eBROKER GROUP LIMITED
電子交易集團有限公司

(incorporated in the Cayman Islands with limited liability)

Stock code: 8036

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 of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

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

CONTENTS

BOARD OF DIRECTORS

Executive Directors

Mr. Chan Lap Tak, Douglas *(Chairman)*

Mr. Lo Chi Ho *(Chief Executive Officer)*

Ms. Catherine Chan (appointed on 13 May 2024)

Independent Non-Executive Directors

Mr. Chan Chi Kwong Dickson

Mr. Liu Kin Sing

Mr. Au Yeung Po Fung

COMPANY SECRETARY

Mr. Liew Swee Yean

COMPLIANCE OFFICER

Mr. Lo Chi Ho

AUTHORISED REPRESENTATIVES

Mr. Chan Lap Tak, Douglas

Mr. Liew Swee Yean

AUDIT COMMITTEE

Mr. Au Yeung Po Fung *(Chairman)*

Mr. Chan Chi Kwong Dickson

Mr. Liu Kin Sing

REMUNERATION COMMITTEE

Mr. Liu Kin Sing *(Chairman)*

Mr. Au Yeung Po Fung

Mr. Chan Lap Tak, Douglas

NOMINATION COMMITTEE

Mr. Chan Lap Tak, Douglas *(Chairman)*

Mr. Liu Kin Sing

Mr. Chan Chi Kwong Dickson

AUDITORS

Gary Cheng CPA Limited

Certified Public Accountants

12th Floor, Elite Centre

22 Hung To Road, Kwun Tong

Kowloon, Hong Kong

PRINCIPAL BANKER

DBS Bank (Hong Kong) Limited

11th Floor, The Center

99 Queen's Road Central Central

Hong Kong

REGISTERED OFFICE

Cricket Square

Hutchins Drive

P.O. Box 2681 Grand Cayman KY1-1111

Cayman Islands

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

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Kowloon, Hong Kong

HONG KONG LEGAL ADVISERS

Stephenson Harwood

43/F, One Taikoo Place, 979 King's Road

Quarry Bay

Hong Kong

PRINCIPAL SHARE REGISTRAR

Conyers Trust Company (Cayman) Limited

Cricket Square

Hutchins Drive

P.O. Box 2681 Grand Cayman KY1-1111

Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR

Tricor Investor Services Limited

17/F., Far East Finance Centre

16 Harcourt Road

Hong Kong

STOCK CODE

8036

WEBSITE OF THE COMPANY

www.ebrokersystems.com

Dear Shareholders,

On behalf of the Board, I am pleased to present the audited consolidated financial results of the Group for the year ended 31 December 2024.

For the year ended 31 December 2024, the Group recorded revenue of approximately HK$31.2 million, representing a decrease of approximately 17.1% as compared to the year ended 31 December 2023. Profit attributable to owners of the Company decreased by approximately 241.5% from approximately HK$1.9 million for the year ended 31 December 2023 to approximately a loss of HK$2.7 million for the year ended 31 December 2024.

At eBroker, we are dedicated to advancing research and development in artificial intelligence to transform the financial industry. Leveraging our proprietary eBrAIny AI technology, we specialize in market timing for liquid assets. This innovation has enabled us to train hundreds of thousands of Investbots across diverse markets, including stocks, futures, commodities, foreign currencies, and cryptocurrencies. By curating portfolios of Investbots, we aim to deliver robust returns while minimizing risk for the wealth management industry.

Further, we have initiated projects to integrate AI-powered solutions on in-house servers, optimizing daily operations and enhancing efficiency. We shall continue to explore the business application opportunities with AI technology.

Chan Lap Tak, Douglas
Chairman

Hong Kong, 21 March 2025

BUSINESS REVIEW

The Group is principally engaged in the provision of financial software solution services to primarily financial institutions (including mainly brokerage firms, proprietary trading firms and wealth management companies) in Hong Kong. The Group derives its revenue mainly from front offices solution services, back office solution services, installation and customisation services, managed cloud services and other services income.

For the year ended 31 December 2024, the Group recorded a revenue of approximately HK$31.2 million, representing a decrease of approximately 17.1% from approximately HK$37.6 million recorded for the year ended 31 December 2023. Loss attributable to owners of the Company for the year ended 31 December 2024 amounted to approximately HK$2.7 million, representing a decrease of approximately 241.5% as compared with the profit of approximately HK$1.9 million for the year ended 31 December 2023 mainly due to the decrease of revenue of approximately 6.4 million.

OUTLOOK

Looking ahead to 2025, the macroeconomic environment will remain vulnerable to uncertainties in the ongoing geopolitical development and rapid technological innovation. However, the Group will continue to navigate the challenges while seeking to capture the opportunities ahead, driven by the progress of technology and innovation so as to achieve a sustainable business growth and long-term benefits of the Shareholders.

FINANCIAL REVIEW

Revenue

The Group derives its revenue primarily from the provision of financial technology solutions which can be classified into (i) front office solution service; (ii) back office solution service; (iii) installation and customisation services; (iv) managed cloud service and (v) other services income. For the year ended 31 December 2024, the Group recorded revenue of approximately HK$31.2 million, representing a decrease of approximately 17.1% as compared with the previous year of approximately HK$37.6 million. Such decrease was mainly attributable to the significant decrease in the revenue from front office solution services. The revenue from front office solution service decreased by approximately 10.8% from approximately HK$17.3 million for the year ended 31 December 2023 to approximately HK$15.5 million for the year ended 31 December 2024 due to adverse business and economic conditions. The revenue from installation and customisation services decreased by approximately 30.0% from approximately HK$4.6 million for the year ended 31 December 2023 to approximately HK$3.2 million for the year ended 31 December 2024 mainly due to a decrease in demand for customization services. The income from managed cloud service decreased by approximately 33.5% from approximately HK$2.8 million for the year ended 31 December 2023 to approximately HK$1.9 million for the year ended 31 December 2024. Other services income decreased by approximately 45.6% from approximately HK$2.4 million for the year ended 31 December 2023 to approximately HK$1.3 million for the year ended 31 December 2024 due to a decrease in product sales.

Purchases of and Changes in Inventories

The Group's purchases of and changes in inventories for the year ended 31 December 2024 decreased by approximately HK$0.3 million. Such decrease was primarily due to decrease of approximately HK$0.4 million in product sales of the Group for the year ended 31 December 2024.

