equal and timely access to balanced and understandable information about the Company.

The Company has established and maintained different communication channels with its shareholders. The Company updates its shareholders on its latest business developments and financial performance through its corporate publications including annual reports and public announcements. Briefing and meetings with institutional investors and analysts are conducted regularly. The Company also maintains its website (ir.finet.hk) to provide an alternative communication channel for the public and its shareholders. All corporate communication and Company's latest updates are available on the Company's website for public's information.

During the year, there has been no significant change in the Group's constitutional documents.

Policy Relating to Shareholders

The Company has adopted a dividend policy (the "Dividend Policy") on payment of dividends. The Group does not have any pre-determined dividend payout ratio. Depending on the financial conditions (e.g. liquidity position of the Company, financial results, general business conditions and strategies, capital requirements) of the Company and the Group and the conditions and factors as set out in the Dividend Policy (e.g. shareholders' interest, statutory and regulatory restrictions), dividends may be proposed and/or declared by the Board during a financial year and any final dividend for the Reporting Period will be subject to the shareholders' approval.

Report of the Directors

The Directors present the annual report together with the audited consolidated financial statements of the Group for the year ended 31 March 2024.

Principal Activities

The Company is an investment holding company. The principal activities and other particulars of its subsidiaries are set out in Note 1 to the consolidated financial statements.

Business Review

The business review of the Group for the year ended 31 March 2024 is set out in the section headed Management Discussion and Analysis on pages 8 to 13 of this annual report.

Principal Properties

Please refer to Note 17 of the consolidated financial statements for principal properties of the Group.

Property Include

No.	Property
1	Investment Property 12A03 and 12A04, Anlian Plaza, Junction of Jintian Road and Fuzhong San Road, Futian District, Shenzhen City, Guangdong Province, the People's Republic of China

Principal Risks and Uncertainties Facing by the Group

Our media, advertising and investor relationship services business face intensive competition from many platforms providing different kinds of program from all over the world and other financial PR and advertisement agencies providing similar services.

In order to deal with this challenge, we will continue to improve our websites and mobile apps (e.g. in terms of quality, numbers of program offered etc.) so that we can attract more audience to view our contents. We realize the quality of financial news is critical to our success. Therefore, we continue to recruit experienced news writer and anchor to join our Group.

Our financial services business, brokerage business and fund management business will be adversely affected by the downturn of the financial market. The performance of financial market can be influenced by different economic and political factors. Besides, the coming of financial crisis is difficult to predict. All the factors mentioned above will create risks and uncertainties for our financial services business, brokerage business and fund management business. The Company will strengthen the risk management by recruiting the right candidate or consulting the risk management expert.

Compliance with the Relevant Laws and Regulations

During the Reporting Period, as far as the Board is aware, the Group has complied with the relevant laws and regulations.

The Group will seek for professional legal opinion from its external legal advisors when necessary to ensure that the Group's transactions and business are in conformity with all applicable laws and regulations.

Report of the Directors

The Group's Relationships with Its Employees and Customers

The Company maintains good relationships with its employees.

The Directors recognize that employees and customers are the keys of sustainable development of the Group. The Group strives to motivate its employees with a clear career path and opportunities for advancement and improvement of skills. The Group also stays connected with its customers and has ongoing communication with them to obtain their feedback and suggestions.

Results and Appropriations

Details of the Group's results for the year ended 31 March 2024 are set out in the consolidated statements of profit or loss on page 49.

The Board does not recommend the payment of dividend for the year ended 31 March 2024 (2023: Nil).

Group Financial Summary

A summary of the published annual results and assets and liabilities of the Group for the last five financial years is set out in the section headed "Five Year Financial Summary" of this annual report.

Distribution Reserves

The Company had no distribution reserve as at 31 March 2024 (2023: nil).

Share Capital

Details of movements in share capital of the Company are set out in Note 32 to the accompanying consolidated financial statements.

Purchase, Sale or Redemption of Listed Shares

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed shares during the year ended 31 March 2024.

Pre-emptive Rights

There is no provision for pre-emptive rights under the Bye-Laws or the laws in Bermuda.

Borrowing and Interest Capitalised

Particulars of borrowing of the Group as at 31 March 2024 are set out in Note 30 to the accompanying consolidated financial statements. No interest was capitalized by the Group during the Reporting Period (2023: Nil).

Sufficiency of Public Float

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

Biographical Details of Directors

Brief biographical details of Directors are set out in the section headed "Board of Directors" of this annual report.

Report of the Directors

Permitted Indemnity Provision

Pursuant to the Articles, the Directors and other officers, for the time being acting in relation to the affairs of the Company, shall be indemnified and secured harmless out of the assets and profits of the Company from and against all actions, costs, charges, losses, damages and expenses which they or any of them shall or may incur or sustain by or by reason of any act done, concurred in or omitted in or about the execution of their duty.

Directors

The Directors who held office during the year ended 31 March 2024 were:

Executive Directors

Ms. LO Yuk Yee

Ms. CHEN Weijie (resigned on 24 August 2023)

Mr. TAI Kwok Leung, Alexander (appointed on 18 January 2024)

Mr. FO Chen Yuh (appointed on 24 August 2023 and resigned on 26 February 2024)

Independent Non-executive Directors

Mr. WONG Wai Kin

Mr. WONG Kwok Yin

Mr. CHU Ka Chung (resigned on 24 August 2023)

Mr. YUK Kai Yao (appointed on 24 August 2023)

Detailed information of the Directors standing for re-election will be set out in the circular in relation to the forthcoming annual general meeting of the Company to be dispatched to the shareholders of the Company.

Emoluments of the Directors and the Five Highest Paid Individuals

Details of the Directors' emoluments and of the five highest paid individuals in the Group are set out in Note 13 and 14 to the accompanying consolidated financial statements respectively.

Directors' Service Agreements

Each of the independent non-executive Directors and non-executive Director is appointed for a term of one year.

None of the Directors being proposed for re-election at the forthcoming annual general meeting has a service contract with the Company or any of its subsidiaries which is not determinable by the Group within one year without payment of compensation, other than statutory compensation.

Report of the Directors

Interest in Shares and Underlying Shares

Directors' and chief executive's interests and short positions in the shares and underlying shares

As at 31 March 2024, the interests and short positions of the Directors and the chief executive of the Company in the Shares, underlying Shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO), as recorded in the register required to be kept under section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the required standard of dealings by directors of listed issuers as referred to in Rule 5.46 of the GEM Listing Rules, were as follows:

Long positions in the shares and underlying shares of the Company and its associated corporations

Name of Director	Name of Group member/ associated corporations	Number of shares and capacity in which the shares were held		
		Beneficial owner	Interest of controlled corporation	% of shares in issue <i>(Note 2)</i>
Executive Director:				
Ms. LO Yuk Yee ("Ms. LO")	The Company	79,348,087 (L)	594,340,889 (L)	67.38%
Ms. LO	Maxx Capital International Limited ("Maxx Capital") <i>(Note 1)</i>	—	2 ordinary shares	100%
Ms. LO	Pablos International Limited ("Pablos") <i>(Note 1)</i>	1,000 ordinary shares	—	100%

(L) denotes long positions

Notes:

- 594,340,889 ordinary shares were held by Maxx Capital which was wholly-owned by Pablos, and Pablos was wholly owned by Ms. LO. Accordingly, Ms. LO was deemed by virtue of the SFO to be interested in 673,689,976 ordinary shares.
- As at 31 March 2024, the Company had 999,808,161 ordinary shares in issue.

Save as disclosed above, as at 31 March 2024, none of the Directors or chief executive of the Company nor their respective associates had any interests or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept under section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the required standard of dealings by directors of listed issuers as referred to in Rule 5.46 of the GEM Listing Rules.

Report of the Directors

Substantial shareholders' interest and short position in the shares of the Company

As at 31 March 2024, so far as the Directors are aware, persons other than Directors or chief executive of the Company who have interests or short positions in the shares or underlying shares of the Company as recorded in the register required to be kept under section 336 of the SFO, were as follows:

Long Positions in the Shares

Long Positions in the Shares and Underlying Shares of the Company

Name of Shareholders	Capacity	Number of shares held	Approximate percentage of existing shareholding (Note 2)
Substantial shareholders			
Pablos (Note 1)	Interest of Controlled Corporation	594,340,889 (L)	59.45%
Maxx Capital (Note 1)	Beneficial Owner	594,340,889 (L)	59.45%
Broadgain International Limited	Beneficial Owner	47,052,000 (L)	7.06%
WANG Yuan	Beneficial Owner	39,000,000 (L)	5.85%

(L) denotes long positions

Notes:

- 594,340,889 ordinary shares were held by Maxx Capital, which was wholly-owned by Pablos and Pablos was wholly-owned by Ms. LO, a director of the Company. Ms. LO is a director of each of Maxx Capital and Pablos.
- As at 31 March 2024, the Company had 999,808,161 ordinary shares in issue.

Other persons who are required to disclose their interests

Save as disclosed above, the Directors are not aware of other person who, as at 31 March 2024, had interests or short positions in the shares or underlying shares of the Company as recorded in the register required to be kept under section 336 of the SFO.

Directors' Interests in Arrangement, Transaction or Contracts of Significance

Save as disclosed in this annual report, there was no arrangements, transaction or contract of significance in relation to the Group's business to which the Group was a party and in which any of the Directors had material interests, whether directly or indirectly, subsisted at the end of the year 2024 or at any time during the Reporting Period (2023: Nil).

Report of the Directors

Securities Transactions by Directors

The Company has adopted a code of conduct regarding securities transactions by the Directors on terms no less exacting than the required standard of dealing as set out in Rules 5.48 to 5.67 of the GEM Listing Rules throughout the year ended 31 March 2024. Having made specific enquiry of all Directors, all Directors have complied with the required standard of dealings and its code of conduct regarding securities transactions throughout the year ended 31 March 2024.

Audit Committee

The audited consolidated financial statements of the Group for the year ended 31 March 2024 have been reviewed by the Audit Committee.

Competing Interests

None of the Directors or substantial shareholders of the Company or any of their respective associates has engaged in any business that competes or may compete with the business of the Group or has any other conflict of interests with the Group during the year ended 31 March 2024.

Connected Transactions and Continuing Connected Transactions

Details of the related party transactions of the Group for the year ended 31 March 2024 are set out in Note 36 to the consolidated financial statements in this annual report. The rental expenses paid to Cyber Feel Limited, as announced on 25 October 2021, fall under the definition of connected transactions under the GEM Listing Rules. The other related party transactions fall under the definition of continuing connected transactions under the GEM Listing Rules. Such continuing connected transactions were entitled to full exemption from the annual review and disclosure requirements under Chapter 20 of the GEM Listing Rules.

The Company confirms that it has complied with the disclosure requirements in accordance with Chapter 20 of the GEM Listing Rules in so far as they are applicable.

Management Contracts

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

Confirmation of Independence by Independent Non-executive Directors

The Company confirms that it has received from each of the independent non-executive Directors an annual confirmation of his independence pursuant to Rule 5.09 of the GEM Listing Rules and considers, based on the confirmations received, the independent non-executive Directors to be independent.

Corporate Governance

The Company has published its Corporate Governance Report, details of which are set out in the section headed "Corporate Governance Report" of this annual report.

Report of the Directors

Auditors

Crowe (HK) CPA Limited was appointed as the auditor of the Company. The consolidated financial statements for the years ended 31 March 2023 and 2024 have been audited by Crowe (HK) CPA Limited. Crowe (HK) CPA Limited will retire, and being eligible, offer themselves for re-appointment at the forthcoming annual general meeting. A resolution for their re-appointment as auditor of the Company will be proposed at the forthcoming annual general meeting.

On behalf of the Board

Finet Group Limited

LO Yuk Yee

Chairman

Hong Kong, 28 June 2024

Environmental, Social and Governance Report

Contents

About this report	34
A. Environmental Protection	
1. Emissions	35
2. Use of Resources, the Environment and Natural Resources	37
3. The Environment and Natural Resources	38
B. Social Responsibilities	
1. Employment and Labor Practices	38
2. Health and Safety	40
3. Development and Training	40
4. Labor Standards	40
5. Product Responsibility	40
6. Anti-corruption, Bribery, Extortion, Fraud and Money Laundering	41
7. Community Investment	41
Summary of Social Performance Data	42

Environmental, Social and Governance Report

About This Report

We are pleased to present this report pursuant to the disclosure requirements of the Environmental, Social and Governance (the “ESG”) Reporting Guide set out in Appendix 20 to the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) (the “GEM Listing Rules”) to disclose the Company’s and its subsidiaries’ (collectively, the “Group”) performance in environmental, social and governance aspects during the period from 1 April 2023 to 31 March 2024 (the “Reporting Period”). Policies, statements and information set forth in this report cover the Company’s headquarter and the subsidiaries under its effective control. The Board considers that a sound environment, a harmonious society and good governance are of utmost importance to the sustainable development of both the Group’s business and the community in which we operate. Therefore, the Group is committed not only to enhancing its financial performance but also to implementing various policies and measures to increase its efforts in environmental protection, fulfill its social responsibilities and enhance its governance.

Stakeholder Engagement

With the aim to align the Group’s long term sustainability goals with its current vision and mission, we recognise the importance of integrating our stakeholders’ expectations and requests and of truly understanding their concerns.

We actively engage our stakeholders and provide updates on our recent developments through diverse engagement channels. The table below highlights our key stakeholders and our communication channels:

Stakeholder Group	Engagement Channels
Employees	<ul style="list-style-type: none">— Internal emails and publications— Internal briefings and meetings— Training— Performance appraisal
Clients/Customer	<ul style="list-style-type: none">— Client meetings— Corporate website
Investors and Shareholders	<ul style="list-style-type: none">— Press release and announcements— Annual, interim and quarterly reports— Annual general meeting and general meetings— Investors conference
Suppliers, Contractors and Business Partners/Associates	<ul style="list-style-type: none">— Business meeting
Government and Regulators	<ul style="list-style-type: none">— Email, phone and fax communications
Social Groups and Public	<ul style="list-style-type: none">— Email and phone communications— Sponsorships and donations
Media	<ul style="list-style-type: none">— Public events— Press release

Environmental, Social and Governance Report

Materiality Assessment

Through our established engagement channels, we will identify relevant ESG issues and assessed their materiality to our businesses as well as to our stakeholders.

The materiality assessment process is set out as follows:

- i) Identification of potential issues: Screening of initial reference issues with reference to the ESG Guide, and peer benchmarking ideas against suitable peer companies to pinpoint material ESG issues performed.
- ii) Stakeholder evaluation: Internal and external stakeholders, who possess significant dependency of influence on the Company, are invited to rank the importance of each ESG issue via established engagement channels and interviews.
- iii) Prioritisation: The results from issues identification and stakeholder evaluation are combined to generate ESG materiality ranking.
- iv) Validation: The ESG working group of the Company validates and confirms the key material ESG issues, and how they link to the respective Aspects and KPIs of the ESG Guide.

A. Environmental Protection

The Group upholds its commitment to sustainable development and complies with relevant laws and regulations on environmental protection. We encourage our employees to focus on and enhance their awareness of environmental protection. We strive to reduce the impacts of our operation on the environment and adhere to the principles of green operation and green office. In order to implement these measures, the Group has adhered to the 4R Principles of waste reduction, i.e. Reduce, Reuse, Recycle and Replace.

A.1 Emissions

The Group is principally engaged in (i) advertising, financial public relationship service (including media business); (ii) Property Investment Business; (iii) Money Lending Business; (iv) the provision of Financial Information Service; and (v) Securities Business. Based on the aforesaid, the Group's operations is not expected to have a significant impact on the environment arising from its operating activities and will not generate hazardous pollutants.

In order to minimize hazardous emissions, the Group encourages its employees to:

1. Take public transport instead of driving during travels, whenever possible, to reduce vehicle exhaust emissions;
2. Use telephone or video conferencing to replace business trips as far as feasible to reduce carbon emissions;
3. Take the eco-friendly modes of transportation that have low levels of pollution, such as railway lines, trams, LPG minibuses, etc.; and
4. Use environmentally-friendly cleaning agents to reduce water pollution.

Environmental, Social and Governance Report

The Group is not aware of any circumstances arising from its business operations leading to significant air pollution, water pollution and land pollution and generation of hazardous waste during the Reporting Period.

Air Emissions

Due to our business nature, the Group considers the relevant air emissions generated are not significant.