Loss/Profit before Tax

The Group's loss before tax for the year ended 31 December 2024 was approximately HK$2.9 million, representing a decrease by approximately 251.6% when compared with its profit before tax of approximately HK$1.9 million for the year ended 31 December 2023. This was primarily due to (i) a decrease of revenue by approximately HK$6.4 million; and (ii) a decrease of staff costs by approximately HK$1.6 million.

Other Income

The Group's other income consists of interest income on bank deposits, government subsidies and dividend income. The Group's other income increased by approximately HK$197,000 from approximately HK$1.2 million for the year ended 31 December 2023.

Staff Costs

For the year ended 31 December 2024, the Group's staff costs net of capitalization of approximately HK$3.3 million were approximately HK$21.6 million, representing a decrease of approximately 7.0% over the staff costs of approximately HK$23.2 million for the year ended 31 December 2023. The decrease was primarily due to the increase in capitalization of approximately HK$2.3 million.

Depreciation

The Group's depreciation expenses decreased to approximately HK$2.3 million for the year ended 31 December 2024 representing a decrease of approximately 2.6% from approximately HK$2.4 million for the year ended 31 December 2023. The decrease was primarily due to the decrease in depreciation on rights-of-use assets of approximately HK$33,000 during the year ended 31 December 2024.

Other Operating Expenses

The Group's other operating expenses mainly include (i) cost of services; (ii) legal and professional fees; and (iii) office expenses. The Group's other operating expenses for the year ended 31 December 2024 were approximately HK$11.1 million, representing an increase of approximately 12.3% over the other operating expenses of approximately HK$9.8 million for the year ended 31 December 2023.

Income Tax Expense/Credit

The Group's income tax credit for the year ended 31 December 2024 was approximately HK$233,000, representing an increase of approximately HK$259,000 from tax expense of approximately HK$26,000 for the year ended 31 December 2023.

Loss/Profit for the year attributable to owners of the Company

Loss attributable to owners of the Company for the year ended 31 December 2024 amounted to approximately HK$2.7 million, representing a decrease of approximately 241.5% as compared with the profit of approximately HK$1.9 million for the year ended 31 December 2023. The decrease was primarily attributable to the decrease of revenue of approximately HK$6.4 million for the year.

LIQUIDITY AND FINANCIAL RESOURCES

The Group adopts conservative treasury policies and control tightly over its cash and risk management. The Group's operations are financed mainly by cash generated from operations. The Group recorded net current assets of approximately HK$37.4 million as at 31 December 2024 (2023: HK$41.0 million).

As at 31 December 2024, the Group's current assets amounted to approximately HK$44.0 million (2023: HK$44.9 million) of which approximately HK$15.4 million was trade and other receivables (2023: HK$5.2 million); and approximately HK$9.6 million was bank and cash balances (2023: HK$23.6 million).

As at 31 December 2024, the Group had no interest-bearing and non-interest bearing borrowing. On the same date, the Group had no banking facilities and unused unsecured banking facilities. There is no material seasonality of borrowing requirements for the Group.

Given that there was no interest-bearing borrowing as at 31 December 2024 and 31 December 2023, the gearing ratio is not applicable for analysis.

PRINCIPAL RISKS AND UNCERTAINTIES

The Group's operations are subject to certain risks and the major ones that may have a material and adverse effect on the Group's business, financial conditions and results of operations include: (i) the Group's research and development may not be able to catch up with technological advancements which are important for the Group to maintain its competitiveness; and (ii) the Group may be unable to collect its trade receivables in a timely manner and have to record impairment losses. In addition, the Group's activities are exposed to a variety of financial risks including, credit risk, liquidity risk and interest rate risk.

CAPITAL STRUCTURE

The Shares were listed on GEM of the Stock Exchange on 19 February 2019. There has been no change in the capital structure of the Company since then. As at 31 December 2024, the capital structure of the Company comprised mainly of issued share capital and reserves.

PLEDGE OF ASSETS

As at 31 December 2024, the Group had no pledged or charge on asset.

MATERIAL INVESTMENTS, ACQUISITIONS AND DISPOSALS

The Group had not made any significant investments or material acquisitions and disposals of subsidiaries during the year ended 31 December 2024 and the year ended 31 December 2023.

CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES

As at 31 December 2024, the Group did not have any material capital commitments and contingent liabilities.

EXPOSURE TO FLUCTUATIONS IN EXCHANGE RATES

The Group's foreign currency risk is primarily attributable to other receivables and deposits, bank balances, and financial assets at fair value through profit or loss and trade payables in Renminbi as set out in note 6(a) to the consolidated financial statements, the Directors continuously monitor the related foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise.

EXPOSURE TO CREDIT RISK

The Group's credit risk is primarily attributable to bank balances, non-pledged time deposits with original maturity within/over three months, pledged bank deposit, trade receivables and contract assets, other receivables and deposits as set out in note 6(b) to the consolidated financial statements. Our management does not expect significant credit risk as all bank balances are placed with banks with good credit rating and the Group has a comprehensive credit policy in place.

EXPOSURE TO LIQUIDITY RISK

The Group's policy is to regularly monitor current and expected liquidity requirements to ensure that it maintains sufficient reserves of cash to meet its liquidity requirements in the short and longer term.

The maturity analysis based on contractual undiscounted cash flows of the Group's non-derivative financial liabilities is set out in note 6(c) to the consolidated financial statements.

EXPOSURE TO INTEREST RATE RISK

The Group's exposure to interest rate risk arises from its bank balances, non-pledged time deposits with original maturity within/over three months and lease liabilities. The lease liabilities bear interests at variable rates varied with the then prevailing market condition. The Group's non-pledged time deposit with original maturity over three months and lease liabilities bear interests at fixed interest rate and therefore are subject to fair value interest rate risk. The Group does not have significant exposure on interest rate risk. Except as stated above, the Group has no other interest-bearing assets and liabilities as at the end of the reporting period, its income and operating cash flows are substantially independent of changes in variable interest rates.

HUMAN RESOURCES AND REMUNERATION POLICIES

As at 31 December 2024, the Group had a workforce of 53 (2023: 50) full-time employees. The remuneration of the Group's employees is determined depending on a number of factors, including their qualifications, function, experience, work performance and local market conditions. The Group regularly reviews its compensation and benefit policies to ensure that the remuneration package offered remains competitive and in line with relevant labour regulations. For the year ended 31 December 2024, the total employee benefit expenses (including salaries, bonuses, allowances, equity-settled share-based payment and retirement benefit scheme contributions) of the Group after capitalization of approximately HK$3.3 million (2023: HK$1.1 million) to intangible assets was approximately HK21.6 million (2023: HK$23.2 million). The Company has adopted a share option scheme on 22 January 2019 to enable the Company to grant options to, amongst others, the employees and directors of the Group. To recognise and reward the eligible employees for their contributions to the business and development of the Group, the Company has adopted a share award scheme on 12 August 2019.

SIGNIFICANT INVESTMENTS AND PLAN FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

The Company did not have any significant investments as at 31 December 2024. Save as disclosed in the Prospectus and the events after the reporting period as set out in note 37 to the consolidated financial statements, the Company did not have other plans for material investments or capital assets.

EXECUTIVE DIRECTORS

Mr. CHAN Lap Tak, Douglas(陳立德), aged 59, is an executive Director, founder of the Group and Chairman. Mr. Chan is responsible for formulating and monitoring the Company's overall strategic plan and research and development. Mr. Chan is the architect of the Group's global order management system as well as a key researcher of alpha investment model. Mr. Chan has over 30 years of experience in the securities and derivatives field in the United States and Hong Kong. He was the first generation involved in financial network computing technologies with over 30 years of experience on the Arpanet/Internet and over 30 years of experience in the brokerage industry. Prior to founding the Group, Mr. Chan was a vice president and executive director at The Goldman Sachs Group, Inc. in the United States, a global investment banking, securities and investment management firm that provides a wide range of financial services and listed on the New York Stock Exchange (stock symbol: GS), between July 1991 and January 2000 and helped in setting up its Asian equity derivatives business in 1994. He was also a member of the quantitative strategies group at The Goldman Sachs Group, Inc. and was responsible for developing various global trading and risk management systems for both cash and equity derivatives. Mr. Chan was then transferred to the Hong Kong office in September 1994 and gained experience with trading systems at both the Stock Exchange and the Hong Kong Futures Exchange. He worked at The Bear Stearns Companies, Inc., a New York-based global investment bank and securities trading and brokerage firm as vice president in advanced technologies between August 1987 and September 1989. In the late 1980s, he was also the first generation in developing program trading systems in a distributed computing environment when he worked at Salomon Brothers, an investment banking firm providing investment-banking, securities underwriting, and foreign exchange trading services as manager of systems programming between October 1989 and July 1991 in the United States.

Mr. Chan was a member of the derivatives market consultative panel of HKEX from June 2009 to May 2015. He was awarded the Hong Kong Computer Society Outstanding IT Achiever Awards 2008 – IT Professional Competency Award in March 2009.

Mr. Chan graduated from the State University of New York at Stony Brook, United States as the valedictorian with a Bachelor's Degree of science majoring in computer science in May 1985 and was further awarded the degree of Master of Science majoring in computer science by the New York University, United States in May 1992.

Mr. LO Chi Ho(盧志豪), aged 52, is an executive Director and the chief executive officer. Mr. Lo is responsible for developing the Group's solutions with the latest technology. Mr. Lo has over 20 years of experience in the software industry and in applying the latest technology to improve finance business processes. Prior to joining the Group in 2007, Mr. Lo worked for Hongkong and Shanghai Banking Corporation, a licensed bank in Hong Kong, as an IT project manager of CIBM IT cross products between September 2006 and July 2007 and he was responsible for project management in relation to information technology.

Mr. Lo graduated from the University of Michigan, United States with the degree of bachelor of science in engineering in August 1994. He subsequently obtained a degree of Master of Science in information systems management from the Hong Kong University of Science and Technology in November 2003.

Ms. CHAN Catherine (陳嘉恩), aged 32, is the executive Director, AI Evangelist of the Company and the daughter of Mr. Chan Lap Tak, Douglas, an executive Director of the Company. Ms. Chan is responsible for exploring innovative and new business opportunities in the Group. Ms. Chan has keen interests in entrepreneurship. She worked as a community builder in Invotech Limited from January 2017 to November 2019, a non-profit do-tank which aims to promote positive changes in Hong Kong through innovation and technology. In this role, Ms. Chan was responsible for maintaining a platform for collaborating start-ups and SMEs. She is also a Charter Member since September 2021 and Honorary Company Secretary since September 2023 of Orion Astropreneur Space Academy (Hong Kong) Ltd. Furthermore, Ms. Chan volunteers at various charities and non-profit organisations, and has served on the board of Tong Sam Charity Association since January 2023 and was recognized as Leo of the Year by Lions Club International in 2022-2023. Ms. Chan holds a Bachelor's Degree from Purdue University in the United States. Ms. Chan was appointed as the executive Director of the Company on 13 May 2024 and has obtained the legal advice referred to in Rule 5.02D of the GEM Listing Rules on 9 May 2025 and she confirmed that her obligation as a director of a listed issuer.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. CHAN Chi Kwong, Dickson (陳智光), aged 53, was appointed as an independent non-executive Director of the Company on 19 June 2018. He is a member of the Company's audit committee and nomination committee.

Mr. Chan has over 30 years of experience in accounting, auditing and taxation matters. Mr. Chan is a fellow member and CPA (Practising) of The Hong Kong Institute of Certified Public Accountants and holds a master's degree in corporate finance from The Hong Kong Polytechnic University and a bachelor of laws degree from the City University of Hong Kong.

Mr. AU YEUNG, Po Fung (歐陽寶豐), aged 57, was appointed as an independent non-executive Director on 19 June 2018.

He is the chairman of the Company's audit committee and a member of the remuneration committee.

Mr. Au Yeung has over 32 years of experience in property development, financing, credit control, tax and other financial matters.

Mr. Au Yeung has worked at various financial institutions, conglomerates and an international audit firm. Mr. Au Yeung has been a fellow member of the Institute of Chartered Accountants in England and Wales since July 2015, a chartered financial analyst of the CFA Institute since September 2006, a fellow member of the Association of Chartered Certified Accountants since November 2000, and a fellow member of the Hong Kong Institute of Certified Public Accountants since May 2003.

Mr. Au Yeung was an independent non-executive director of China LNG Group Limited (stock code: 931) from July 2016 to September 2019 and an independent non-executive director of GR Properties Limited (stock code: 108) from July 2017 to February 2020 and an independent non-executive director of Shanshan Brand Management Co., Ltd. (stock code: 1749) from May 2018 to June 2021 and an independent non-executive director of Sinic Holdings (Group) Company Limited (stock code: 2103) from August 2019 to April 2023 and an independent non-executive director of Sunkwan Properties Group Limited (stock code: 6900) from October 2020 to July 2024.