During the year ended 31 March 2023 and 2024, the greenhouse gas (“GHG”) emission from the operation is set out below:

GHG Emission

	2024	2023
Type of GHG emissions	Equivalent CO₂ emission (kg)	Equivalent CO ₂ emission (kg)
Scope 1 Direct emissions	Nil	Nil
Scope 2 Indirect emission	87,302.8	86,774.4
Total	87,302.8	86,774.4
Intensity	1,678.9 kg/employee	1,549.5 kg/employee

Note: The calculation of the greenhouse gas is based on the “Corporate Accounting and Reporting Standard” from greenhouse gas protocol.

Scope 1: Direct emission from the vehicles that is owned by the Group

Scope 2: Indirect emissions from the generation of purchased electricity consumed by the Group

Scope 3: Other indirect emission is optional disclosure that the corresponding emission is not controlled by the Group

The Group makes efficient use of energy and resources and minimize the impact of the Group activities on the environment and natural resources whilst we grow our business.

Waste Management

The Group has devoted substantial efforts to waste management by minimising solid waste to landfills through waste reducing, waste reusing and waste recycling. One of the essential measurements is through promoting the importance of waste reduction among the employees of the Group through training and education. Going paperless is always our key message passed to the employees of the Group and they are encouraged to use electronic copies for filing purpose and use recycle papers for printing in order to reduce waste. Our efforts to reduce paper usage include implementing paperless e-Payroll systems.

Environmental, Social and Governance Report

A.2 Use of Resources, the Environment and Natural Resources

The resources used by the Group for its operations are mainly electricity, water and paper. In order to uphold its commitment to sustainable development, the Group's employees have kept the use of resources to a minimum through various green practices.

Electricity Consumption:

1. Use of energy-efficient lights and electrical appliances in office workplace.
2. Staffs are encouraged to dress in smart casual and indoor temperature is maintained at around 25.5°C in the summer time.
3. Turn off some lights and air conditioning during lunch hours and non-office hours.
4. Enable the "Standby" or "Sleep" mode of personal computers.

Water Consumption:

Reminders on water conservation are posted in pantry.

Paper Consumption:

1. Use of environmental friendly paper.
2. Use of email instead of the paper-based approval process to reduce the use of paper.
3. Practice of double-sided printing or copying.
4. Publish notice or brochure in electronic version and upload the files to the Group's intranet or made publicly available online.

In addition, the Group also reduces the use of resources through environmentally-friendly procurement (procurement of environmentally friendly furniture, eco-friendly toner, green stationery, etc.) and adopts simple decoration approach for office premises.

During the Reporting Period, the electricity consumption in our rented office premises were about 135,032 kWh (2023: 131,740 kWh) and A4 paper usage of about 92,686 sheets (2023: 98,738 sheets).

Environmental, Social and Governance Report

A.3 The Environment and Natural Resources

General Disclosure and KPIs

Although the core business of the Group has limited impact on the environment and natural resources, as an ongoing commitment to good corporate social responsibility, we recognise the responsibility in minimising the negative environmental impacts of our operations in achieving sustainable development to generate long-term values to our stakeholders and community.

The Group works tirelessly to mitigate the environmental impacts of its activities through adopting industry best practices, targeted at reduction of natural resources consumption and effective emission management. We regularly assess our businesses' environmental risks, and adopt preventive measures in reducing those risks and ensuring the compliance with relevant laws and regulations.

Indoor Air Quality

Good indoor air quality is important as employees spend most of their time working at office. Indoor air quality in our workplace is regularly monitored and measured. Air pollutants, contaminants and dust particles are filtered out by air purifying equipment in the workplace, and regular cleaning of air conditioning system is conducted to ensure office's indoor air quality.

B. Social Responsibilities

B.1 Employment and Labor Practices

"The human resource — the whole man — is, of all resources entrusted to man, the most productive, the most versatile, the most resourceful," said Peter F. Drucker, revered as the father of modern management. The Group is confident that maintaining a strong relationship with our employees is one of the keys to success in business. In order to protect the rights and interests of our employees, the Group has formulated the Employee Handbook in accordance with the Employment Ordinance of the Hong Kong Special Administrative Region (the "HKSAR"), the Labor Law of the People's Republic of China (the "PRC"), and other relevant laws and regulations.

1.1. Remuneration, Benefits and Attendance

(1) Remuneration

Remuneration and salaries are determined by the Group based on the qualifications, work experience, competence, roles and responsibilities of new employees, and taking into account of the market compensation level of the industry and our internal salary standard to ensure that remuneration and salaries so determined are fair internally and are competitive in the market. Our remuneration package comprises of one or more of the following components: wages, bonuses, commission and benefits. The Company wishes to attract and retain talent, provide incentives for our employees to improve their performance and reward outstanding employees through its remuneration system. All employees are entitled to paid holidays such as national statutory holidays, annual leave, compassionate leave, marriage leave, maternity leave and sick leave.

(2) Benefits

The Group has made required contributions to social insurance fund and housing provident fund for employees in the PRC and made contributions to mandatory provident fund and took out employees' compensation insurance policies and medical insurance policies for employees in Hong Kong. Employees who pass the probation will receive medical insurance.

Environmental, Social and Governance Report

(3) *Attendance*

The Group has implemented the standard working hours according to state regulations. The working hours are 9:30 a.m. to 1:00 p.m. and 2:00 p.m. to 6:30 p.m. with one hour lunch break, five working days a week, from Monday to Friday, while Saturday and Sunday are rest days. The Group has the right to re-arrange the work schedule and working days in accordance with its operation requirements; employees should obtain prior approval before taking leave. The Group, in principle, does not encourage our employees to work overtime unless it is necessary. Employees are, in principle, entitled to compensation leave for their overtime work.

Employees are entitled to basic leave. The kinds of leave include public holidays, statutory holidays, annual leave, sick leave and medical leave, marriage leave, and compassionate leave. Employees are required to apply and obtain approval in advance before taking leave.

1.2. Recruitment, Promotion and Dismissal

(1) *Recruitment and Promotion*

The recruitment and hiring procedures of the Group embody the principle of “meritocracy, open recruitment and hiring solely on merit”. Employees would be rewarded with corresponding adjustment in their remuneration package according to their positions for their outstanding performance during the term of office and significant contributions made to the Group.

(2) *Dismissal*

Regarding resignation for personal reasons, 30 to 60 days’ prior written notice from the employees is required depending on different positions. Employees who are deemed to be incompetent for their positions based on relevant reasons would be dismissed by 30 to 60 days’ prior written notice from the Group, depending on different positions.

1.3. Equal Opportunities and Anti-Discrimination

The Group is an equal opportunity employer. Our recruitment, employment and human resources management practices, such as promotion, rewards and training opportunities, will under no circumstances be influenced or affected by an applicant’s or employee’s ethnicity, color, age, gender, sexual orientation, race, disability, pregnancy, religion, political ideology, members of the community or marital status.

Monthly remuneration and contributions to social insurance fund, provident fund and mandatory provident fund for the current year were duly paid within the prescribed period.

The Group is not aware of any serious breach of relevant laws and regulations in relation to employment and labour practices (including Employment Ordinance of the HKSAR, Labor Law of the PRC, and other relevant laws and regulations) during the Reporting Period.

Environmental, Social and Governance Report

B.2 Health and Safety

During the Reporting Period, the Group had complied with the Employment Ordinance of the HKSAR, Labor Law of the PRC, the Law on Protection of Labor Rights and other applicable laws and regulations. In addition to minimizing work-related incidents and diseases, we also focus on providing employees with a safe and healthy working environment. This would in turn contribute to the improvement of the quality of products and services, ensuring smooth operation, and enhancing workforce stability and employee morale. In addition, the Group believes that ongoing staff involvement and continuing education are the keys to identifying and addressing health and safety issues in workplace.

B.3 Development and Training

The Group provides a comprehensive on job training covering topics such as management skills, professional skills, technical knowledge, latest news and information about corporate culture. Through a series of training covering various topics, our staff's understanding towards the Group's business, management structure and corporate culture would be gradually enhanced. Employees are encouraged to fully develop their potential and strengths.

B.4 Labor Standards

During the Reporting Period, the Group had complied with the provisions of the Employment Ordinance of the HKSAR, and the Labor Law of the PRC. Child labor and forced labor are strictly prohibited. New employees are required to present valid identification documents to the Group for legal working age compliance checks before the commencement of their employment period. All employees of the Group comply with the standard working hour rules stipulated by the HKSAR and PRC government. Overtime work is not encouraged unless in special circumstances.

B.5 Product Responsibility

The Group is committed to providing our customers with quality products and services. To improve quality, we have experienced sales teams, IT teams and news teams and investor relationship team. We will review complaints on a regular basis and strive to improve our products and services to avoid similar incidents in the future. Understanding customers' need is the key to provide the best possible customer experience. We appreciate customer comments and suggestions and have various communication channels in place such as telephone, and email.

The Group respects all forms of intellectual property rights and designs of advertising, commercial advertising, products, services, names and trademarks. At the same time, the Group values the importance of protecting the privacy of our customers. When entering into agreements or contracts with customers, the Company will also enter into confidentiality agreements with customers to avoid disclosing customer's information and protecting the privacy of customers. To prevent leakage of customers' data, the Group will further improve and strengthen its measures of protecting customer privacy.

During the Reporting Period, the Group did not receive any complaints arising from infringement of intellectual property rights and leakage of customers' data.

Environmental, Social and Governance Report

B.6 Anti-corruption, Bribery, Extortion, Fraud and Money Laundering

In the course of its operation, the Group strictly abided by the Criminal Law of the HKSAR and PRC, and other relevant laws and regulations in relation to anti-corruption, bribery, extortion, fraud and money laundering.

The Employee Handbook allows our people to understand explicitly on several areas, which include the provisions of anti-corruption, anti-bribery, conflict of interest and gift policy.

Employees can report illegal behaviors and irregularities by sending letters to:

1. members of the audit committee of the Group; or
2. the chairman of the board of directors of the Group.

The Group is not aware of any material breaches of laws and regulations in relation to bribery, extortion, fraud and money laundering that has significant impacts on the Group during the Reporting Period.

B.7 Community Investment

To promote social development and harmony, the Group encourages our employees to actively participate in community events and charity campaigns and contribute to social philanthropy projects through volunteering or charitable donations.

Environmental, Social and Governance Report

Summary of Social Performance Data

Social performance data for the Group for the year ended as of 31 March 2024:

	Unit	2024
Employment Conditions		
Total Workforce		
Employee	number	52
<i>Employee by employment type</i>		
Regular	number	50
Contractual		2
<i>Employee by gender</i>		
Female	number	23
Male		29
<i>Employee by age group</i>		
Age under 30	number	14
Age between 31–50		30
Age 51 or above		8
<i>Employee by geographical region (work location)</i>		
Hong Kong	number	17
PRC		35
<i>Employee by employment category</i>		
Management	number	5
General employee		47
Total turnover and turnover rate		
Turnover	number	29
Turnover rate	%	51.6
<i>By gender</i>		
Female	number (%)	13/56.5%
Male		16/55.2%
<i>By age group</i>		
Age under 30	number	10
Age between 31–50		16
Age 51 or above		3
<i>By geographical region (work location)</i>		
Hong Kong	number	21
PRC	number	8

Environmental, Social and Governance Report

	Unit	2024
Employee development and training		
Percentage of employees trained	%	13%
<i>Percentage of workforce trained by gender</i>		
Female	%	29%
Male		71%
<i>Percentage of workforce trained by employment category</i>		
Management	%	100%
General Employee		4%
<i>Average training hours by gender</i>		
Female	hours	9.0
Male		7.4
<i>Average training hours by employment category</i>		
Management	hours	11.0
General Employee		27.5
Employee Health and Safety		
Work injuries reported	number	—
Paid leave due to work injuries	day	—
Total number of workdays		—

Employee Health and Safety	Unit	2024	2023	2022
Work-related fatalities	number	—	—	—
	%	—	—	—
Number of lost days due to work injury	number	—	—	—

Independent Auditors' Report



國富浩華（香港）會計師事務所有限公司
Crowe (HK) CPA Limited
香港 銅鑼灣 禮頓道77號 禮頓中心9樓
9/F Leighton Centre,
77 Leighton Road,
Causeway Bay, Hong Kong

TO THE SHAREHOLDERS OF FINET GROUP LIMITED

(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)

Opinion

We have audited the consolidated financial statements of Finet Group Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 49 to 126, which comprise the consolidated statement of financial position as at 31 March 2024, and the consolidated statement of profit or loss, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

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 2024, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

Basis For Opinion

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSA") issued by the HKICPA. Our responsibilities under those standards are further described in the *Auditors' 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.

Independent Auditors' Report

Key Audit Matters

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

Key audit matters

How our audit addressed the key audit matter

Impairment assessment of trade receivables

Impairment assessment of trade receivables. Refer to Note 3.1(b)(ii) to the consolidated financial statements.

We identified the impairment assessment of trade receivables as a key audit matter due to the use of judgment and estimates in assessing the recoverability of trade receivables.

As at 31 March 2024, the Group recorded trade receivables of approximately HK\$15,573,000 before less the allowance of approximately HK\$9,737,000. The Group's accounting for impairment on trade receivables using expected credit loss ("ECL") approach. The measurement on the Group's trade receivables under the ECL approach was estimated by management through the application of judgements and use of highly subjective assumptions. The impact of economic factors, both current and future, and forward-looking factors specific to the debtors were also considered in management's assessment of the likelihood of recovery from customers.

Our procedures in relation to valuation on trade receivables mainly included:

- Assessing the controls over the monitoring of trade receivables;
- Evaluating the methodologies, inputs and assumptions used by the Group in calculating the expected credit loss allowance;
- Understanding and discussing with management for judgements used under the ECL approach;
- Assessing historical loss pattern and management's basis of judgement applied on this data under the ECL approach; and
- Evaluating whether the historical loss rates are appropriately adjusted based on the current economic conditions and forward-looking information.

Independent Auditors' Report

Key audit matters

How our audit addressed the key audit matter

Valuation of investment properties

We have identified the valuation of investment properties as a key audit matter due to the significance of the balance to the consolidated financial statements, as a whole, combined with the significant judgments associated with determining the fair value. As disclosed in Note 17 to the consolidated financial statements, the Group's investment properties amounted to approximately HK\$23,900,000.

During the year, a decrease in fair value of investment properties amounted to approximately HK\$3,360,000.

Our procedures in relation to assessing the appropriateness of the valuation of investment properties included:

- Evaluating the competence, capabilities, and objectivity of the independent professionally qualified valuer;
- Understanding the independent professionally qualified valuer's valuation process and methodology, the performance of the property markets, significant assumptions adopted, critical judgmental areas and key inputs used in the valuations;
- Engaging our valuation specialists evaluating the reasonableness of the methodology and assumptions to industry norms; assessing the reasonableness of key inputs used in the valuations by (i) checking the details of rentals on a sample basis to the respective underlying existing tenancy agreements; (ii) comparing to relevant market information on prices, rentals achieved and capitalisation rates adopted in other similar properties in the neighborhood; and
- Performing analysis on the key inputs to evaluate the results on the valuations.

Information other than the consolidated financial statements and auditor's report thereon

The directors of the Company ("Directors") are responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements and our auditors' 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.

Independent Auditors' Report

Responsibilities of Directors and the Audit Committee 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 HKFRSs issued by the HKICPA and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the Directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditors' 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 auditors' report that includes our opinion. This report is made solely to you, as a body, in accordance with Section 90 of the Companies Act of Bermuda, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with HKSAAs, 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.

Independent Auditors' Report

- 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 auditors' 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 auditors' 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

The engagement partner on the audit resulting in this independent auditors' report is Chiu Lung Sang.

Crowe (HK) CPA Limited

Certified Public Accountants

Chiu Lung Sang

Practising Certificate Number: P08091

Hong Kong, 28 June 2024

Consolidated Statement of Profit or Loss

For the year ended 31 March 2024

	Notes	2024 HK\$'000	2023 HK\$'000
Revenue	5	13,433	12,864
Other income and other net losses	6	6,622	7,446
Selling and marketing expenses		(46)	(51)
Employee benefits expense	12	(13,595)	(18,172)
Depreciation		(4,152)	(4,354)
Provision for impairment loss of trade receivables	23	(3,731)	(3,257)
Provision for impairment loss of amounts due from related companies	25	(889)	(1,119)
Impairment loss of intangible assets	18	(950)	—
Other operating expenses		(5,829)	(10,319)
Finance costs	8	(160)	(616)
Loss before income tax	9	(9,297)	(17,578)
Income tax credit	10	2,016	1,344
Loss for the year		(7,281)	(16,234)
Loss attributable to:			
— Owners of the Company		(8,497)	(16,341)
— Non-controlling interests		1,216	107
		(7,281)	(16,234)
			(Restated)
Loss per share for loss attributable to owners of the Company during the year			
— Basic and diluted (<i>HK dollar per share</i>)	11	(0.01)	(0.02)

Consolidated Statement of Comprehensive Income

For the year ended 31 March 2024

	2024 HK\$'000	2023 HK\$'000
Loss for the year	(7,281)	(16,234)
Other comprehensive (loss)/income for the year, net of tax:		
<i>Item that may be reclassified to profit or loss</i>		
Currency translation differences	(115)	632
Total comprehensive loss for the year	(7,396)	(15,602)
Total comprehensive (loss)/income for the year, attributable to:		
— Owners of the Company	(8,612)	(15,709)
— Non-controlling interests	1,216	107
	(7,396)	(15,602)

Consolidated Statement of Financial Position

As at 31 March 2024

	Notes	2024 HK\$'000	2023 HK\$'000
Non-current assets			
Property, plant and equipment	15	790	985
Right-of-use assets	16	4,806	2,586
Investment properties	17	23,900	27,260
Intangible assets	18	—	950
Statutory deposits and other assets	19	155	205
		29,651	31,986
Current assets			
Trade receivables	23	5,836	5,622
Prepayment, deposits and other receivables	24	1,525	1,662
Amounts due from related companies	25	20,383	14,622
Client trust bank balances		168	186
Cash and cash equivalents	26	8,551	8,022
		36,463	30,114
Total assets		66,114	62,100
Current liabilities			
Accounts payable	27	2,795	1,790
Contract liability	28	1,805	1,805
Accruals and other payables	29	3,503	5,070
Amount due to a related company	25	5	5
Loans from a shareholder	36(b)	3,600	—
Lease liabilities	16	3,060	2,637
		14,768	11,307
Net current assets		21,695	18,807
Total assets less current liabilities		51,346	50,793
Non-current liabilities			
Loans from a shareholder	36(b)	—	24,018
Lease liabilities	16	1,799	—
Deferred tax liabilities	31	5,705	7,721
		7,504	31,739
Net assets		43,842	19,054

Consolidated Statement of Financial Position

As at 31 March 2024

	Notes	2024 HK\$'000	2023 HK\$'000
Equity			
Capital and reserves attributable to owners of the Company			
Share capital	32	9,998	6,665
Reserves		39,320	19,081
		49,318	25,746
Non-controlling interests		(5,476)	(6,692)
Total equity		43,842	19,054

LO Yuk Yee
Director

TAI Kwok Leung
Director

Consolidated Statement of Changes in Equity

For the year ended 31 March 2024

	Attributable to owners of the Company										
	Share capital	Share premium	Merger reserve	Share-based	Other reserve	Translation reserve	Property	Accumulated losses	Total	Non-controlling interests	Total equity
				payments reserve			revaluation reserve				
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Balance at 1 April 2022	6,665	320,095	4,870	1,316	3,757	1,384	9,989	(307,033)	41,043	(6,799)	34,244
Loss for the year	—	—	—	—	—	—	—	(16,341)	(16,341)	107	(16,234)
Other comprehensive income											
Currency translation differences	—	—	—	—	—	632	—	—	632	—	632
Total comprehensive loss	—	—	—	—	—	632	—	(16,341)	(15,709)	107	(15,602)
Recognition of equity settled share-based payments	—	—	—	412	—	—	—	—	412	—	412
	—	—	—	412	—	—	—	—	412	—	412
Balance at 31 March 2023 and 1 April 2023	6,665	320,095	4,870	1,728	3,757	2,016	9,989	(323,374)	25,746	(6,692)	19,054
Loss for the year	—	—	—	—	—	—	—	(8,497)	(8,497)	1,216	(7,281)
Other comprehensive loss											
Currency translation differences	—	—	—	—	—	(115)	—	—	(115)	—	(115)
Total comprehensive loss	—	—	—	—	—	(115)	—	(8,497)	(8,612)	1,216	(7,396)
Issue of shares upon rights issue (note 32)	3,333	29,994	—	—	—	—	—	—	33,327	—	33,327
Transaction costs attributable to issue of shares upon rights issue	—	(1,143)	—	—	—	—	—	—	(1,143)	—	(1,143)
	3,333	28,851	—	—	—	—	—	—	32,184	—	32,184
Balance at 31 March 2024	9,998	348,946	4,870	1,728	3,757	1,901	9,989	(331,871)	49,318	(5,476)	43,842

The merger reserve represents the difference between the share capital and share premium of the Company and the nominal value of shares of a subsidiary acquired pursuant to the reorganisation in connection with the preparation for the initial listing of the shares of the Company on GEM of The Stock Exchange of Hong Kong Limited.

Consolidated Statement of Cash Flows

For the year ended 31 March 2024

	Notes	2024 HK\$'000	2023 HK\$'000
Cash flows from operating activities			
Loss before income tax		(9,297)	(17,578)
Adjustments for:			
— Depreciation of property, plant and equipment	9	263	513
— Depreciation of right-of-use assets	9	3,889	3,841
— Fair value changes on investment properties	6	3,360	2,240
— Interest income from bank deposits	6	(27)	(7)
— Equity settled share-based payments	12	—	412
— Finance costs	8	160	616
— COVID-19 — related rental concession		(10)	(10)
— Gain on disposal of subsidiaries	6	—	(51)
— (Gain)/loss on disposal of property, plant and equipment		(152)	100
— Impairment loss of intangible assets	9	950	—
— Provision for impairment loss of trade receivables	9	3,731	3,257
— Provision for impairment loss of amounts due from related companies	9	889	1,119
— Impairment loss of goodwill	9	—	17
Operating cash flows before movements in working capital		3,756	(5,531)
Changes in working capital:			
— Trade receivables		(3,923)	(4,640)
— Statutory deposits and other assets		50	—
— Prepayment, deposits and other receivables		163	2,147
— Amounts due from related companies		(6,650)	(11,168)
— Accounts payable		1,005	(52)
— Contract liability		—	1,805
— Accruals and other payables		6,963	8,928
— Client trust bank balances		18	51
Net cash inflow/(outflow) from operating activities		1,382	(8,460)

Consolidated Statement of Cash Flows

For the year ended 31 March 2024

	Notes	2024 HK\$'000	2023 HK\$'000
Cash flows from investing activities			
Purchase of property, plant and equipment	15	(142)	(93)
Proceeds from disposal of property, plant and equipment		216	4
Net cash outflow on disposal of subsidiaries	21	—	(53)
Net cash inflow on acquisition of a subsidiary	22	—	90
Interest received from bank deposits		27	7
Net cash inflow/(outflow) from investing activities		101	(45)
Cash flows from financing activities			
Interest paid		(160)	(616)
Issue of share upon rights issue		32,184	—
Drawdown of loans from a shareholder		2,560	17,094
Repayment of loans from a shareholder		(31,508)	(1,967)
Repayment of borrowings		—	(11,371)
Principal elements of lease payments		(3,877)	(3,805)
Net cash outflow from financing activities		(801)	(665)
Net increase/(decrease) in cash and cash equivalents		682	(9,170)
Cash and cash equivalents at beginning of the year		8,022	17,584
Effect of exchange rate changes on cash and cash equivalents		(153)	(392)
Cash and cash equivalents at end of the year	26	8,551	8,022

Notes to the Consolidated Financial Statements

For the year ended 31 March 2024

1. General Information

Finet Group Limited (the “Company”) and its subsidiaries (collectively referred to as the “Group”) are principally engaged in (i) the development, production and provision of financial information, advertising and investor relationship service and technology solutions to corporate and retail clients in Hong Kong and People’s Republic of China (the “PRC”); (ii) provision of brokerage, underwriting and asset management services; (iii) money lending business; and (iv) property investments business. The principal activity of the Company is investment holding. The principal activities and other particulars of its subsidiaries are set out in Note 20.

The Company was incorporated as an exempted company with limited liability in the Cayman Islands under the Companies Law of the Cayman Islands. On 16 June 2011, the Company was deregistered in the Cayman Islands and duly continued in Bermuda as an exempted company under the laws of Bermuda. The Company’s registered office is situated at Clarendon House, 2 Church Street, Hamilton HM11, Bermuda. The Company’s principal place of business is situated at 30/F, Fortis Tower, 77–79 Gloucester Road, Wanchai, Hong Kong.

The Company’s parent company is Maxx Capital International Limited, which is wholly-owned by Pablos International Limited (“Pablos”). The ultimate controlling party is Ms. LO Yuk Yee (“Ms. LO”), the chairman and executive director of the Company, through her ownership in Pablos International Limited.

The Company’s shares have been listed on GEM of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) since 7 January 2005.

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

2. Material Accounting Policy Information

This note provides a list of the material accounting policies adopted in the preparation of these consolidated financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated. The consolidated financial statements are for the group consisting of Finet Group Limited and its subsidiaries.

2.1 Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”). In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the “GEM Listing Rules”) and by the Companies Ordinance.

The consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of investment properties which are carried at fair value.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2024

2. Material Accounting Policy Information (Continued)

2.1 Basis of preparation (Continued)

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

Going Concern

The Group incurred a net loss of approximately HK\$7,281,000 during the year ended 31 March 2024 and, as of that date, the Group's net current assets was approximately HK\$21,695,000.

The directors of the Group are taking into account the cash flows from operations and implementing a series of cost-saving measures. The Directors consider that the Group has adequate resources to meet its liabilities and commitments as and when they fall due and to continue in operational existence for the foreseeable future. Accordingly, the consolidated financial statements have been prepared on going concern basis.

Changes in accounting policy and disclosures

(a) *New and amended standards adopted by the Group*

The Group has adopted the following new and amendments to standards and conceptual framework that have been issued and effective for Group's financial year beginning on or after 1 April 2023:

HKFRS 17 and related amendments	<i>Insurance Contracts</i>
Amendments to HKAS 1 and HKFRS Practice Statement 2	<i>Disclosure of Accounting Policies</i>
Amendments to HKAS 8	<i>Definition of Accounting Estimates</i>
Amendments to HKAS 12	<i>Deferred Tax related to Assets and Liabilities arising from a Single Transaction</i>
Amendments to HKAS 12	<i>International Tax Reform — Pillar Two Model Rules</i>

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

Notes to the Consolidated Financial Statements

For the year ended 31 March 2024

2. Material Accounting Policy Information (Continued)

2.1 Basis of preparation (Continued)

Changes in accounting policy and disclosures (Continued)

(b) *New standards and amendments to standards not yet adopted*

The following new standards, amendments and interpretations to existing standards and interpretations have been published that are mandatory for the Group's accounting periods on or after 1 April 2023 and have not been early adopted by the Group.

Amendments to HKAS 1	<i>Classification of Liabilities as Current or Non-current and related amendments to Hong Kong Interpretation 5 and Non-current Liabilities with Covenants¹</i>
Amendments to HKAS 7 and HKFRS 7	<i>Supplier Finance Arrangements¹</i>
Amendments to HKAS 21	<i>Lack of Exchangeability²</i>
Amendments to HKFRS 16	<i>Lease Liability in a Sale and Leaseback¹</i>
Amendments to HKFRS 10 and HKAS 28	<i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture³</i>

¹ Effective for annual periods beginning on or after 1 January 2024.

² Effective for annual periods beginning on or after 1 January 2025.

³ Effective for annual periods beginning on or after a date to be determined.

The Group will apply the above new standards and amendments to existing standards when they become effective. The Group anticipates that the application of the above new standards and amendments to existing standards have no material impact on the results and the financial position of the Group.

(c) *Change in accounting policy as a result of application of the HKICPA guidance on the accounting implications of the abolition of the Mandatory Provident Fund ("MPF") — Long Service Payment ("LSP") offsetting mechanism in Hong Kong*

The Company and several subsidiaries of the Group are operating in Hong Kong which are obliged to pay LSP to employees under certain circumstances. Meanwhile, the Group makes mandatory MPF contributions to the trustee who administers the assets held in a trust solely for the retirement benefits of each individual employee. Offsetting of LSP against an employee's accrued retirement benefits derived from employers' MPF contributions was allowed under the Employment Ordinance (Cap.57).

In June 2022, the Government of the HKSAR gazetted the Employment and Retirement Schemes Legislation (Offsetting Arrangement) (Amendment) Ordinance 2022 (the "Amendment Ordinance") which abolishes the use of the accrued benefits derived from employers' mandatory MPF contributions to offset severance payment and LSP (the "Abolition"). The Abolition will officially take effect on 1 May 2025 (the "Transition Date"). In addition, under the Amendment Ordinance, the last month's salary immediately preceding the Transition Date (instead of the date of termination of employment) is used to calculate the portion of LSP in respect of the employment period before the Transition Date.

The application of amendments in the current year had no material impact on the consolidated financial statements.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2024

2. Material Accounting Policy Information (Continued)

2.2 Principles of Consolidation

i) *Subsidiaries*

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity where the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the Group (refer to Note 2.3).

Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit or loss, statement of comprehensive income, statement of changes in equity and statement of financial position respectively.

2.3 Business combinations

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the:

- fair values of the assets transferred;
- liabilities incurred to the former owners of the acquired business;
- interests issued by the Group;
- fair value of any asset or liability resulting from a contingent consideration arrangement; and
- fair value of any pre-existing equity interest in the subsidiary.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The group recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

Acquisition-related costs are expensed as incurred.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2024

2. Material Accounting Policy Information (Continued)

2.3 Business combinations (Continued)

The excess of the:

- consideration transferred,
- amount of any non-controlling interest in the acquired entity, and
- acquisition-date fair value of any previous equity interest in the acquired entity

over the fair value of the identifiable net assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised directly in profit or loss as a bargain purchase.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions. Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognised in profit or loss.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognised in profit or loss.

2.4 Separate financial statements

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

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

2.5 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the executive directors of the Company that makes strategic decisions.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2024

2. Material Accounting Policy Information (Continued)

2.6 Foreign currency translation

(a) Functional and presentation currency

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

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in the consolidated statement of profit or loss.

Foreign exchange gains and losses that relate to borrowings are presented in the consolidated statement of profit or loss within finance costs. All other foreign exchange gains and losses are presented in the consolidated statement of profit or loss on a net basis within "operating expenses".

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equities classified as fair value through other comprehensive income are recognised in other comprehensive income.

(c) Group companies

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;
- income and expenses for each statement of profit or loss and statement of comprehensive income are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
- all resulting exchange differences are recognised in other comprehensive income.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2024

2. Material Accounting Policy Information (Continued)

2.6 Foreign currency translation (Continued)

(c) Group companies (Continued)

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

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

2.7 Property, plant and equipment

Property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or 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. All other repairs and maintenance are charged in the consolidated statement of profit or loss during the reporting period in which they are incurred.

Depreciation of property, plant and equipment is calculated using the straight-line method to allocate their costs to their residual values over their estimated useful lives, as follows:

Leasehold improvements	Over the term of leases
Computer equipment	20%
Office equipment	20%
Furniture and fixtures	20%
Motor vehicles	20%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (Note 2.10).

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These are included in the consolidated statement of profit or loss. When revalued assets are sold, it is group policy to transfer any amounts included in other reserves in respect of those assets to accumulated losses.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2024

2. Material Accounting Policy Information (Continued)

2.8 Investment properties

Investment properties are buildings which are owned or held under a leasehold interest (Note 2.25) to earn rental income and/or for capital appreciation. These include land held for a currently undetermined future use and property that is being constructed or developed for future use as investment property.

Investment properties are stated at fair value, unless they are still in the course of construction or development at the end of the reporting period and their fair value cannot be reliably measured at that time. Any gain or loss arising from a change in fair value or from the retirement or disposal of an investment property is recognised in profit or loss. Rental income from investment properties is accounted for as described in Note 2.23(c).

2.9 Intangible assets

Trading rights

Trading rights represent eligibility rights to trade on or through the Stock Exchange and on the Hong Kong Futures Exchange Limited with indefinite useful life, which are carried at cost less accumulated impairment losses.

2.10 Impairment of non-financial assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting date.

2.11 Investments and other financial assets

(a) Classification

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

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

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

Notes to the Consolidated Financial Statements

For the year ended 31 March 2024

2. Material Accounting Policy Information (Continued)

2.11 Investments and other financial assets (Continued)

(a) Classification (Continued)

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

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

(b) Recognition and derecognition

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

(c) Measurement

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

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

Debt instruments

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

- Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the statement of profit or loss.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2024

2. Material Accounting Policy Information (Continued)

2.11 Investments and other financial assets (Continued)

(c) Measurement (Continued)

Debt instruments (Continued)

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

Equity instruments

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

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

Notes to the Consolidated Financial Statements

For the year ended 31 March 2024

2. Material Accounting Policy Information (Continued)

2.11 Investments and other financial assets (Continued)

(d) Impairment

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

For trade receivables, the Group applies the simplified approach permitted by HKFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables. The provision matrix is determined based on historical observed default rates over the expected life of the trade receivables with similar credit risk characteristics and is adjusted for forward-looking estimates. At every reporting date the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

Amounts due from related companies of the Group are classified as debt investments carried at amortised cost and are subject to the ECL model. While deposits and other receivables and bank balances are also subject to the impairment requirements of HKFRS 9, the identified impairment loss was immaterial.