Mr. Au Yeung has been appointed as an independent non-executive director of Redsun Properties Group Limited (stock code: 1996) since June 2018, an independent non-executive director of Zhongliang Holdings Group Company Limited (stock code: 2772) since June 2019, an independent non-executive director of Zhenro Services Limited (stock code: 6958) since June 2020.

Mr. Au Yeung graduated from the Hong Kong Polytechnic (currently known as The Hong Kong Polytechnic University) in November 1990 with a degree of bachelor of arts in business studies.

Mr. LIU Kin Sing (廖健昇), aged 56, was appointed as an independent non-executive Director on 19 June 2018. He is the chairman of the Company's remuneration committee and a member of the audit committee and the nomination committee. Mr. Liu has over 30 years of experience in the legal industry in Hong Kong. He started his career as an articled clerk in Boase Cohen & Collins Solicitors & Notaries ("**BC&C"**), a law firm in Hong Kong, between August 1991 and July 1993, and was an assistant solicitor there between August 1993 and April 1995. In September 1999, he re-joined BC&C as a consultant and has been a partner of BC&C since December 2000.

Mr. Liu is also a member of the Guardianship Board and a panel chairman of the Transport Tribunal. He is also the vice-chairman of the Consumer Relations Panel of the Travel Industry Authority. He was an independent director of the Travel Industry Council of Hong Kong between 2015 and 2022. He was also a member of the Solicitors Disciplinary Tribunal Panel between 2005 and 2017 and a member of the Board of Review (Inland Revenue Ordinance) between 2008 and 2019. He was also an honorary legal adviser of the Lions Clubs International District 303 Hong Kong & Macao, China between 2015 and 2020, and has been so from 2021 up to present. He was also the School Supervisor of Lions Clubs International Tseung Chui King College from 2022 to 2024.

Mr. Liu is also an honorary legal adviser of the Hong Kong Small and Medium Enterprises Association and the legal adviser of the Hong Kong General Chamber of Young Entrepreneurs.

Mr. Liu graduated from the University of Hong Kong with a bachelor degree of laws in June 1990. He then obtained a Postgraduate Certificate in Laws from the same university in June 1991. Mr. Liu was admitted as a solicitor in the Supreme Court, later known as the High Court of Hong Kong in July 1993. In June 2008, Mr. Liu obtained a Master of Business Administration from the Kellogg School of Management, Northwestern University jointly with the School of Business and Management of the Hong Kong University of Science and Technology.

SENIOR MANAGEMENT

Mr. LIEW Swee Yean（劉瑞源）, aged 61, is the financial controller and company secretary of our Group. Mr. Liew joined our Group in 2012 and he has over 30 years of experience in finance and general management. Mr. Liew is a fellow member of the Association of Chartered Certified Accountants and the Hong Kong Institute of Certified Public Accountants. Mr. Liew holds a Master of Business Administration (Executive) Degree from the City University of Hong Kong. He was an independent non-executive director with Kaisun Holdings Limited (stock code: 8203) ("**Kaisun**") from November 2006 to December 2024.

On 10 December 2024, the GEM Listing Committee of the Stock Exchange publicly censured Mr. Liew, who was a director of Kaisun, for his breach of Rule 5.01 of the GEM Listing Rules and his obligation to comply to the best of his ability with the GEM Listing Rules under his declaration and undertaking given to the Stock Exchange in the form set out in Appendix 6A to the GEM Listing Rules, and for failing to establish adequate internal controls, with respect to Kaisun's advancement of loan to another company previously listed on the Stock Exchange (now delisted) and Kaisun's entering into transactions to acquire securities of two other listed issuers.

Mr. Liew is required and has completed to attend 21 hours of training on regulatory and legal topics and GEM Listing Rules compliance. For further details, please refer to the announcement by HKEX: https://www.hkex.com.hk/News/Regulatory-Announcements/2024/241210news?sc_lang=en.

The Directors are pleased to present their annual report and the audited consolidated financial statements of the Company and its subsidiaries for the year ended 31 December 2024.

CORPORATE REORGANISATION AND LISTING

The Company was incorporated in the Cayman Islands as an exempted company with limited liability on 23 May 2016 under the Companies Law. Pursuant to a reorganisation of the Group in preparation for the listing of the Shares on GEM of the Stock Exchange, the Company became the holding company of the companies now comprising the Group. Details of the corporate reorganisation are set out in the section headed "History, Reorganisation and Group Structure" in the Prospectus. The Shares were listed on GEM of the Stock Exchange on 19 February 2019.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the Company is investment holding. The principal activities of the subsidiaries comprise the provision of financial technology solutions to primarily financial institutions. Details of the principal activities of the subsidiaries are set out in note 22 to the consolidated financial statements. There were no significant changes in the nature of the Group's principal activities during the year ended 31 December 2024.

Further discussion and analysis of these activities as required by Schedule 5 to the Companies Ordinance, including a fair review of the Group's business, a description of the principal risks and uncertainties facing the Group and an indication of likely future development in the Group's business, can be found in the "Chairman's Statement" and "Management Discussion and Analysis" set out on pages 4 to 7 of this report. The discussion forms part of this Directors' report.

RESULTS AND DIVIDENDS

The Group's profit for the year ended 31 December 2024 and the Group's financial position at that date are set out in the consolidated financial statements on pages 30 to 31 respectively of this report.

The Company has adopted a general dividend policy on 25 March 2019, pursuant to which the Company may declare and distribute dividends to allow Shareholders to participate in the Company's profits and for the Company to retain adequate reserves for further growth. In deciding whether to recommend the payment of dividend to Shareholders, the Board shall take into account, inter alia, the following factors:

- the general financial condition of the Group;
- the Group's actual and future operations and liquidity position;
- the Group's expected working capital requirements and future expansion plans;
- the Group's debt to equity ratios and the debt level;
- any restrictions on payment of dividends that may be imposed by the Group's lenders;
- the retained earnings and distributable reserves of the Company and each of the members of the Group;
- the Shareholders' and the investors' expectation and industry's norm;
- the general market conditions; and
- any other factors that the Board deems appropriate.

The Company does not have any pre-determined dividend distribution proportion or distribution ratio. The declaration, payment and amount of dividends will be subject to the Board's discretion. The Board will review the dividend policy of the Company on a regular basis.

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

There is no arrangement that a Shareholder has waived or agreed to waive any dividends.