2.12 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the consolidated statement of financial position where the Group currently has a legally enforceable right to offset the recognised amounts, and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The Group has also entered into arrangements that do not meet the criteria for offsetting but still allow for the related amounts to be set off in certain circumstances, such as bankruptcy or the termination of a contract.

2.13 Trade receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. They are generally due for settlement within 30 days and therefore all classified as current.

Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. The Group holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method.

Trade receivables that do not contain a significant financing component are initially measured at their transaction price. Trade receivables that contain a significant financing component and other receivables are initially measured at fair value plus transaction costs. All receivables are subsequently stated at amortised cost, using the effective interest method and including an allowance for credit losses (Note 2.11).

Notes to the Consolidated Financial Statements

For the year ended 31 March 2024

2. Material Accounting Policy Information (Continued)

2.14 Cash and cash equivalents and client trust bank balances

For the purpose of presentation in the consolidated statement of cash flows, cash and cash equivalents includes cash at bank and on hand, demand deposits with banks and financial institutions, other short-term highly liquid investments with original maturities of three months or less, that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Client trust bank balances are not readily usable by the Group and are excluded from cash and cash equivalents for the purpose of the consolidated statement of cash flows.

2.15 Share capital

Ordinary shares are classified as equity.

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

2.16 Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. Trade and other payables are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

2.17 Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the consolidated statement of profit or loss over the period of the borrowings using the effective interest method. Fee paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the consolidated statement of financial position when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in the consolidated statement of profit or loss as finance costs.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2024

2. Material Accounting Policy Information (Continued)

2.18 Borrowings costs

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

The capitalisation of borrowing costs as part of the cost of a qualifying asset commences when expenditure for the asset is being incurred, borrowing costs are being incurred and activities that are necessary to prepare the asset for its intended use or sale are in progress. Capitalisation of borrowing costs is suspended or ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are interrupted or complete.

2.19 Current and deferred income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Current income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Group measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

Deferred income tax

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

The deferred tax liability in relation to investment property that is measured at fair value is determined assuming the property will be recovered entirely through sale.

Deferred tax assets are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2024

2. Material Accounting Policy Information (Continued)

2.19 Current and deferred income tax (Continued)

Deferred income tax (Continued)

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in foreign operations where the Company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset where there is a legally enforceable right to offset current tax assets and liabilities and where the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

2.20 Employee benefits

(a) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits and accumulating sick leave that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the consolidated statement of financial position.

(b) Other long-term employee benefit obligations

The liabilities for long service leave and annual leave that are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. These obligations are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the end of the reporting period of high-quality corporate bonds with terms and currencies that match, as closely as possible, the estimated future cash outflows. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the consolidated statement of financial position if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2024

2. Material Accounting Policy Information (Continued)

2.20 Employee benefits (Continued)

(c) *Post-employment obligations*

The group operates various post-employment schemes, which are defined contribution pension plans.

Defined benefit plan

The Group has a defined benefit plan, representing long service payment ("LSP") under the Hong Kong Employment Ordinance. The Group's net defined benefit obligation is measured by discounting the estimated cost to the Group of the benefit that employees have earned in return for their service in the current and prior periods, after deducting the negative service cost arising from the accrued benefits derived from the Group's MPF contributions that have been vested with employees, which are deemed to be contributions from the relevant employees.

The calculation of defined benefit obligation is using the projected unit credit method. Current service cost, any past service cost and net interest expense are recognised in profit or loss. Net interest is determined by using the net defined benefit obligations and the discount rate determined at the beginning of the year, and also taking into account any changes in the net defined benefit obligations during the year resulting from contributions or benefit payments. Remeasurements arising from defined benefit plan, which comprise actuarial gains and losses and the effect of any asset ceiling (excluding interest), are recognised immediately in other comprehensive income.

(d) *Termination benefits*

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

Notes to the Consolidated Financial Statements

For the year ended 31 March 2024

2. Material Accounting Policy Information (Continued)

2.21 Share-based payments

Share-based compensation benefits are provided to employees via the Group's Share Option Scheme. Information relating to the scheme is set out in Note 33.

Employee options

The fair value of the options granted under the Company's share option scheme is recognised as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options granted:

- including any market performance conditions (e.g. the entity's share price),
- excluding the impact of any service and non-market performance vesting conditions (e.g. profitability, sales growth targets and remaining an employee of the entity over a specified time period), and
- including the impact of any non-vesting conditions (e.g. the requirement for employees to save or hold shares for a specific period of time).

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

2.22 Provisions

Provisions for legal claims, service warranties and make good obligations are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

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

Provisions are measured at the present value of management's best estimate of the expenditures required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to passage of time is recognised as interest expense.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2024

2. Material Accounting Policy Information (Continued)

2.23 Revenue recognition

Revenue is recognised when or as the control of the goods or services is transferred to the customer. Depending on the terms of the contracts and the laws that apply to the contract, control of the goods and services may be transferred over time or at a point in time.

Control of the goods or services is transferred over time if the Group's performance:

- provides all of the benefits received and consumed simultaneously by the customer;
- creates or enhances an asset that the customer control as the Group performs; or
- does not create asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

If control of the goods or services transfers over time, revenue is recognised over the period of the contract by reference to the progress towards complete satisfaction of that performance obligation. Otherwise, revenue is recognised at a point in time when the customer obtains control of the goods or services.

If contracts involve the sale of multiple elements, the transaction price will be allocated to each performance obligation based on their relative stand-alone selling prices. If the stand-alone selling prices are not directly observable, they are estimated based on expected cost plus a margin or adjusted market assessment approach, depending on availability of observable information.

When either party to a contract has performed, the Group presents the contract in the consolidated statement of financial position as a contract asset or a contract liability, depending on the relationship between the entity's performance and the customer's payment.

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

The Group's revenue is primarily derived from providing on-line content information services and advertising services on websites.

(a) Provision of financial information services and investor relationship services

The Group provides a range of development, production and financial information service and investor relationship services to corporate and retail client. Revenue from these services are recognised in the accounting period in which the related services are rendered or on the date of the relevant production or content is published and delivered.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2024

2. Material Accounting Policy Information (Continued)

2.23 Revenue recognition (Continued)

(b) Provision of advertising services

Revenue from advertising services is recognised over the period when the advertisement is placed.

(c) Rental income

Rental income from investment property in the consolidated statement of profit or loss on a straight-line basis over the term of the leases.

(d) Provision of securities brokerage, underwriting and asset management

Commission from brokerage services of securities dealings are recognised when the transactions have been executed.

Placing and underwriting associated with placement of securities. These placing and underwriting commissions are recognised at completion of each act (i.e. when securities are allotted or issued).

Management fees are the consideration for the daily management of the fund's or clients' assets and are calculated as a percentage of the net asset values as at the respective valuation date of each fund's or clients' assets under management. Management fees are recognised over time.

(e) Interest income from money lender business

Interest income from money lending business is recognised on an accrual basis using the effective interest method by applying the rate that discounts the estimated future cash receipts through the expected life of the financial asset.

2.24 Interest income

Interest income from financial assets at fair value through profit or loss is included in the net fair value gains/(losses) on these assets.

Interest income on financial assets at amortised cost and financial assets at fair value through other comprehensive income calculated using the effective interest method is recognised in the consolidated statement of profit or loss as part of other income.

Interest income is presented as finance income where it is earned from financial assets that are held for cash management purposes. Any other interest income is included in other income.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

Notes to the Consolidated Financial Statements

For the year ended 31 March 2024

2. Material Accounting Policy Information (Continued)

2.25 Leases

As a lessee

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

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

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

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

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

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

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

Notes to the Consolidated Financial Statements

For the year ended 31 March 2024

2. Material Accounting Policy Information (Continued)

2.25 Leases (Continued)

As a lessee (Continued)

To determine the incremental borrowing rate, the Group:

- where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received,
- uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by the Group, which does not have recent third party financing, and
- makes adjustments specific to the lease, e.g. term, country, currency and security.

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

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

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

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

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

Payments associated with short-term leases of equipment and all leases of low-value assets are recognised on a straight-line basis as an expense in the consolidated statement of profit or loss. Short-term leases are leases with a lease term of 12 months or less without a purchase option. Low-value assets comprise IT equipment and small items of office furniture.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2024

2. Material Accounting Policy Information (Continued)

2.25 Leases (Continued)

As a lessor

Lease income from operating leases where the Group is a lessor is recognised in income on a straight-line basis over the lease term (Note 17). Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying asset and recognised as expense over the lease term on the same basis as lease income. The respective leased assets are included in the consolidated statement of the financial position based on their nature.

2.26 Contingent liabilities and contingent assets

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. It can also be a present obligation arising from past events that is not recognised because it is not probable that outflow of economic resources will be required or the amount of obligation cannot be measured reliably. A contingent liability is not recognised but is disclosed in the notes to the financial statements. When a change in the probability of an outflow occurs so that outflow is probable, it will then be recognised as a provision.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain events not wholly within the control of the Group. Contingent assets are not recognised but are disclosed in the notes to the financial statements when an inflow of economic benefits is probable. When inflow is virtually certain, an asset is recognised.

2.27 Dividend distribution

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

2.28 Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grants will be received and the Group will comply with all attached conditions.

Government grants relating to costs are deferred and recognised in the consolidated statement of profit or loss over the period necessary to match them with the costs that they are intended to compensate.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2024

2. Material Accounting Policy Information (Continued)

2.29 Contract assets and contract liabilities

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

A contract liability represents the Group's obligation to transfer goods or services to a customer for which the Group has received consideration from the customer.

For a single contract with the customer, either a net contract asset or a net contract liability is presented. For multiple contracts, contract assets and contract liabilities of unrelated contracts are not presented on a net basis.

The Group recognised revenue from the following major sources:

- Advertising and investor relationship service income

2.30 Related parties

A party is considered to be related to the Group if:

(a) the party is a person or a close member of that person's family and that person:

- has control or joint control of the Group;
- has significant influence over the Group; or
- is a member of the key management personnel of the Group or a parent of the Group;

or

(b) the party is an entity where any of the following conditions applies:

- the entity and the Group are members of the same group;
- one entity is an associate or joint venture of the other entity or a parent, subsidiary or fellow subsidiary of other entity;
- the entity and the Group are joint ventures of the same third party;
- one entity is a joint venture of a third entity and the other entity is an associate of the third entity;
- the entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group;
- the entity is controlled or jointly controlled by a person identified in (a);

Notes to the Consolidated Financial Statements

For the year ended 31 March 2024

2. Material Accounting Policy Information (Continued)

2.30 Related parties (Continued)

(b) (Continued)

- (vii) person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); and
- (viii) the entity, or any member of a Group of which it is apart, provides key management personnel services to the Group or to the parent of the Group.

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

3. Financial Risk Management

3.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk and cash flow and fair value interest rate risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Group's financial performance.

(a) Market risk

(i) Foreign exchange risk

The Group has no significant transactional currency exposures except income from investment properties in the PRC, and these assets are also exposed to foreign currency translation risk. The Group manages the foreign exchange exposure arising from its normal course of business activities and investments in foreign operations by funding its local operations and investments through cash flows generated from business transactions locally. The Group currently does not have a formal foreign currency hedging policy. However, the management monitors foreign exchange exposure closely and will consider hedging significant foreign currency exposure should the need arise. No sensitivity analysis for the currency risk of Renminbi ("RMB") is prepared as the directors of the Group considered the net impact of such foreign currency risk is insignificant.

(ii) Cash flow and fair value interest rate risk

The Group is exposed to cash flow interest rate risk in relation to its variable-rate bank balances carrying interest at prevailing market rates.

The Group currently does not have an interest rate hedging policy. However, management monitors interest rate exposure and will consider necessary action if significant interest rate exposure is anticipated.

The Group's exposure to interest rate risk in relation to variable-rate bank balances is minimal due to the current market saving interest rate for bank balances is low. Hence, management considers that the effect of interest rate change does not have significant impact on the Group and no sensitivity analysis is prepared.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2024

3. Financial Risk Management (Continued)

3.1 Financial risk factors (Continued)

(b) Credit risk

Credit risk is managed on a group basis. Credit risk arises from trade and other receivables, amounts due from related companies, deposits and bank balances. The carrying amounts of these balances represent the Group's maximum exposure to credit risk in relation to financial assets. The credit risk is monitored on an ongoing basis with reference to the financial position of the debtors, past experience and other factors.

(i) Risk management

The Group reviews the recoverability of its financial assets periodically to ensure that potential credit risk of the counterparty is managed at an early stage and sufficient provision for impairment allowance is made for possible defaults. In addition, receivable balances are monitored on an ongoing basis and the Group's exposure to bad debt is not significant.

As at 31 March 2024 and 2023, substantially all of the Group's bank balances are deposited in major financial institutions. Management does not expect any losses from non-performance by these banks. The credit quality of bank balances has been assessed by reference to external credit ratings or to historical information about the counterparty default rates. The existing counterparties do not have defaults in the past.

The credit risk of the Group's trade receivables, amounts due from related companies and deposits and other receivables, arises from default of the counterparties, with a maximum exposure equal to the carrying amounts of these instruments.

At the end of the reporting year, the Group has a concentration of credit risk as 22% (2023: 20%) and 80% (2023: 81%) of the trade receivables was due from the Group's largest debtor and five largest debtors.

(ii) Measurement of ECL

The Group has two types of financial assets that are subject to the expected credit loss model:

- trade receivables; and
- amounts due from related companies.

While deposits and other receivables and bank balances are also subject to the impairment requirements of HKFRS 9, the identified impairment loss was immaterial.

Trade receivables

The Group applies HKFRS 9 simplified approach to measuring ECL which uses a 12-month ECL for all trade receivables. The Group measures the ECL on a collective basis.

To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The contract assets relate to unbilled work in progress and have substantially the same risk characteristics as the trade receivables for the same types of contracts. The Group has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2024

3. Financial Risk Management (Continued)

3.1 Financial risk factors (Continued)

(b) Credit risk (Continued)

(ii) Measurement of ECL (Continued)

Trade receivables (Continued)

The expected loss rates are based on the payment profiles of sales or leases over a period and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Group has identified the GDP and the unemployment rate of the countries in which it sells its goods and services to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors.

On that basis, the loss allowance as at 31 March 2024 and 2023 were determined as follows for trade receivables:

Trade receivables:
(excluding related
companies)

	0-30 days		31-60 days		61-90 days		91-120 days		Over 120 days		Total	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Provision on collective basis												
Gross carrying amount	1,191	306	—	—	—	63	40	197	9,361	6,512	10,592	7,078
Total loss allowance	339	127	—	—	—	44	37	171	9,361	6,512	9,737	6,854
Expected credit loss rate	28.47%	41.62%	—	—	—	69.24%	92.92%	87.01%	100%	100%		

Trade receivables:
(related companies only)

	0-30 days		31-60 days		61-90 days		91-120 days		Over 120 days		Total	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Provision on collective basis												
Gross carrying amount	—	2,795	—	—	—	—	—	—	4,981	2,603	4,981	5,398
Total loss allowance	—	—	—	—	—	—	—	—	—	—	—	—
Expected credit loss rate	—	—	—	—	—	—	—	—	—	—	—	—

Total	0-30 days		31-60 days		61-90 days		91-120 days		Over 120 days		Total	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Provision on collective basis												
Gross carrying amount	1,191	3,101	—	—	—	63	40	197	14,342	9,115	15,573	12,476
Total loss allowance	339	127	—	—	—	44	37	171	9,361	6,512	9,737	6,854

Notes to the Consolidated Financial Statements

For the year ended 31 March 2024

3. Financial Risk Management (Continued)

3.1 Financial risk factors (Continued)

(b) Credit risk (Continued)

(ii) Measurement of ECL (Continued)

Amounts due from related companies

The Group applies general method to measuring ECL which was 12-month expected loss allowance for amounts due from related companies. The key inputs used for measuring ECL are probability of default ("PD"), loss given default ("LGD") and exposure at default ("EAD").

The key inputs are generally derived from internally developed statistical models and other historical data and they are adjusted to reflect probability-weighted forward-looking information.