FINANCIAL SUMMARY

A summary of the published results, assets and liabilities of the Group for the last five financial years, as extracted from the audited consolidated financial statements and the Prospectus, is set out on page 77. This summary does not form part of the audited consolidated financial statements.

REVENUE

An analysis of the Group's revenue for the year ended 31 December 2024 is set out in note 8 to the consolidated financial statements.

PROPERTY, PLANT AND EQUIPMENT

Details of movements in the property, plant and equipment of the Group during the year ended 31 December 2024 are set out in note 19 to the consolidated financial statements.

SHARE CAPITAL

Details of movements in the share capital of the Company during the year ended 31 December 2024 are set out in note 30 to the consolidated financial statements.

PURCHASE, SALE, REDEMPTION OR CANCELLATION OF THE SECURITIES BY THE COMPANY AND ITS SUBSIDIARIES

Neither the Company nor any of its subsidiaries purchased, sold, redeemed or cancelled any securities, convertible securities, options, warrants or similar rights of the Company, nor were there any sales of treasury shares of the Company during the year ended 31 December 2024 and up to the date of this report. There were no treasury shares held by the Company during the year ended 31 December 2024.

PRE-EMPTIVE RIGHTS

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

RESERVES

Details of movements in the reserves of the Company and the Group during the year ended 31 December 2024 are set out in note 31(b) to the consolidated financial statements and the consolidated statement of changes in equity, respectively.

DISTRIBUTABLE RESERVES

As at 31 December 2024, the reserves available for distribution to owners of the Company were approximately HK$55,639,000 (2023: HK$54,952,000).

CHARITABLE DONATIONS

Donations made by the Group during the year amounted to HK$185,000 (2023: HK$100,000).

MAJOR CUSTOMERS AND SUPPLIERS

During the year ended 31 December 2024, sales to the Group's five largest customers accounted for approximately 28.4% (2023: 25.1%) of the total sales for the year and sales to the largest customer included therein amounted to approximately 7.3% (2023: 6.4%). Sales to the five largest customers did not exceed 30% of the total sales for the year. Purchases from the Group's five largest suppliers accounted for approximately 86.9% (2023: 97.3%) of the total purchases for the year and purchases from the largest supplier included therein amounted to approximately 32.8% (2023: 41.2%). None of the Directors or any of their close associates or any shareholders (which, to the best knowledge of the Directors, own more than 5% of the Company's issued share capital) had any beneficial interest in the Group's five largest customers and suppliers.

DIRECTORS

The Directors during the year ended 31 December 2024 and up to the date of this report were:

EXECUTIVE DIRECTORS

Mr. Chan Lap Tak, Douglas *(Chairman)*
Mr. Lo Chi Ho *(Chief Executive Officer)*
Ms. Catherine Chan (appointed on 13 May 2024)

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Chan Chi Kwong Dickson
Mr. Liu Kin Sing
Mr. Au Yeung Po Fung

Pursuant to article 84(1) of the Articles, not less than one-third of the Directors for the time being shall retire from office by rotation provided that every Director shall be subject to retirement at an annual general meeting at least once every three years.

Pursuant to the aforesaid provisions in the Articles, Ms. Catherine Chan ("**Ms. Chan**") and Mr. Chan Chi Kwong Dickson ("**Mr. Chan**") will retire by rotation at the forthcoming AGM. All the above Directors, being eligible, will offer themselves for re-election at the AGM.

The Company has received, from each of the independent non-executive Directors, a written confirmation of independence pursuant to Rule 5.09 of the GEM Listing Rules and as at the date of this report, the Company still considers them to be independent.

BIOGRAPHIES OF DIRECTORS AND SENIOR MANAGEMENT

Biographical details of the Directors and senior management of the Group are set out on pages 8 to 9 of this report.

DIRECTORS' SERVICE CONTRACTS

Each of the executive Directors has entered into a service contract with the Company and each of the independent non-executive Directors has entered into a letter of appointment with the Company. Both the service contract and the appointment letter may be terminated by not less than three months' notice in writing served by either party on the other.

None of the Directors has a service contract with the Company which is not determinable by the Company within one year without payment of compensation, other than statutory compensation.

EMOLUMENT POLICY AND SHARE-BASED COMPENSATION SCHEME

The remuneration of the Group's employees is determined based on a number of factors, including their qualifications, function, experience, work performance and local market conditions. The Group regularly reviews its compensation and benefit policies to ensure that the remuneration package offered remains competitive and in line with relevant labour regulations. The long-term incentive scheme of the Group include share option scheme and share award scheme.

EMOLUMENTS OF DIRECTORS AND FIVE HIGHEST PAID INDIVIDUALS

The remuneration committee of the Company is set up for reviewing the Group's emolument policy and structure for making recommendations to the Board on the overall remuneration policy and structure relating to all Directors and senior management of the Group. The Directors' fees are subject to the Shareholders' approval at general meeting. Other emoluments of the Directors are determined with reference to market conditions, directors' duties, responsibilities and performance and the results of the Group.

Details of the emoluments of the Directors and the five highest paid individuals of the Group are set out in note 16 to the consolidated financial statements.

PERMITTED INDEMNITY PROVISION

Every Director shall be entitled under the Articles to be indemnified out of the assets of the Company against all actions, costs, charges, losses, damages and expenses incurred or sustained by him or her as a Director in the execution or discharge of his or her duty.

As at the date of this report, the Company has taken out Directors' and officers' liabilities insurance which provides appropriate coverage for the Directors.

DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS

Save as those disclosed in the paragraph headed "Continuing connected transactions" and in notes 16(d) and 36 to the consolidated financial statements, no other transactions, arrangements or contracts of significance, to which the Company or any of its subsidiaries was a party and in which a Director or an entity connected with him had a material interest, whether directly or indirectly, subsisted at the end of the year ended 31 December 2024 or at any time during the year.

CONTRACT OF SIGNIFICANCE

Save for the related party transactions disclosed in note 36(a) and 16(d) to the consolidated financial statements, there was no contract of significance between the Company or any of its subsidiaries and a Controlling Shareholder or any of its subsidiaries, nor any contract of significance for the provision of services to the Company or any of subsidiaries by a Controlling Shareholder or any of its subsidiaries during the year ended 31 December 2024.

MANAGEMENT CONTRACTS

Other than the service contracts of the Directors, the Company has not entered into any contract with any individual, firm or body corporate to manage or administer the whole or any substantial part of any business of the Company during the year ended 31 December 2024.