PD is an estimate of the probability of default over a given time horizon. It is estimated as at a point in time. 12-month PD calculation is based on external rating and internal rating models, developed by the Group, in which the Group assessed using rating tools tailored to the various categories of counterparties and exposures. These internal rating models are based on market data (where available), as well as internal data comprising both quantitative and qualitative factors.

LGD is an estimate of the loss arising on default. It is determined based on the current practical experiences generally used in the financial industry by considering the factors including but not limited to the fair value of collaterals obtained or deposits received.

EAD is an estimate of the exposure at a future default date, representing future repayments of principal and interest and deposits.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2024

3. Financial Risk Management (Continued)

3.1 Financial risk factors (Continued)

(b) Credit risk (Continued)

(ii) Measurement of ECL (Continued)

Deposits and other receivables

Management considers that its credit risk has not increased significantly since initial recognition with reference to the counterparty historical default rate and current financial position. The carrying amounts of the Group's deposits and other receivables, which are neither past due nor impaired.

The credit loss allowance for trade receivables and amounts due from related companies as at 31 March 2024 and 2023 as follows:

	Trade receivables	Amounts due from related companies	Total
	HK\$'000	HK\$'000	HK\$'000
As at 1 April 2022	3,620	506	4,126
Increase in loss allowance recognised in profit or loss during the year	3,257	1,119	4,376
Exchange adjustments	(23)	—	(23)
As at 31 March 2023 and 1 April 2023	6,854	1,625	8,479
Increase in loss allowance recognised in profit or loss during the year	3,731	889	4,620
Uncollectible amount written off	(827)	—	(827)
Exchange adjustments	(21)	—	(21)
As at 31 March 2024	9,737	2,514	12,251

Significant changes in the loss allowance for impairment loss during the years ended 31 March 2024 and 2023 were mainly due to the impact of changes in model assumptions, updates of model parameters, changes in probability of default and loss given default.

Trade receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, default or delinquency in payments, and the failure of a debtor to engage in a repayment plan with the Group.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2024

3. Financial Risk Management (Continued)

3.1 Financial risk factors (Continued)

(c) Liquidity risk

Ultimate responsibility for liquidity risk management rests with the Board. The Group manages liquidity risk by maintaining adequate reserves and borrowing facilities, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. The Directors aim to maintain flexibility in funding by keeping credit lines available.

The following tables analyse the Group's non-derivative financial liabilities and net-settled derivative financial liabilities into relevant maturity grouping based on the remaining period at the date of the consolidated statement of financial position to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on rates current at the date of the consolidated statement of financial position) and the earliest date the Group can be required to pay.

Lease liabilities is prepared based on the scheduled repayment dates.

	On demand or within 1 year HK\$'000	More than 1 year but less than 5 years HK\$'000	Over 5 years HK\$'000	Total HK\$'000
2024				
Accounts payable	2,795	—	—	2,795
Accruals and other payables	3,503	—	—	3,503
Amount due to a related company	5	—	—	5
Loans from a shareholder	3,600	—	—	3,600
Lease liabilities	3,240	1,829	—	5,069
2023				
Accounts payable	1,790	—	—	1,790
Accruals and other payables	5,070	—	—	5,070
Amount due to a related company	5	—	—	5
Loans from a shareholder	24,018	—	—	24,018
Lease liabilities	2,661	—	—	2,661

Notes to the Consolidated Financial Statements

For the year ended 31 March 2024

3. Financial Risk Management (Continued)

3.2 Capital risk management

Certain of the Group's subsidiaries are regulated by the Securities and Futures Commission of Hong Kong (the "SFC") and are required to comply with certain minimum capital requirements according to the rules of the SFC. In addition, the Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares. During the year ended 31 March 2024, the Group's strategy remains unchanged from 2023.

The Group monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total equity as shown in the consolidated statement of financial position. Net debt is calculated as total debts (including amount due to a related company, lease liabilities and loans from a shareholder) less cash and cash equivalents. The gearing ratios at 31 March 2024 and 2023 were as follows:

	2024	2023
	HK\$'000	HK\$'000
Total debt	8,464	26,660
Less: Cash and cash equivalents	(8,551)	(8,022)
Net debt	(87)	18,638
Total equity	43,842	19,054
Gearing ratio	N/A	98%

3.3 Fair value estimation

Financial instruments that are measured in the consolidated financial statement at fair value require disclosure of fair value measurements by level of the following fair value measurement hierarchy:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the assets or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

The Group's investment properties are classified as level 2 and there are no transfer among levels 1, 2 and 3 during the year. Details are disclosed in note 17 to the consolidated financial statements.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2024

3. Financial Risk Management (Continued)

3.4 Financial instruments by category

Except as detailed in the following table, the management considers that the carrying amounts of financial assets and financial liabilities recognised in the consolidated statement approximate their fair values.

The accounting policies for financial instruments have been applied to the line items below:

	Amortised cost
	HK\$'000
Financial assets as per consolidated statement of financial position	
31 March 2024	
Statutory deposits and other assets (Note 19)	155
Trade receivables (Note 23)	5,836
Deposits and other receivables (Note 24)	1,272
Amounts due from related companies (Note 25)	20,383
Client trust bank balances	168
Cash and cash equivalents (Note 26)	8,551
	<hr/>
Total	36,365
	<hr/> <hr/>
	Amortised cost
	HK\$'000
Financial assets as per consolidated statement of financial position	
31 March 2023	
Statutory deposits and other assets (Note 19)	205
Trade receivables (Note 23)	5,622
Deposits and other receivables (Note 24)	1,381
Amounts due from related companies (Note 25)	14,622
Client trust bank balances	186
Cash and cash equivalents (Note 26)	8,022
	<hr/>
Total	30,038
	<hr/> <hr/>

Notes to the Consolidated Financial Statements

For the year ended 31 March 2024

3. Financial Risk Management (Continued)

3.4 Financial instruments by category (Continued)

The accounting policies for financial instruments have been applied to the line items below:
(Continued)

	Financial liabilities at amortised cost HK\$'000
Financial liabilities as per consolidated statement of financial position 31 March 2024	
Accounts payable (Note 27)	2,795
Accruals and other payables (Note 29)	3,503
Amount due to a related company (Note 25)	5
Loans from a shareholder (Note 36(b))	3,600
Lease liabilities (Note 16)	4,859
	<hr/>
Total	14,762

	Financial liabilities at amortised cost HK\$'000
Financial liabilities as per consolidated statement of financial position 31 March 2023	
Accounts payable (Note 27)	1,790
Accruals and other payables (Note 29)	5,070
Amount due to a related company (Note 25)	5
Loans from a shareholder (Note 36(b))	24,018
Lease liabilities (Note 16)	2,637
	<hr/>
Total	33,520

Notes to the Consolidated Financial Statements

For the year ended 31 March 2024

4. Critical Accounting Estimates and Judgments

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Group's accounting policies.

Estimates and judgments are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances.

(a) Estimation of the fair values of investment properties

The fair values of investment properties are determined annually by independent professionally qualified valuers on open market value, existing use basis calculated on the net income allowing for reversionary potential. In making the judgment, considerations have been given to assumptions that are mainly based on market conditions existing at the end of the reporting period.

(b) Estimated impairment of financial assets

The Group makes provision for impairment of receivables based on assumptions about risk of default and expected credit loss rates. The Group uses judgements in making these assumptions and selecting the inputs to impairments calculation, based on the Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period. The Group reassesses the provision at each consolidated statement of financial position date.

(c) Estimated impairment of intangible asset

The Group periodically reviews internal or external resources to identify indications that the intangible assets other than goodwill have suffered any impairment in accordance with accounting policy stated in Note 2.10. If the recoverable amount of an intangible assets is estimated to be less than its carrying amount, the carrying amount of the intangible assets is reduced to its recoverable amount. The assessment of the recoverable amount requires the use of estimates and assumptions.

(d) Estimated impairment of property, plant and equipment and right-of-use assets

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

Notes to the Consolidated Financial Statements

For the year ended 31 March 2024

5. Revenue

An analysis of the Group's revenue for the years ended 31 March 2024 and 2023 are as follows:

	2024 HK\$'000	2023 HK\$'000
Service income from provision of financial information services	212	222
Advertising and investor relationship service income	12,018	11,366
Commission from brokerage and underwriting services	6	10
Rental income from investment properties	1,197	1,266
	13,433	12,864
Revenue from contracts with customers		
— Service income from provision of financial information services	212	222
— Advertising and investor relationship service income	12,018	11,366
— Commission from brokerage and underwriting services	6	10
	12,236	11,598
<i>Represented by:</i>		
Timing of revenue recognition		
— At a point in time	12,024	11,376
— Over time	212	222
	12,236	11,598
Revenue from other sources		
— Rental income from investment properties	1,197	1,266
	13,433	12,864

Performance obligations

Information about the Group's performance obligations is summarised below:

Provision of financial information services

The Group recognises revenue in the amount that equals to the right to invoice which corresponds directly with the value to the customer of the Group's performance to date. The Group has elected the practical expedient not to disclose the remaining performance obligations for these types of contracts. The service income from provision of financial information services contracts do not have a fixed term.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2024

6. Other Income and Other Net Losses

	2024 HK\$'000	2023 HK\$'000
Interest income from bank deposits	27	7
Income from sharing of administrative expenses	9,077	8,949
Gain on disposal of subsidiaries (Note 21)	—	51
Fair value changes on investment properties	(3,360)	(2,240)
Gain on disposal of property, plant and equipment, net	152	—
Government grants (Note (a))	395	624
Sundry income	331	55
	6,622	7,446

Note:

- (a) The amounts recognised were primarily related to the government subsidies granted by the Government of the Hong Kong Special Administrative Region under Technology Voucher Programme for the year ended 31 March 2024 (2023: Employment Support Scheme). There were no unfulfilled conditions and other contingencies attaching to these grants.

7. Segment Information

The chief operating decision-maker has been identified as the executive directors of the Company (the "Executive Directors"). The Executive Directors have reviewed the Group's internal reports in order to assess the performance and allocate resources; they have also determined the operating segments based on these reports. The Executive Directors have further considered the business from product perspective and have assessed the performance of four business segments: (i) financial information, advertising and investor relationship service business; (ii) securities business; (iii) money lending business and (iv) property investment business.

At 31 March 2024 and 2023, the details of the four operating segments are as below:

- (i) financial information, advertising and investor relationship service business — the development, production and provision of financial information service and technology solutions to corporate and retail clients in Hong Kong and the PRC; this segment also include results of the media business, providing advertising, investor relationship and branding promotion and communication service;
- (ii) securities business that specializes in the provision of brokerage, underwriting and asset management services;
- (iii) money lending business; and
- (iv) property investment business.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2024

7. Segment Information (Continued)

The segment results for the year ended 31 March 2024 are as follows:

	Financial information, advertising and investor relationship service business HK\$'000	Securities business HK\$'000	Money lending business HK\$'000	Property investment business HK\$'000	Group HK\$'000
Gross revenue	12,230	6	—	1,197	13,433
Revenue from external customers	12,230	6	—	1,197	13,433
Segment results	(3,633)	(2,258)	(8)	(3,238)	(9,137)
Finance costs					(160)
Loss before income tax					(9,297)
Income tax credit					2,016
Loss for the year					(7,281)
Other segment items included in the consolidated statement of profit or loss are as follows:					
Interest income from bank deposits	27	—	—	—	27
Provision for impairment loss of trade receivables	(3,731)	—	—	—	(3,731)
Impairment loss of intangible assets	—	(950)	—	—	(950)
Provision for impairment loss of amounts due from related companies	(889)	—	—	—	(889)
Depreciation of property, plant and equipment	(262)	(1)	—	—	(263)
Depreciation of right-of-use assets	(3,889)	—	—	—	(3,889)

Notes to the Consolidated Financial Statements

For the year ended 31 March 2024

7. Segment Information (Continued)

The segment results for the year ended 31 March 2023 are as follows:

	Financial information, advertising and investor relationship service business HK\$'000	Securities business HK\$'000	Money lending business HK\$'000	Property investment business HK\$'000	Group HK\$'000
Gross revenue	11,588	10	—	1,266	12,864
Revenue from external customers	11,588	10	—	1,266	12,864
Segment results	(12,264)	(2,429)	(5)	(2,264)	(16,962)
Finance costs					(616)
Loss before income tax					(17,578)
Income tax credit					1,344
Loss for the year					(16,234)
Other segment items included in the consolidated statement of profit or loss are as follows:					
Interest income from bank deposits	7	—	—	—	7
Provision for impairment loss of trade receivables	(3,257)	—	—	—	(3,257)
Provision for impairment loss of amounts due from related companies	(1,119)	—	—	—	(1,119)
Impairment loss of goodwill	(17)	—	—	—	(17)
Depreciation of property, plant and equipment	(510)	(3)	—	—	(513)
Depreciation of right-of-use assets	(3,841)	—	—	—	(3,841)

Notes to the Consolidated Financial Statements

For the year ended 31 March 2024

7. Segment Information (Continued)

Segment revenue reported above represented revenue generated from external customers. There were no inter-segment sales during the year ended 31 March 2024 (2023: nil).

Segment assets and liabilities are measured in the same way as in the financial statements. These assets and liabilities are allocated based on the operations of the segment.

Capital expenditure comprises additions to property, plant and equipment and intangible assets.

The segment assets and liabilities at 31 March 2024 and capital expenditure for the year then ended are as follows:

	Financial information, advertising and investor relationship service business HK\$'000	Securities business HK\$'000	Money lending business HK\$'000	Property investment business HK\$'000	Group HK\$'000
Assets	34,865	5,077	40	26,132	66,114
Liabilities	13,219	180	—	8,873	22,272
Capital expenditure	142	—	—	—	142

Notes to the Consolidated Financial Statements

For the year ended 31 March 2024

7. Segment Information (Continued)

The segment assets and liabilities at 31 March 2023 and capital expenditure for the year then ended are as follows:

	Financial information, advertising and investor relationship service business HK\$'000	Securities business HK\$'000	Money lending business HK\$'000	Property investment business HK\$'000	Group HK\$'000
Assets	27,655	5,804	48	28,593	62,100
Liabilities	31,792	433	—	10,821	43,046
Capital expenditure	93	—	—	—	93

The Group mainly operates in Hong Kong and the PRC.

	2024 HK\$'000	2023 HK\$'000
Revenue		
Hong Kong	11,701	11,204
The PRC	1,732	1,660
	13,433	12,864

Revenue is allocated based on the country/territory in which the customer is located.

	2024 HK\$'000	2023 HK\$'000
Total assets		
Hong Kong	40,263	31,828
The PRC	25,851	30,272
	66,114	62,100

Notes to the Consolidated Financial Statements

For the year ended 31 March 2024

7. Segment Information (Continued)

Total assets are allocated based on where the assets are located.

	2024 HK\$'000	2023 HK\$'000
Non-current assets		
Hong Kong	5,524	3,669
The PRC	24,127	28,317
	29,651	31,986

Non-current assets are allocated based on where the assets are located.

Information about major customers

Revenue from customers of the corresponding years contributing over 10% of the total sales of the Group are as follows:

	2024 HK\$'000	2023 HK\$'000
Customer A ¹	3,143	N/A ²
Customer B ¹	3,000	3,000
Customer C ¹	N/A ²	2,500

¹ Revenue from financial information, advertising and investor relationship service business.

² The corresponding revenue did not contribute over 10% of the total revenue of the Group.

8. Finance Costs

	2024 HK\$'000	2023 HK\$'000
Interest expense on borrowing	—	488
Interest expense on lease liabilities	160	128
	160	616

Notes to the Consolidated Financial Statements

For the year ended 31 March 2024

9. Loss Before Income Tax

Loss before income tax has been arrived at after charging:

	2024 HK\$'000	2023 HK\$'000
Expenses related to short-term leases payments		
— in respect of rented premises	290	789
Employee benefits expense (including directors' emoluments) (Note 12)	13,595	18,172
Provision for impairment loss of trade receivables	3,731	3,257
Provision for impairment loss of amounts due from related companies	889	1,119
Impairment loss of intangible assets	950	—
Loss on disposal of property, plant and equipment	—	100
Impairment loss of goodwill	—	17
Depreciation of property, plant and equipment	263	513
Depreciation of right-of-use assets	3,889	3,841
Direct operating expenses arising on rental-earning investment properties	120	127
Auditors' remuneration		
— Audit service	500	600

10. Income Tax Credit

Under the two-tiered profits tax rates regime of Hong Kong, the first HK\$2 million of profits of the qualifying group entity are taxed at 8.25%, and profits above HK\$2 million are taxed at 16.5%. The profits of group entities not qualifying for the two-tiered profits tax rates regime are taxed at a flat rate of 16.5%.