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 31 December 2024, the interests or short positions of the Directors and the chief executive of the Company in the Shares, underlying Shares and debentures of the Company and any of its associated corporations (within the meaning of Part XV of SFO) which are required (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions in which they are taken or deemed to have under such provisions of the SFO); or (b) pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (c) have to be notified to the Company and the Stock Exchange pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules, were as follows:

Long positions

Number of Director	Capacity and nature of interest	Number of Shares held	Approximate percentage of the issued Shares
Mr. Chan Lap Tak, Douglas ("**Mr. Chan**")	Interest of spouse *(Note 1)*	2,291,420	0.19%
Ms. Chan Catherine	Beneficial interest	2,240,000	0.18%
Mr. Lo Chi Ho *(who is also the chief executive officer)*	Beneficial interest *(Note 2)*	12,210,010	0.99%

Notes:

(1) Mr. Chan is the spouse of Ms. Cheung Mee Kuen, Amy ("**Ms. Cheung**") and is deemed to be interested in all the Shares in which Ms. Cheung is interested by virtue of the SFO.

(2) The interest comprises 10,810,010 Shares and 1,190,000 award Shares which were vested to Mr Lo on 9 January 2023 and 210,000 award Shares granted to Mr. Lo on 20 January 2022 vested on 31 December 2023. For further details, please refer to the announcements of the Company dated 20 January 2022 and 27 January 2022.

Save as disclosed above, as at the date of this report, none of the Directors or chief executive of the Company nor their associates had registered an interest or short position in any Shares or underlying Shares and/or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which would have to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions in which they are taken or deemed to have under such provisions of the SFO) or that was required to be recorded in the register kept by the Company pursuant to section 352 of the SFO, or which are required to be notified to the Company and the Stock Exchange, pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules.

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS IN SHARES AND UNDERLYING SHARES

As at 31 December 2024, the following persons (other than the Directors or chief executive of the Company) had interests and short positions in the Shares or underlying Shares of the Company which were required to be notified to the Company pursuant to Divisions 2 and 3 of Part XV of the SFO or as recorded in the register of interests required to be kept by the Company pursuant to section 336 of the SFO were as follows:

Long positions in the Shares

Name	Capacity and nature of interest	Number of Shares held	Approximate percentage of the issued Shares
Quantsmile (BVI) Limited ("**Quantsmile (BVI)**")	Beneficial interests	411,902,870 *(note 1)*	33.49%
Eagle Business Consulting Limited ("**Eagle Business Consulting**")	Beneficial interests /Interest in a controlled corporation	706,816,910 *(note 1 and note 2)*	57.46%
Good Steward Foundation Limited ("**Good Steward Foundation**")	Interest in a controlled corporation	706,816,910 *(note 2 and note 3)*	57.46%
Financial Data Technologies Limited ("**Financial Data Technologies**")	Beneficial interests	122,980,000 *(note 4)*	9.99%
Mr. Nie Lehui	Interest in a controlled corporation	122,980,000 *(note 4)*	9.99%
Bank of Communications Trustee Ltd.	Trustee	85,140,000 *(note 5)*	6.92%

Notes:

(1) Quantsmile (BVI) is an investment holding company incorporated in the BVI and is held as to approximately 50.85% by Eagle Business Consulting, 23.73% by Supergrand and 25.42% jointly by Mr. Chan (our executive Director) and Ms. Cheung (the spouse of Mr. Chan). By virtue of the SFO, Eagle Business Consulting is deemed to be interested in the Shares held by Quantsmile (BVI) in the Company.

(2) Eagle Business Consulting is an investment holding company incorporated in Hong Kong and is held as to approximately 95.24% by Good Steward Foundation and 4.76% by Ms. Cheung (the spouse of Mr. Chan), Good Steward Foundation is deemed to be interested in the Shares held by Quantsmile (BVI), which held approximately 33.49% interests in the Company.

(3) Good Steward Foundation is a charitable company incorporated in Hong Kong and holds approximately 95.24% interest in Eagle Business Consulting, which holds approximately 50.85% in Quantsmile (BVI), which in turn held approximately 33.49% interests in the Company. By virtue of the SFO, Good Steward Foundation is deemed to be interested in the Shares held by Eagle Business Consulting.

(4) Financial Data Technologies, is beneficially wholly owned by Mr. Nie Lehui.

(5) Bank of Communication Trustee Ltd is the trustee appointed by the Company in relation to the share award scheme adopted by the Company on 12 August 2019.

Save as disclosed above, as at 31 December 2024, the Company had not been notified by any persons (other than the Directors or chief executive of the Company) who had interests or short positions in the Shares or underlying shares or debentures of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were required, pursuant to section 336 of the SFO, to be recorded in the register referred to therein.

SHARE OPTION SCHEME

The Company has conditionally adopted a share option scheme (the "**Scheme**") pursuant to the resolutions passed by the Shareholders at an extraordinary general meeting held on 22 January 2019. The Company operates the Scheme for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. Eligible participants of the Scheme include directors (including executive directors, non-executive directors and independent non-executive directors) and employees of any member of the Group and any advisers, consultants, distributors, contractors, suppliers, agents, customers, business partners, joint venture partners, promoters, service providers of any member of the Group. The Scheme, unless otherwise cancelled or amended, will remain in force for 10 years after the date on which the Scheme is adopted. As at 31 December 2024, the remaining life of the Share Option Scheme is approximately 4 years.

The total number of securities available for issue under the Scheme is 123,000,000 ordinary Shares, being 10% of the issued Shares of the Company as at the date of this report. The maximum number of share options currently permitted to be granted under the Scheme is an amount equivalent, upon their exercise, to 10% of the ordinary Shares in issue at any time. The maximum number of shares issuable under share options granted to each eligible participant in the Scheme within any 12-month period is limited to 1% of the shares of the Company in issue at any time. Any further grant of share options in excess of this limit is subject to Shareholders' approval in a general meeting.

Share options granted to a director, chief executive or substantial shareholder of the Company, or to any of their associates, are subject to approval in advance by the independent non-executive Directors. In addition, any share options granted to a substantial Shareholder or an independent non-executive Director, or to any of their associates, in excess of 0.1% of the Shares in issue at any time or with an aggregate value (based on the closing price of the Company's shares at the date of grant) in excess of HK$5 million, within any 12-month period, are subject to Shareholders' approval in advance in a general meeting.