Under the law of the PRC on Enterprise Income Tax (the "EIT Law") and Regulations on the Implementation of the EIT Law in the PRC, the applicable tax rate of the PRC subsidiaries is 25%.

	2024 HK\$'000	2023 HK\$'000
Deferred tax: (Note 31)	(2,016)	(1,344)
Income tax credit	(2,016)	(1,344)

No provision for taxation in Hong Kong has been made as the Group has no assessable profits for both years ended 31 March 2024 and 2023 except for two subsidiaries of the Group that no provision for taxation in Hong Kong has been made as the subsidiaries have sufficient tax losses brought forward to set off against the assessable profits for both years ended 31 March 2024 and 2023.

No provision for Mainland China corporate income tax has been made as the Group did not have any assessable profits arising for both years ended 31 March 2024 and 2023.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2024

10. Income Tax Credit (Continued)

The tax on the Group's loss before income tax differs from the theoretical amount that would arise using the Hong Kong Profits Tax rate of 16.5% (2023: 16.5%) as follows:

	2024 HK\$'000	2023 HK\$'000
Loss before income tax	(9,297)	(17,578)
Tax calculated at Hong Kong Profits Tax rate	(1,534)	(2,900)
Effect of different tax rates of other jurisdictions	(645)	(913)
Income not subject to tax	(7,621)	(1,686)
Expenses not deductible for tax purposes	6,338	2,115
Tax effect of temporary differences not recognised	637	10
Tax losses for which no deferred income tax asset was recognised	2,738	2,669
Utilisation of previously unrecognised tax losses	(1,929)	(639)
Income tax credit	(2,016)	(1,344)

11. Loss Per Share

(a) Basic

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

	2024 HK\$'000	2023 HK\$'000 (adjusted)
Loss attributable to owners of the Company	8,497	16,341
Weighted average number of ordinary shares in issue ('000) (Note)	937,888	785,257
Basic loss per share (HK\$)	(0.01)	(0.02)

(b) Diluted

Share options of the Company are not dilutive as the exercise prices were higher than the share prices of the Company's shares during the years ended 31 March 2024 and 2023.

The diluted loss per share is equal to the basic loss per share during the years ended 31 March 2024 and 2023.

Note:

During the year, the Company completed the rights issue of 333,269,387 rights shares at the subscription price of HK\$0.10 on the basis of 1 right shares for every 2 existing shares held by the qualifying shareholders (note 32).

The weighted average number of 937,888,124 ordinary shares for the year of 2024 was derived from ordinary shares in issue as at 1 April 2023 after taking into account the effects of rights issue abovementioned. The weighted average number of ordinary shares for the purposes of basic loss per share for the year of 2023 has been correspondingly adjusted.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2024

12. Employee Benefits Expense

Employee benefits expense (including directors' and chief executive's remuneration) during the year are as follows:

	2024 HK\$'000	2023 HK\$'000
Wages and salaries	12,487	16,259
Pension costs — defined contribution plans	668	895
Equity settled share-based payments	—	412
Others	440	606
	13,595	18,172

13. Directors' and Chief Executive's Remuneration

The remuneration of every director and the chief executive of the Company for the years ended 31 March 2024 and 2023 are set out below:

	Fees HK\$'000	Salaries, allowances and benefits in kind HK\$'000	Contributions to defined contribution schemes HK\$'000	Total HK\$'000
Year ended 31 March 2024				
Executive Directors				
Ms. LO Yuk Yee	—	1,332	18	1,350
Mr. TAI Kwok Leung (Appointed on 18 January 2024)	49	—	—	49
Ms. CHEN Weijie (Resigned on 24 August 2023)	95	—	—	95
Mr. FO Chen Yuh (Appointed on 24 August 2023 and resigned on 26 February 2024)	103	—	4	107
Independent Non-executive Directors				
Mr. WONG Wai Kin	—	—	—	—
Mr. WONG Kwok Yin	60	—	—	60
Mr. YUK Kai Yao (Appointed on 24 August 2023)	73	—	—	73
Mr. CHU Ka Chung (Appointed on 11 October 2022 and resigned on 24 August 2023)	24	—	—	24
	404	1,332	22	1,758

Notes to the Consolidated Financial Statements

For the year ended 31 March 2024

13. Directors' and Chief Executive's Remuneration (Continued)

The remuneration of every director and the chief executive of the Company for the years ended 31 March 2024 and 2023 are set out below: (Continued)

	Fees HK\$'000	Salaries, allowances and benefits in kind HK\$'000	Contributions to defined contribution schemes HK\$'000	Total HK\$'000
Year ended 31 March 2023				
Executive Directors				
Ms. LO Yuk Yee	—	1,180	18	1,198
Ms. CHEN Weijie (Resigned on 24 August 2023)	240	—	—	240
Non-executive Director				
Mr. LIN Dongming (Resigned on 11 October 2022)	120	—	—	120
Independent Non-executive Directors				
Mr. WONG Wai Kin	120	—	—	120
Mr. WONG Kwok Yin (Appointed on 16 September 2022)	33	—	—	33
Mr. CHU Ka Chung (Appointed on 11 October 2022 and resigned on 24 August 2023)	28	—	—	28
Mr. SIU Siu Ling, Robert (Resigned on 16 September 2022)	55	—	—	55
Mr. LEUNG Chi Hung (Resigned on 11 October 2022)	63	—	—	63
	659	1,180	18	1,857

No emoluments were paid or payable to chief executive of the Group during both years. The position of chief executive officer was vacant and its roles and responsibilities were shared amongst the members of the Board.

During the years ended 31 March 2024 and 2023, no bonuses had been paid or receivable by the Directors of the Company which are discretionary or are based on the Company's, the Group's or any member of the Group's performance.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2024

13. Directors' and Chief Executive's Remuneration (Continued)

During the years ended 31 March 2024 and 2023, no emoluments were paid by the Group to the Directors of the Company as an inducement to join or upon joining the Group or as compensation for loss of office. None of the directors of the Company waived or agreed to waive any remuneration during both years.

The directors of the Company consider that they are the only key management personnel of the Group and details of their compensation have been set out above.

14. Five Highest Paid Individuals

The five individuals whose emoluments were the highest in the Group for the year included one (2023: one) director whose emoluments have been reflected in the analysis presented above. The emoluments payable to the remaining four (2023: four) individuals during the year are as follows:

	2024	2023
	HK\$'000	HK\$'000
Basic salaries and allowances	3,049	2,972
Contributions to defined contribution schemes	87	67
Equity settled share-based payment	—	107
	3,136	3,146

The emoluments fell within the following band:

	2024	2023
	Number of individuals	Number of individuals
Emolument band Nil to HK\$1,000,000	4	4

During the years ended 31 March 2024 and 2023, no emoluments were paid by the Group to any of the five highest paid individuals as an inducement to join or upon joining the Group, or as compensation for loss of office.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2024

15. Property, Plant and Equipment

	Leasehold improvements	Computer equipment	Furniture and fixtures	Office equipment	Motor vehicles	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
At 1 April 2022						
Cost	6,394	5,963	1,260	4,434	1,959	20,010
Accumulated depreciation	(5,723)	(5,573)	(1,203)	(4,114)	(1,842)	(18,455)
	671	390	57	320	117	1,555
Year ended 31 March 2023						
Opening net book amount	671	390	57	320	117	1,555
Additions	—	57	—	36	—	93
Depreciation	(171)	(65)	(23)	(203)	(51)	(513)
Disposal	—	(104)	—	—	—	(104)
Exchange differences	—	(20)	—	(21)	(5)	(46)
Closing net book amount	500	258	34	132	61	985
At 31 March 2023						
Cost	6,385	5,529	1,259	4,185	1,907	19,265
Accumulated depreciation	(5,885)	(5,271)	(1,225)	(4,053)	(1,846)	(18,280)
Net book amount	500	258	34	132	61	985
Year ended 31 March 2024						
Opening net book amount	500	258	34	132	61	985
Additions	—	66	—	76	—	142
Depreciation	(163)	(51)	(13)	(36)	—	(263)
Disposal	—	(50)	—	(14)	—	(64)
Exchange differences	—	(6)	—	(3)	(1)	(10)
Closing net book amount	337	217	21	155	60	790
At 31 March 2024						
Cost	6,379	5,038	1,258	3,947	1,476	18,098
Accumulated depreciation	(6,042)	(4,821)	(1,237)	(3,792)	(1,416)	(17,308)
Net book amount	337	217	21	155	60	790

Notes to the Consolidated Financial Statements

For the year ended 31 March 2024

16. Leases

(i) Amounts recognised in the consolidated statement of financial position

The consolidated statement of financial position shows the following amounts relating to leases:

	2024 HK\$'000	2023 HK\$'000
Right-of-use assets		
Office premises	4,806	2,586
Lease liabilities		
Current	3,060	2,637
Non-current	1,799	—
	4,859	2,637

	2024 Office premises HK\$'000	2023 Office premises HK\$'000
Right-of-use assets		
Right-of-use assets as at 1 April	2,586	5,617
Addition	6,144	860
Depreciation	(3,889)	(3,841)
Exchange differences	(35)	(50)
Right-of-use assets as at 31 March	4,806	2,586

	2024 Office premises HK\$'000	2023 Office premises HK\$'000
Lease liabilities		
Lease liabilities as at 1 April	2,637	5,643
Addition	6,144	860
Repayment of lease liabilities	(4,037)	(3,933)
Interest for leases liabilities (Note 8)	160	128
Rental concession	(10)	(10)
Exchange differences	(35)	(51)
Lease liabilities as at 31 March	4,859	2,637

Notes to the Consolidated Financial Statements

For the year ended 31 March 2024

16. Leases (Continued)

(ii) Amounts recognised in the consolidated statement of profit or loss

The consolidated statement of profit or loss shows the following amounts relating to leases:

	2024 HK\$'000	2023 HK\$'000
Depreciation charge of right-of-use assets	3,889	3,841
Interest expense (included in finance cost) (Note 8)	160	128
Expense relating to short-term leases (included in administrative expenses)	290	789

The total cash outflow for leases for the year ended 31 March 2024 were approximately HK\$4,327,000 (2023: approximately HK\$4,722,000).

(iii) The Group's leasing activities and how these are accounted for

The Group leases various office premises. Rental contracts are typically made for fixed periods of 1 to 2 years.

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

Lease obligations of approximately HK\$nil (2023: approximately HK\$822,000) are denominated in RMB and approximately HK\$4,859,000 (2023: approximately HK\$1,814,000) are denominated in HK\$. The lease obligation do not contain any renewable and termination options.

Depreciation expenses have been charged in the consolidated statement of profit or loss.

Payments associated with short-term leases are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2024

17. Investment Properties

	2024 HK\$'000	2023 HK\$'000
Beginning of year	27,260	29,500
Net fair value losses	(3,360)	(2,240)
End of year	23,900	27,260

The Group's interests in investment properties at their carrying amount are analysed as follows:

	2024 HK\$'000	2023 HK\$'000
Leases of between 10 to 50 years, held in:		
— The PRC	23,900	27,260

The Group obtains independent valuations for its investment properties at least annually. For the years ended 31 March 2024 and 2023, the valuations are performed by Ravia Global Appraisal Advisory Limited ("Ravia"), an independent professionally qualified valuer. Ravia has appropriate qualifications and recent experiences in the valuation of similar properties in the relevant locations and confirms that the valuations conform with Hong Kong Institute of Surveyors Valuation Standards on Properties.

Fair value of investment properties are generally derived using the direct comparison method. This valuation method is based on comparing the property to be valued directly with other comparable properties in close proximity, which have recently transacted. The most significant input into this valuation approach is price per square feet.

There has been no change from the valuation technique used in both years. In estimating the fair value of the properties, the highest and best use of the properties is their current use.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2024

17. Investment Properties (Continued)

The Group leases its investment properties under operating lease. The leases run for initial period of 3 years (2023: 1 year) for fixed rentals.

At 31 March 2024 and 2023, the valuation loss is included in "Other income and other net losses" in the consolidated statement of profit or loss (Note 6).

The following tables present the investment properties of the Group carried at fair value by valuation method as at 31 March 2024 and 2023:

Fair value hierarchy

	Quoted prices in active markets for identified assets Level 1 HK\$'000	Significant other observable inputs Level 2 HK\$'000	Significant unobservable inputs Level 3 HK\$'000	Total HK\$'000
--	---	---	--	-------------------

2024

Recurring fair value measurements

Investment properties:

— The PRC	—	23,900	—	23,900
-----------	---	--------	---	--------

	Quoted prices in active markets for identified assets Level 1 HK\$'000	Significant other observable inputs Level 2 HK\$'000	Significant unobservable inputs Level 3 HK\$'000	Total HK\$'000
--	---	---	--	-------------------

2023

Recurring fair value measurements

Investment properties:

— The PRC	—	27,260	—	27,260
-----------	---	--------	---	--------

The Group's policy is to recognise transfers into and transfers out of fair value hierarchy levels as of the date of the event or change in circumstances that caused the transfer.

There were no transfers among Levels 1, 2 and 3 during the years ended 31 March 2024 and 2023.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2024

18. Intangible Assets

**Trading rights in the
Stock Exchange and
Hong Kong Futures
Exchange Limited**
HK\$'000

Cost

At 1 April 2022, 31 March 2023, 1 April 2023 and 31 March 2024

950

Impairment

At 1 April 2022, 31 March 2023 and 1 April 2023

—

Impairment loss recognised during the year

950

At 31 March 2024

950

Carrying value

At 31 March 2023

950

At 31 March 2024

—

Trading rights issued by Stock Exchange and Hong Kong Futures Exchange Limited allows the Group to trade securities and future contracts on or through the exchange. The trading rights have no foreseeable limit to period that the Group can use to generate net cash flows, accordingly, the trading rights are considered as having an indefinite useful lives. The trading rights are tested for impairment annually and whenever there is an indication that it may be impaired.

As the trading rights are not transferable, the recoverable amounts of the trading right held by the Group has been determined with reference to the recoverable amounts based on a value-in-use approach by using the cash flow projections.

Based on the management's assessment, an impairment loss of approximately HK\$950,000 on intangible assets was recognised during the year (2023: nil), which arose mainly due to significant decrease in the budgeted commission and brokerage income, and the projected net profit margin, due to the actual performance of the Group for the year ended 31 March 2024 was underperformed than the management expected.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2024

19. Statutory Deposits and Other Assets

	2024 HK\$'000	2023 HK\$'000
The Stock Exchange of Hong Kong Limited		
— Compensation fund deposit	50	50
— Fidelity fund deposit	—	50
Hong Kong Securities Clearing Company Limited		
— Guarantee fund	50	50
— Admission fee	50	50
Stamp duty deposit	5	5
	155	205

20. General Information of Subsidiaries

Details of the Group's subsidiaries at the end of the reporting period are set out below:

Name	Place of incorporation/ establishment and kind of legal entity	Principal activities and place of operations	Particulars of issued capital/ registered capital	Interest held
Finet Finance Limited	Hong Kong, limited liability company	Money lending	Ordinary HK\$2	100% (Indirect)
Finet Financial Services (Hong Kong) Company Limited	Hong Kong, limited liability company	Inactive	Ordinary HK\$50,000	100% (Direct)
Finet Information Services Limited	Hong Kong, limited liability company	Investment holding	Ordinary HK\$2	100% (Indirect)
Finet Securities Limited	Hong Kong, limited liability company	Provision of brokerage, underwriting and asset management services	Ordinary HK\$44,000,000	100% (Direct)
Finet Wealth Management Company Limited	Hong Kong, limited liability company	Inactive	Ordinary HK\$10,000	100% (Indirect)
FinTV e-commerce Limited	Hong Kong, limited liability company	Inactive	Ordinary HK\$50,000	50% (Indirect)

Notes to the Consolidated Financial Statements

For the year ended 31 March 2024

20. General Information of Subsidiaries (Continued)

Details of the Group's subsidiaries at the end of the reporting period are set out below: (Continued)

Name	Place of incorporation/ establishment and kind of legal entity	Principal activities and place of operations	Particulars of issued capital/ registered capital	Interest held
FinTV Video Company Limited	Hong Kong, limited liability company	Video making	Ordinary HK\$10,000	50% (Indirect)
Hong Kong Affairs Limited	Hong Kong, limited liability company	Data hosting	Ordinary HK\$10,000	100% (Indirect)
Source Mega Properties Limited	Hong Kong, limited liability company	Investment holding	Ordinary HK\$10,000	100% (Indirect)
Xian Dai Communications Limited	Hong Kong, limited liability company	Financial public relationship business	Ordinary HK\$100	50% (Indirect)
Xian Dai Creative Advertising Company Limited	Hong Kong, limited liability company	On-line and off-line advertising	Ordinary HK\$10,000	50% (Indirect)
Xian Dai TV Limited	Hong Kong, limited liability company	Media business	Ordinary HK\$18,000,000	50% (Indirect)
China Hong Kong News Group Limited	Hong Kong, limited liability company	Investment holding	Ordinary HK\$10,000	100% (Indirect)
Finet Management Services Limited	Hong Kong, limited liability company	Media business	Ordinary HK\$10,000	100% (Indirect)
Finet Asset Management Limited	Hong Kong, limited liability company	Inactive	Ordinary HK\$10,000	100% (Indirect)
Finet Corporate Finance Limited	Hong Kong, limited liability company	Inactive	Ordinary HK\$10,000	100% (Indirect)
Finet Holdings Limited	Hong Kong, limited liability company	Provision of financial information management and technology solutions, internet advertising and investment holding	Ordinary HK\$68,990,025	100% (Indirect)

Notes to the Consolidated Financial Statements

For the year ended 31 March 2024

20. General Information of Subsidiaries (Continued)

Details of the Group's subsidiaries at the end of the reporting period are set out below: (Continued)

Name	Place of incorporation/ establishment and kind of legal entity	Principal activities and place of operations	Particulars of issued capital/ registered capital	Interest held
Finet News Services Limited	Hong Kong, limited liability company	Provision of financial information services in Hong Kong and the PRC	Ordinary HK\$10,000	100% (Indirect)
Xian Dai Financial Services Limited	Hong Kong, limited liability company	Inactive	Ordinary HK\$100	100% (Indirect)
Finet Group (BVI) Limited	British Virgin Islands, limited liability company	Investment holding	1 ordinary share of US\$1 each	100% (Direct)
Finet New Media Limited	British Virgin Islands, limited liability company	Investment holding	10,000 ordinary shares of HK\$1 each	100% (Indirect)
Finet Job Limited	Hong Kong, limited liability company	Inactive	Ordinary HK\$10,000	100% (Indirect)
Finet Securities SPC Limited	Cayman Islands, limited liability company	Investment holding	100 management shares of US\$1 each	100% (Indirect)
Finet Group Technology (Shenzhen) Limited	PRC, wholly foreign owned enterprise	Provision of financial information services	Registered and paid-up capital of HK\$11,000,000	100% (Direct)
北京財華金科信息諮詢有限公司	PRC, limited liability company	Financial services	Registered and paid-up capital of RMB200,000	100% (Indirect)
現代電視文化傳播(深圳)有限公司	PRC, limited liability company	Media business	Registered and paid-up capital of RMB100,000	100% (Indirect)
財華金科網絡技術開發(深圳)有限公司	PRC, wholly foreign owned enterprise	Provision of financial information services	Registered and paid-up capital of HK\$10,000,000	100% (Indirect)
財華科技信息(深圳)有限公司	PRC, limited liability company	Inactive	Registered and paid-up capital of RMB100,000	100% (Indirect)
深圳市財華智庫信息技術有限公司	PRC, limited liability company	Value-added telecommunication business	Registered and paid-up capital of RMB1,000,000	100% (Indirect) (Note (ii))

Notes to the Consolidated Financial Statements

For the year ended 31 March 2024

20. General Information of Subsidiaries (Continued)

Notes:

(i) Consolidated structured entity

PRC laws and regulations restrict foreign investors from owning more than 50% equity interests in any enterprise engaged in value-added telecommunication business (the "Restricted Business").

The Contractual Arrangements both comprised of (a) option agreement, (b) proxy agreement, (c) consultancy and services agreement and (d) share pledge agreement. Key provisions of the Contractual Arrangements are as follows:

Exclusive Option Agreement

The Group, the Structured Entity and the legal owners entered into an exclusive option agreement (the "Exclusive Option Agreement") whereby the legal owners have irrevocably and unconditionally agree, to the extent permitted under the laws of the PRC, to transfer to the Group or any other entities or persons designated by the Group their equity interests in the Structured Entities. The Group may exercise, at its sole discretion, its rights at any time and in any manner permitted under the laws of the PRC. The exercise price of the rights payable to each of the legal owners is the lower of (a) the amount of registered capital contributed by the respective legal owner in accordance with their respective percentage of equity interest in the Structured Entity and (b) the lowest price permitted under the laws of the PRC. The entire consideration received by the legal owners in exercising the option would be transferred to the Group within 10 days. In respect of the Contractual Arrangements, the Exclusive Option Agreement contains an undertaking from 財華智庫's legal owners to return to the Company any consideration they received when the Company acquires the equity interest of 財華智庫 upon unwinding the Contractual Arrangements.

The Exclusive Option Agreement will be terminated when all the rights and assets in the Structured Entity are transferred to the Group and/or other entities or persons designated by the Group in accordance with the terms of the Exclusive Option Agreement and the laws of the PRC.

Proxy Agreement

The Group, the Structured Entity and the legal owners entered into a proxy agreement (the "Proxy Agreement") whereby the legal owners have irrevocably undertaken that they will authorize persons designated by the Group to exercise on their behalf the rights as a shareholder of the Structured Entity under the articles of association of the Structured Entity, including but not limited to (a) the right to convene and attend shareholders' meeting; and (b) the right to vote as shareholders.

The Proxy Agreement will be valid until terminated in writing by all parties.

Consultancy and Services Agreement

The Group and the Structured Entity entered into an exclusive consultancy and services agreement ("Consultancy and Services Agreement") whereby the Structured Entity engage the Group on an exclusive basis to provide consultancy services in relation to technology approval, technology support, technology consultation and other related corporate consultation services.

In consideration of the provision of the aforementioned services by the Group, the Structured Entity will pay the Group (a) a service fee equivalent to the entire profit after taxation of the Structured Entities, with calculation in accordance to HKFRSs, after setting off any accumulated loss after taxation in the prior years; and (b) another service fee agreed separately between the Structured Entity and the Group for specific technology services provided by the Group on the request of the Structured Entity.

The Consultancy and Services Agreement will be valid until terminate in writing by both parties or in accordance with the requirements by the laws of the PRC.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2024

20. General Information of Subsidiaries (Continued)

Note: (Continued)

(i) Consolidated structured entity (Continued)

Share Pledge Agreement

The Group, the Structured Entity and the legal owners entered into a share pledge agreement (the "Share Pledge Agreement") whereby the legal owners have irrevocably and unconditionally agree that the Group shall be entitled to enforce the pledge in accordance with the terms of the Share Pledge Agreement.

The Share Pledge Agreement will remain in effect until the later to occur of the following: (a) all of the obligations of the legal owners and the Structured Entity under the Option Agreement, the Consultancy and Services Agreement and the Proxy Agreement are satisfied in full or (b) all the direct, indirect or incidental loss suffered by the Group as a result of the breach by the legal owners or the Structured Entity under the Option Agreement, the Proxy Agreement and/or the Consultancy and Services Agreement has been discharged in full.

The directors of the Company, after consulting their legal counsel, are of the view that the Contractual Arrangements are in compliance with existing PRC laws and regulations and are valid, binding and enforceable, and do not result in any violation of PRC laws or regulations currently in effect in all material aspects. The Contractual Arrangements have in substance enabled the Group to exercise full control over and enjoy all economic benefits of the Structured Entity despite the absence of formal legal equity interest held by the Group therein and the legal owners are, in substance, the nominees of the Group. Accordingly, the Structured Entities are accounted for as a consolidated structured entity of the Group.

The principal business of the Structured Entity is operation of online media platform in the PRC.

Amounts due from/(to) subsidiaries

The amounts due from/(to) subsidiaries as shown on the Company's statement of financial position and intra-group balances are unsecured, interest-free and repayable on demand.

Details of non-wholly owned subsidiary that have material non-controlling interests

The table below shows details of non-wholly-owned subsidiary of the Group that had material non-controlling interests:

Name of subsidiary	Place of incorporation and principal place of business	Proportion of ownership interests and voting rights held by non-controlling interests		Profit allocated to non-controlling interests		Accumulated non-controlling interests	
		2024	2023	2024	2023	2024	2023
				HK\$'000	HK\$'000	HK\$'000	HK\$'000
Xian Dai TV Limited	Hong Kong	50%	50%	1,216	107	(5,476)	(6,692)

Notes to the Consolidated Financial Statements

For the year ended 31 March 2024

20. General Information of Subsidiaries (Continued)

Details of non-wholly owned subsidiary that have material non-controlling interests (Continued)

	2024 HK\$'000	2023 HK\$'000
Total assets	42,428	36,807
Total liabilities	(53,381)	(50,192)
Net liabilities	(10,953)	(13,385)
Total income	9,654	9,040
Total expenses	(7,222)	(8,826)
Profit for the year	2,432	214
Net cash inflow from operating activities	228	1,018
Net cash outflow from financing activities	(400)	(10)
Net cash (outflow)/inflow	(172)	1,008

Note:

Ms. LO., the director and the ultimate controlling shareholder of the Group, is also the director and the ultimate controlling shareholder of the non-controlling interests' companies. The Group considered itself has control over these non-controlling interests' companies and its financial results to be consolidated in the consolidated financial statements of the Group.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2024

21. Disposal of Subsidiaries

During the year ended 31 March 2023, the Group disposed of the entire equity interests in Dynamic Vision (Hong Kong) Limited and Avaya Lane Limited, which were inactive to Ms. LO, the director and the ultimate controlling shareholder of the Group at a consideration of HK\$10,000 and HK\$78,000, respectively. Loans from a shareholder of HK\$88,000 will be used to offset the same equivalent amount of the consideration.

	HK\$'000
Analysis of assets and liabilities over which control was lost:	
Current assets	
Cash and cash equivalents	53
Amounts due from fellow subsidiaries	72
Current liability	
Amounts due to fellow subsidiaries	(88)
Net assets disposed of	<u>37</u>
Satisfied by:	
Loans from a shareholder	<u>88</u>
Gain on disposal of subsidiaries	
Consideration received	88
Net assets disposed of	<u>(37)</u>
Gain on disposal	<u>51</u>
The gain on disposal is included in "other income and other net losses"	
Net cash outflow arising on disposal of subsidiaries	
Cash consideration	—
Less: Cash and cash equivalent balances disposed of	<u>53</u>
	<u>(53)</u>

Notes to the Consolidated Financial Statements

For the year ended 31 March 2024

22. Acquisition of a Subsidiary

On 14 October 2022, the Group completed the acquisition of 100% of the equity interest in Finet Job Limited ("Finet Job") at a consideration of HK\$10,000. Finet Job is inactive during the year ended 31 March 2023. The consideration of HK\$10,000 will be used to offset the same equivalent amount of the loans from a shareholder.

Assets acquired and liabilities assumed recognised at the date of acquisition are as follows:

	HK\$'000
Cash and cash equivalents	90
Loans from a shareholder	(97)
Net liabilities	(7)
Consideration transferred	10
Add: net liabilities acquired	7
Goodwill arising on acquisition	17
Net cash inflow arising on acquisition:	
Cash consideration	—
Add: Cash and bank balance acquired of	90
	90

The Group has fully impaired the goodwill related to acquisition of Finet Job during the year ended 31 March 2023, as the recoverable amount of cash-generating unit was determined to be lower than their carrying amounts.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2024

23. Trade Receivables

	2024 HK\$'000	2023 HK\$'000
Trade receivables (<i>Note (i)</i>)	15,573	12,476
Less: Provision for impairment loss of trade receivables	(9,737)	(6,854)
	5,836	5,622

Note:

- (i) As at 31 March 2024, trade receivables of approximately HK\$4,981,000 (2023: HK\$4,981,000) related to the Group's related company which is beneficially owned by Ms. LO, the director and the ultimate controlling shareholder of the Group.

The credit terms granted by the Group to its customers range from 10 days to 90 days from the date of billing. At 31 March 2024 and 2023, the aging analysis of the trade receivables are as follows:

	2024 HK\$'000	2023 HK\$'000
0–30 days	852	2,974
31–60 days	—	—
61–90 days	—	19
Over 90 days	4,984	2,629
	5,836	5,622

The Group's maximum credit risk exposure of trade receivables as at 31 March 2024 and 2023 is set out in Note 3.1(b)(ii). The Group does not hold any collateral as security.

Trade receivables that are denominated in currencies other than functional currency of the respective group entities are set out below:

	2024 HK\$'000	2023 HK\$'000
Renminbi	187	414

Notes to the Consolidated Financial Statements

For the year ended 31 March 2024

24. Prepayment, Deposits and Other Receivables

	2024 HK\$'000	2023 HK\$'000
Prepayment	253	281
Utility and other deposits	1,245	1,324
Other receivables	27	57
	1,525	1,662

25. Amounts Due from/(to) Related Companies

Name of related companies	Maximum outstanding amount during the year HK\$'000	2024 HK\$'000	2023 HK\$'000
International Links Limited ("International Links")	1,620	1,442	810
Maxx Capital Finance Limited ("Maxx Capital Finance")	4,910	4,371	2,933
Avaya Lane Limited ("Avaya")	18	—	18
China HK Finance Group Limited ("China HK Finance")	4,645	3,049	4,645
財華金晟投資管理(珠海)有限公司(「財華金晟」)	1,038	927	980
Dynamic Vision (Hong Kong) Limited ("Dynamic")	N/A	(5)	(5)
Top 100 Hong Kong Listed Companies Research Centre Company Limited ("Top 100 Research Centre")	11,000	9,792	5,226
Top 100 Hong Kong Listed Companies Alliance Limited ("Top 100 Hong Kong Alliance")	21	19	10
PR Smart Limited ("PR Smart")	880	783	—
		20,378	14,617

	2024 HK\$'000	2023 HK\$'000
Gross amount of amounts due from related companies	22,897	16,247
Less: Provision for impairment loss of amounts due from related companies	(2,514)	(1,625)
Amounts due from related companies	20,383	14,622

Notes to the Consolidated Financial Statements

For the year ended 31 March 2024

25. Amounts Due from/(to) Related Companies (Continued)

The Group's maximum credit risk exposure of amounts due from related companies as at 31 March 2024 and 2023 is set out in Note 3.1(b)(ii).

International Links, Maxx Capital Finance, Avaya, China HK Finance, 財華金晟, Dynamic, Top 100 Research Centre, Top 100 Hong Kong Alliance and PR Smart are beneficially owned by Ms. LO, the director and the ultimate controlling shareholder of the Group.

As at 31 March 2024 and 2023, the amounts due were unsecured, interest-free and recoverable/(repayable) on demand.

26. Cash and Cash Equivalents

	2024 HK\$'000	2023 HK\$'000
Cash at banks and in hand	8,551	8,022

Cash at banks earns interest at floating rates based on daily bank deposit rates. Bank balances are deposited with credit worthy banks with no recent history of default.

Cash and cash equivalents that are denominated in currencies other than functional currency of the respective group entities are set out below:

	2024 HK\$'000	2023 HK\$'000
Renminbi	348	1,408

27. Accounts Payable

	2024 HK\$'000	2023 HK\$'000
Accounts payable arising from securities broking		
— Clients	168	186
Other accounts payable	2,627	1,604
Accounts payable	2,795	1,790

The settlement terms of accounts payable arising from securities broking are one or two trade days after the trade execution date.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2024

27. Accounts Payable (Continued)

At 31 March 2024 and 2023, the aging analysis of the other accounts payable were as follows:

	2024 HK\$'000	2023 HK\$'000
0–30 days	86	—
31–60 days	103	—
61–90 days	63	—
Over 90 days	2,375	1,604
	2,627	1,604

28. Contract liability

	2024 HK\$'000	2023 HK\$'000
Contract liability	1,805	1,805

Contract liability includes receipt in advance to provide advertising and investor relationship services. The Group received part of the contract value as receipt in advance from advertising and investor relationship services projects when service contracts are signed. The receipts in advance payment result in contract liability and relevant revenue is recognised over the advertising and investor relationship services project period.

Revenue recognised during the year ended 31 March 2024 that was included in the contract liability at the beginning of the year is Nil (2023: Nil). There was no revenue recognised in the current year that related to performance obligations that were satisfied in prior years.

29. Accruals and other payables

	2024 HK\$'000	2023 HK\$'000
Rental deposits received	488	495
Other payables	63	154
Accruals	2,952	4,421
	3,503	5,070

Notes to the Consolidated Financial Statements

For the year ended 31 March 2024

30. Borrowings

During the year ended 31 March 2022, the Group entered into a 1-year loan agreement with a PRC bank. This loan was secured by pledge of the investment properties of the Group (Note 17), and bore interest at a fixed rate of 5.4% per annum. The outstanding borrowing of approximately HK\$12,342,000 as at 31 March 2022 are denominated in Renminbi. The loan was fully repaid in December 2022.