The offer of a grant of share options may be accepted within 28 days from the date of grant. A consideration of HK$1.00 is payable on the acceptance of the offer of grant of an option. The exercise period of the share options granted is determinable and notified by the directors, but shall end not later than 10 years from the date on which the share option is deemed to be granted and accepted in accordance with the Scheme. The vesting period under the Scheme is determinable by the Board as it deems appropriate in its absolute discretion.

The exercise price of share options is determinable by the Directors, but may not be less than the higher of (i) the Stock Exchange closing price of the Shares on the date of offer of the share options which must be a Business Day; (ii) the average Stock Exchange closing price of the Shares for the five Business Days immediately preceding the date of offer; and (iii) the nominal value of the Shares on the date of the offer.

Share options do not confer rights on the holders to dividends or to vote at general meetings.

The terms of the Scheme are in accordance with the provisions of Chapter 23 of the GEM Listing Rules. Details of the Scheme are set out in the paragraph headed "Share Option Scheme" in Appendix V to the Prospectus.

No share option has been granted since the adoption of the Scheme.

SHARE AWARD SCHEME

On 12 August 2019, the Company adopted the Share Award Scheme. The Shares under the Share Award Scheme will be acquired by Bank of Communication Trustee Limited as trustee appointed by the Company by way of subscription of new shares (whether pursuant to general mandate or specific mandate granted by the Shareholders or otherwise) and/or purchase of shares from the market out of the funds contributed by the Group and be held on trust for the participants until such awarded Shares are vested in the relevant selected participants in accordance with the rules of the Share Award Scheme. Eligible participants include any employee (including but not limited to any executive director) of any member of the Group (other than any excluded employee) whom the Board selects to grant award Shares. Subject to any early termination as may be determined by the Board by resolution, the Share Award Scheme shall be valid and effective for a term of 10 years commencing from the date of adoption of the Share Award Scheme. The Board shall not make any further award of awarded shares which will result in the total number of issued Shares awarded by the Board under Share Award Scheme exceeding 10% of the total number of issued Shares (being 123,000,000 Shares) from time to time. The maximum number of Shares which may be awarded to one selected person under the Share Award Scheme shall not exceed 1% of the issued share capital of the Company from time to time. Selected grantees are not required to make any payment to accept award Shares and there is no purchase price under the Scheme. The vesting period under the Share Award Scheme is determinable by the Board as it deems appropriate in its absolute discretion. As at 31 December 2024, the remaining life of the Share Award Scheme is approximately 4.5 years.

During the year ended 31 December 2024, the trustee of the Share Award Scheme, pursuant to the terms of the rules and trust deed of the Share Award Scheme, did not make any purchase any Shares on the Stock Exchange. As at 31 December 2024, there were 85,140,000 Shares held by the trustee pursuant to the Share Award Scheme.

On 13 May 2024, the Board has resolved to grant an aggregate of 5,040,000 award Shares, all in the form of existing Shares, to 13 selected persons under the Share Award Scheme. Subject to the satisfaction of the vesting conditions, 2,520,000 of these award Shares shall be vested to the respective selected persons on 31 December 2024 (however, the Board has decided to defer the vesting date of 285,000 of these awarded shares to 30 June 2025) and the remaining 2,520,000 of the award shares shall be vested to the respective selected persons on 31 December 2025. For details, please refer to the Company's announcement dated 13 May 2024.

As at 1 January 2024 and 31 December 2024, being the beginning and the end of the year under review, the number of award Shares available for grant under the Share Award Scheme shall be 85,140,000 and 82,335,000 respectively, representing approximately 6.92% and 6.69% of the Company's issued share capital as at that date respectively.

Details of the movements in award Shares under the Share Award Scheme during the year ended 31 December 2024 are as follows:

			Number of unvested award Shares					
Name or category of participants	**Date of grant**	**Vesting date**	**As at 1 January 2024**	**Granted during the year**	**Vested during the year**	**Lapsed/ Cancelled during the year**	**Modified during the year (note 6)**	**As at 31 December 2024**
Employees	13 May 2024	31 December 2024	–	2,520,000	(2,235,000)	–	(285,000)	–
Employees	13 May 2024	31 December 2025	–	2,520,000	–	–	285,000	2,805,000
Total			–	5,040,000	(2,235,000)	–	–	2,805,000

Notes:

1. The award Shares were granted at nil consideration. The closing price of Shares immediately before the date on which the award Shares granted on 13 May 2024 was HK$0.08 per award Share. The fair value of the award Shares granted on 13 May 2024 was HK$0.08 per share, which was determined based on the market price of the Shares as at the date of grant. The amount to be expensed as share-based compensation expenses is determined by reference to the fair value of the award Shares granted, taking into account all non-vesting conditions associated with the grants on grant date.
2. The weighted average closing price of the Shares immediately before 31 December 2024 on which the awarded Shares were vested was HK$0.08.
3. There is no performance target attached to the award Shares.
4. There are no participants with awarded Shares granted in excess of the individual limit and no grants to related entity and suppliers of good and services.
5. The vesting period of the awarded Shares refers to the period from the date of grant until the date of vesting.
6. The vesting date of the awarded shares has been deferred from 31 December 2024 to 30 June 2025.

The number of shares of the Company that may be issued in respect of share options and awards granted under the Share Option Scheme and Share Award Scheme during the year ended 31 December 2024 divided by the weight average number of shares of the Company in issue for the year ended 31 December 2024 was approximately 0.41%.

DIRECTORS' RIGHTS TO ACQUIRE SHARES AND DEBENTURES

Save as disclosed in the sections headed "Directors' and chief executive's interests in shares, underlying shares and debentures", "Share option scheme" and "Share Award Scheme" above, at no time during the year ended 31 December 2024 were rights to acquire benefits by means of the acquisition of shares in or debentures of the Company granted to any of the Directors, or were any such rights exercised by them; or was the Company, its holding company, or any of its subsidiaries or fellow subsidiaries a party to any arrangements to enable the Directors to acquire such rights in any other body corporate.

EQUITY-LINKED AGREEMENTS

No equity-linked agreements were entered into by the Company during the year ended 31 December 2024 or subsisted at the end of the year.

RELATED PARTY TRANSACTIONS

Details of related party transactions of the Group during the year ended 31 December 2023 and 2024 are set out in note 36(a) and 16(d) to the consolidated financial statements.

During the year ended 31 December 2024, the related party transactions disclosed in note 36(a) and 16(d) to the consolidated financial statements either did not constitute connected transactions or continuing connected transactions under Chapter 20 of the GEM Listing Rules, or only constituted fully exempted connected transactions or continuing connected transactions by virtue of the de minimis exemption under Chapter 20 of the GEM Listing Rules. The Company has complied the disclosure requirements in accordance with Chapter 20 of the GEM Listing Rules.