31. Deferred Tax Liabilities

The movement on the deferred income tax liabilities account are as follows:

	Revaluation of properties HK\$'000
At 1 April 2022	9,065
Credited to consolidated statement of profit or loss	<u>(1,344)</u>
At 31 March 2023 and 1 April 2023	7,721
Credited to consolidated statement of profit or loss	<u>(2,016)</u>
At 31 March 2024	<u><u>5,705</u></u>

Deferred tax assets are recognised for tax losses carried forward to the extent that realisation of the related tax benefit through future taxable profit is probable. No deferred tax assets are recognised in the Group's consolidated financial statements as it is uncertain as to whether these tax benefits will be utilised in the foreseeable future. The tax losses arising from subsidiaries operating in Hong Kong are subject to approval by the Inland Revenue Department of Hong Kong.

Pursuant to the relevant laws and regulations in the PRC, the Group has deferred tax assets not recognised on unused tax losses of approximately HK\$9,162,000 (31 March 2023: approximately HK\$9,722,000) arose in the PRC to carry forward to set off against future taxable income which will expire within 1 to 5 years from each of the financial year end date.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2024

32. Share Capital

	2024		2023	
	Number of shares	Amount HK\$'000	Number of shares	Amount HK\$'000
Authorised:				
Ordinary shares of HK\$0.01 each	15,000,000,000	150,000	15,000,000,000	150,000
Issued and fully paid:				
At the beginning of the year	666,538,774	6,665	666,538,774	6,665
Issue of shares upon rights issue (note)	333,269,387	3,333	—	—
At the end of the year	999,808,161	9,998	666,538,774	6,665

Note:

On 14 April 2023, the Company announced a rights issue ("Rights Issue") on the basis of one rights share for every two existing shares held by shareholders of the Company at a subscription price of HK\$0.10 per rights share. The Rights Issue was completed on 17 July 2023 and 333,269,387 ordinary shares was issued before 31 March 2024. The gross proceeds from the Rights Issue was HK\$33,327,000. Details of the Rights Issue were disclosed in the prospectus of the Company dated 28 June 2023.

33. Share-Based Payments

The Company's share option scheme adopted on 4 September 2014 (the "Share Option Scheme"). The Share Option Scheme are share incentive scheme and is established to recognise and acknowledge the contributions which the eligible participants thereunder have made or may make to the Group. The Share Option Schemes are aimed to provide the eligible participants with the opportunity to own a personal stake in the Company with a view to achieving the objectives of motivating the eligible participants and attracting and/or retaining or otherwise maintaining on-going relationship with the eligible participants whose contributions are, will be or are likely to be beneficial to the long term growth of the Group.

The Share Option Scheme approved by the shareholders' written resolutions, is valid and effective for a period of 10 years from 4 September 2014, the remaining life of the Share Option Scheme is 0.5 year.

An offer for the grant of share options must be accepted within 7 days inclusive of the day on which such offer was made. The amount payable by the grantee of an option to the Company on acceptance of the offer for the grant of an option is HK\$1.

Under the Share Option Scheme, the Company may grant to directors and employees of the Group and any other persons who, in the sole discretion of the Board, have contributed or will contribute to the Group which options granted shall be vested after completion of the vesting period. The maximum number of shares to be issued upon exercise of all outstanding options granted and yet to be exercised under the share option scheme and any other share option scheme of the Company must not in aggregate exceed 30% of the total number of shares in issue from time to time.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2024

33. Share-Based Payments (Continued)

The total number of shares which may be issued upon exercise of all options to be granted under the Share Option Scheme and any other share option scheme of the Company must not in aggregate exceed 10% of the shares in issue at the date of the passing of the relevant ordinary resolution. If any option is to be granted to connected person(s), it must be approved by independent non-executive directors or independent shareholders as the case may be.

The total number of shares issued and which may fall to be issued upon exercise of the options granted under the Share Option scheme to eligible participants in any 12 months period up to the date of grant shall not exceed 1% of the shares in issue as the date of grant. Any further grant of options in excess of this 1% limit shall be subject to the approval of shareholders in a general meeting.

The subscription price of a share in respect of any particular option granted under the Share Option Scheme shall not be less than the highest of: (i) the closing price of the shares as stated in the Stock Exchange's daily quotation sheets on the date of grant; (ii) the average of the closing prices of the shares as stated in the Stock Exchange's daily quotation sheets for the five trading days immediately preceding the date of grant; or (iii) the nominal value of a share.

As at 31 March 2024, the number of shares in respect of the options granted and remained outstanding under the Share Option Scheme was approximately 9,618,000 (2023: 11,200,000), representing 0.96% (2023: 1.68%) of the issued shares of the Company. As at the date of this annual report, the number of shares available for issue under the Share Option Scheme was 45,653,877 shares, representing 4.57% of the issued shares of the Company. At the date of grant, the exercise price per share was HK\$0.64. The exercise price was adjusted to HK\$0.55 following rights issue on 17 July 2023 (note 32).

The following table discloses movements of the share options granted during the year ended 31 March 2024:

Grantee	Date of grant	Adjusted exercise price	Exercise period	Outstanding as at 1 April 2023	Adjustment for rights issue	Granted during the year	Exercised during the year	Cancelled during the year	Outstanding as at 31 March 2024
Employee	1 December 2020	HK\$0.64	Note 1	11,200,000	1,492,720	—	—	(3,074,680)	9,618,040
Weighted average exercise price				HK\$0.64	HK\$0.55	N/A	N/A	HK\$0.60	HK\$0.55

The following table discloses movements of the share options granted during the year ended 31 March 2023:

Grantee	Date of grant	Adjusted exercise price	Exercise period	Outstanding as at 1 April 2022	Granted during the year	Exercised during the year	Cancelled during the year	Outstanding as at 31 March 2023
Employee	1 December 2020	HK\$0.64	Note 1	16,900,000	—	—	(5,700,000)	11,200,000
Weighted average exercise price				HK\$0.64	N/A	N/A	HK\$0.64	HK\$0.64

Notes to the Consolidated Financial Statements

For the year ended 31 March 2024

33. Share-Based Payments (Continued)

The exercise price in respect of any share options, shall subject to any adjustments in the event of any alteration in the capital structure of the Company whilst any share option remains exercisable or this scheme remains in effect. The exercise of any share option shall be subject to the shareholders in the general meeting approving any necessary increase in the authorised share capital of the Company.

The Group obtains independent valuation of the options at the date of grant, performed by Ascent Partners, using Binomial Option Pricing Model methods. This method 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 are based on the directors' best estimate. The value of an option varies with different variables of certain subjective assumptions.

The significant inputs of options granted on 1 December 2020 into the model were closing share price of HK\$0.640 at the grant date, exercise price of HK\$0.640, volatility of 53.82%, dividend yield of nil, expected option lives 3.76 years, and annual risk-free interest of 0.21%.

Note:

1. For share options granted on 1 December 2020, the outstanding share options are exercisable.

During the year ended 31 March 2024, employees share-based payment amount is nil (2023: approximately HK\$412,000) has been included in the consolidated statement of profit or loss with a corresponding debit to the share-based payments reserve.

34. Contingent Liabilities

During the year ended 31 March 2008, three libel actions were brought by a company and an individual (collectively the "Plaintiffs A") against the Group in respect of the publication of words alleged to be defamatory and concerning articles published on the Group's website in 2007. The Plaintiffs A sought, among other things, injunctive relief and unliquidated damages. The Executive Directors of the Company are of the opinion that the Group has a meritorious defense against such claims and therefore filed defense on 13 November 2007 and 9 April 2008 against all three libel actions consecutively. No further steps have been taken by the Plaintiffs A since the filing of the defense.

During the year ended 31 March 2022, a way of a writ of summons by a company and a statement of claim were filed by a company (the "Plaintiff B") on 10 October 2021 and 18 January 2022 respectively, the Plaintiff B commenced high court action 1578 of 2021 against the Group alleging the Group having published/participated in the publication of defamatory statements against it. The Group has filed a defense on 19 April 2022 and the Plaintiff B has filed their reply on 27 July 2022. No further steps have been taken by Plaintiff B since the filing of the reply.

Accordingly, the Executive Directors of the Company are of the opinion that these claims would not have any material adverse effect on the Group, and no provisions have been made in the consolidated financial statements in respect thereof.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2024

35. Reconciliation of liabilities arising from financing activities

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

	Borrowings	Loans from a shareholder	Lease liabilities	Total
	<i>Note 30</i>	<i>Note 36(b)</i>	<i>Note 16</i>	
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
At 1 April 2022	12,342	—	5,643	17,985
Financing cash flows	(11,859)	15,127	(3,933)	(665)
Offsetting the consideration for disposal of a subsidiary to the shareholder	—	(88)	—	(88)
Offsetting the consideration for acquisition of a subsidiary to the shareholder	—	10	—	10
Acquisition of a subsidiary	—	97	—	97
Interest expense	488	—	128	616
Rent concession	—	—	(10)	(10)
New lease entered	—	—	860	860
Transfer from accruals and other payables	—	8,872	—	8,872
Exchange adjustments	(971)	—	(51)	(1,022)
At 31 March 2023 and 1 April 2023	—	24,018	2,637	26,655
Financing cash flows	—	(28,948)	(4,037)	(32,985)
Interest expense	—	—	160	160
Rent concession	—	—	(10)	(10)
New lease entered	—	—	6,144	6,144
Transfer from accruals and other payables	—	8,530	—	8,530
Exchange adjustments	—	—	(35)	(35)
At 31 March 2024	—	3,600	4,859	8,459

Notes to the Consolidated Financial Statements

For the year ended 31 March 2024

36. Significant Related Parties Transactions

In addition to the transactions and balances disclosed elsewhere in these consolidated financial statements, the Group had the following significant related parties transactions during the year:

(a) Transaction with related parties

	2024 HK\$'000	2023 HK\$'000
Income from financial information services received from Top 100 Hong Kong Listed Companies Limited ("Top 100 Hong Kong") (Note i)	3,000	—
Income from financial information services received from Top 100 Hong Kong Alliance (Note i)	—	2,500
Income from sharing of administrative expenses received from Top 100 Research Centre (Note i)	4,000	4,000
Income from sharing of administrative expenses received from International Links (Note i)	720	720
Income from sharing of administrative expenses received from Maxx Capital Finance (Note i)	1,655	1,910
Income from sharing of administrative expenses received from China HK Finance (Note i)	1,902	2,319
Income from sharing of administrative expenses received from PR Smart (Note i)	880	—
Rental expenses paid to Cyber Feel Limited ("Cyber Feel") (Note i)	3,240	3,240

Note:

- (i) Maxx Capital Finance, Top 100 Hong Kong Alliance, Top 100 Hong Kong, Top 100 Research Centre, China HK Finance, Cyber Feel, PR Smart and International Links are beneficially owned by Ms. LO, the director and the ultimate controlling shareholder of the Group.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2024

36. Significant Related Parties Transactions (Continued)

(b) Loans from a shareholder

On 1 April 2022, the Group and Ms. LO, entered into a 1-year loan facility agreement under which Ms. LO has agreed to make available to the Company an unsecured loan facility amounted to HK\$30,000,000. On 1 April 2023, the facility agreement was extended to 31 March 2024. Approximately HK\$2,560,000 (2023: HK\$17,094,000) were drawn down during the year and the Group repaid a total amount of approximately HK\$31,508,000 (2023: HK\$1,967,000) during the year. Loans from a shareholder was interest-free and denominated in HK\$. After the reporting period, the facility agreement was further extended to 31 March 2025.

On 14 October 2022, the Group completed the acquisition of 100% of the equity interest in Finet Job at a consideration of HK\$10,000. Finet Job is inactive during the year ended 31 March 2023. The consideration of HK\$10,000 will be used to offset the same equivalent amount of the loans from a shareholder.

During the year ended 31 March 2023, the Group has disposed the entire equity interests in Dynamic and Avaya, subsidiaries of the Company to Ms. LO at a total consideration of HK\$88,000. Loans from a shareholder of HK\$88,000 will be used to offset the same equivalent amount of the consideration.

During the year ended 31 March 2024, Ms. LO paid an amount of approximately HK\$8,530,000 (2023: HK\$8,872,000) on behalf of the Group in relation to certain administrative expenses, which was settled through the loan account with Ms. LO.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2024

37. Statement of Financial Position and Reserves of the Company

	2024 HK\$'000	2023 HK\$'000
Non-current assets		
Property, plant and equipment	10	17
Investment properties	23,900	27,260
Investments in subsidiaries	18,842	18,479
	<u>42,752</u>	<u>45,756</u>
Current assets		
Amounts due from related companies	—	72
Prepayment, deposits and other receivables	117	117
Cash and cash equivalents	2,104	1,198
	<u>2,221</u>	<u>1,387</u>
Total assets	<u>44,973</u>	<u>47,143</u>
Current liabilities		
Accruals and other payables	1,775	1,508
Amounts due to subsidiaries	26,570	25,809
Loans from a shareholder	1,391	1,591
	<u>29,736</u>	<u>28,908</u>
Net current liabilities	<u>(27,515)</u>	<u>(27,521)</u>
Total assets less current liabilities	<u>15,237</u>	<u>18,235</u>
Non-current liability		
Deferred tax liabilities	5,705	7,721
Net assets	<u>9,532</u>	<u>10,514</u>
Equity		
Capital and reserves attributable to owners of the Company		
Share capital	9,998	6,665
Reserves	(466)	3,849
Total equity	<u>9,532</u>	<u>10,514</u>

LO Yuk Yee
Director

Tai Kwok Leung
Director

Notes to the Consolidated Financial Statements

For the year ended 31 March 2024

37. Statement of Financial Position and Reserves of the Company (Continued)

	Share premium HK\$'000	Share- based payments reserve HK\$'000	Property revaluation reserve HK\$'000	Accumulated losses HK\$'000	Total reserves HK\$'000
Balance at 1 April 2022	320,095	1,316	9,989	(325,071)	6,329
Comprehensive loss					
Loss for the year	—	—	—	(2,892)	(2,892)
Equity settled share-based payment	—	412	—	—	412
Balance at 31 March 2023 and 1 April 2023	320,095	1,728	9,989	(327,963)	3,849
Comprehensive loss					
Loss for the year	—	—	—	(33,166)	(33,166)
Issue of share upon rights issue	29,994	—	—	—	29,994
Transaction costs attributable to issue of shares upon rights issue	(1,143)	—	—	—	(1,143)
Balance at 31 March 2024	348,946	1,728	9,989	(361,129)	(466)

38. Operating Lease Arrangement

The Group as lessor

The Group leases its investment properties (note 17) under operating lease arrangements. Leases are negotiated for terms of three years (2023: one year), with an option to renew the lease when all terms are renegotiated. None of the leases includes contingent rentals.

At 31 March 2024, undiscounted lease payments receivable under non-cancellable operating leases are as follows:

	2024 HK\$'000	2023 HK\$'000
Within one year	1,182	—
After one year but within two years	1,182	—
	2,364	—

Five Year Financial Summary

	2024	2023	2022	2021	2020
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
RESULTS					
Revenue	13,433	12,864	14,254	17,901	25,991
Operating loss	9,137	(16,962)	(10,209)	(11,855)	(18,583)
Finance costs	(160)	(616)	(693)	(476)	(556)
Loss for the year	7,281	(16,234)	(8,622)	(12,571)	(19,288)
Loss per share					
— Basic (HK dollar per share)	(0.01)	(0.02)	(0.01)	(0.02)	(0.03)
— Diluted (HK dollar per share)	(0.01)	(0.02)	(0.01)	(0.02)	(0.03)
ASSETS AND LIABILITIES					
Non-current assets	29,651	31,986	37,827	86,736	88,878
Current assets	36,463	30,114	30,323	32,567	23,265
Current liabilities	14,768	11,307	22,876	30,999	21,750
Non-current liabilities	7,504	31,739	11,030	44,941	34,282
Net assets	43,842	19,054	34,244	43,363	56,111

Properties Held by the Group

Particulars of the Group's investment properties are as follows:

No.	Property	Type	Group's effective holding	Area (approximately square feet)	Lease term
1	12A03 and 12A04, Anlian Plaza, Junction of Jintian Road and Fuzhong San Road, Futian District, Shenzhen City, Guangdong Province, the People's Republic of China	Commercial	100%	5,325 sq. ft.	Medium term lease with 50 years commencing on 23 January 2002 and expiring on 22 January 2052