CONTINUING CONNECTED TRANSACTIONS AND CONNECTED TRANSACTIONS

During the year ended 31 December 2024, the Group has not entered into any continuing connected transactions or connected transaction which are not exempted from the annual reporting announcement or independent shareholder's approval requirements in Chapter 20 of the GEM Listing Rules.

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors, the Company has maintained the prescribed public float under the GEM Listing Rules as at the date of this report.

COMPETING INTEREST

During the year ended 31 December 2024 and up to the date of this report, none of the Directors or the Controlling Shareholders or their close associates (as defined in the GEM Listing Rules) are interested in any business which competes or may compete, either directly or indirectly, with the business of the Group nor did they have any conflicts of interest with the Group.

DEED OF NON-COMPETITION

Each of the Controlling Shareholders, namely Quantsmile (BVI), Mr. Chan, Ms. Cheung, Eagle Business Consulting and Good Steward Foundation, entered into a deed of non-competition dated 22 January 2019 (the "**Deed of Non-Competition**") in favour of the Company, under which each of the Controlling Shareholders, among other things, irrevocably and unconditionally, jointly and severally, warrants and undertakes to the Company (for itself and as trustee for each of its subsidiaries) on competition related matters. Details of the Deed of Non-Competition are set out in the section headed "Relationship with our Controlling Shareholders – Non-competition Undertaking" in the Prospectus. Each of the Controlling Shareholders has confirmed that none of them is engaged in, or interested in any business (other than the Group) which, directly or indirectly, competes or may compete with the business of the Group.

The independent non-executive Directors have also reviewed the status of compliance and written confirmation from each of the Controlling Shareholders, and on the basis of such confirmation, are of the view that the Controlling Shareholders have complied during the year ended 31 December 2024 that the undertakings under the Deed of Non-Competition.

TAX RELIEF AND EXEMPTION OF HOLDERS OF LISTED SECURITIES

The Company is not aware of any tax relief or exemption available to the Shareholders by reason of their holding of the Company's securities.

KEY RELATIONSHIPS WITH ITS EMPLOYEES, CUSTOMERS AND SUPPLIERS

The Group has maintained a good relationship with its employees, customers and suppliers:

Employees: The employees of the Group are its key assets and their dedication contribute to the successful business operations of the Group. The Group, therefore, strives to treat all of its employees with respect and equity, and create a safe and motivating workplace for its employees to work in. To realize fully its employees' potentials and ensure job satisfaction, the Group has organized various trainings for its employees to acquire new knowledge and skills, and to further develop their careers. By organizing different staff activities, the Group works to improve staff relationships and build up a sense of belonging, and to maintain a good work-life balance for its employees.

Customers: The Group maintains ongoing communication with its customers through various channels such as presentation of ideas, calls, emails and meetings. The Group generates new business through its own marketing initiatives, referrals from existing clients and the IT professionals from the finance industry.

Suppliers: Maintaining a reliable and sustainable service supply chain is the key to the success of the Group's services. The Group strives to maintain good partnership with its suppliers, and technical service providers. The Group has a comprehensive supplier selection and assessment process to select suitable suppliers for the business operations of the Group. This process ensures that the suppliers can meet the Group's requirements, and deliver quality products and services.

A separate report on environmental, social and governance matters ("**ESG Report**") will be published at the same time as the publication of this annual report. The ESG Report will be prepared in accordance with Appendix C2 to the GEM Listing Rules. The ESG Report will be available on the website of the Company at www.ebrokersystems.com. The Company will provide a shareholder with an ESG Report in printed form upon its specific request.

COMPLIANCE WITH LAWS AND REGULATIONS

Compliance procedures are in place to ensure adherence to applicable laws, rules and regulations, in particular those which have a significant impact on the Group. The Board reviews and monitors the Group's policies and practices on compliance with legal and regulatory requirements on a regular basis. Any changes in the applicable laws, rules and regulations are brought to the attention of relevant employees and relevant operation units from time to time.

From the Listing Date and up to the date of this annual report, to the best of the Company's knowledge, information and belief, having made all reasonable enquiries, the Group has complied with the requirements under the GEM Listing Rules, SFO and the Companies Law. Details of the Company's compliance with the code provisions as set out in the CG Code are provided in the Corporate Governance Report of this annual report.

CORPORATE GOVERNANCE

Details of the principal corporate governance practices as adopted by the Company are set out in the section headed "Corporate Governance Report" on pages 19 to 25 of this report.

EVENTS AFTER THE REPORTING PERIOD

Saved as disclosed in this annual report, the Group had no other significant events after 31 December 2024 and up to the date of this annual report.

INDEPENDENT AUDITOR

There were no other changes in auditors of the Company during the past three years.

The consolidated financial statements for the year have been audited by GCCPAL, who will retire and, being eligible, will offer themselves for re-appointment at the AGM. A resolution will be proposed at the AGM for the re-appointment of GCCPAL as auditor of the Company.

By order of the Board

Chan Lap Tak, Douglas

Chairman and Executive Director

Hong Kong, 21 March 2025

The Board hereby presents this corporate governance report ("**CG Report**") in the Group's annual report for the year ended 31 December 2024.

CORPORATE GOVERNANCE PRACTICES

The Company is committed to achieving high standards of corporate governance. The Directors believe that sound and reasonable corporate governance practices are essential in providing a framework for the Company to safeguard the interests of Shareholders, enhance corporate value, formulate its business strategies and policies, and enhance its transparency and accountability.

The Company has adopted the principles and code provisions as set out in the CG Code contained in Appendix C1 of the GEM Listing Rules as the basis of the Company's corporate governance practices.

The Board is of the view that during the year ended 31 December 2024 (the "**Relevant Period**"), the Company has complied with all applicable code provisions as set out in the CG Code.

BOARD OF DIRECTORS

Board composition and responsibilities

Our Board consists of six Directors, including three executive Directors and three independent non-executive Directors. Details of their composition by category are as follows:

Executive Directors

Mr. Chan Lap Tak, Douglas *(Chairman)*
Mr. Lo Chi Ho *(Chief Executive Officer)*
Ms. Catherine Chan (appointed on 13 May 2024)

Independent Non-Executive Directors

Mr. Chan Chi Kwong Dickson
Mr. Liu Kin Sing
Mr. Au Yeung Po Fung

Details of background and qualifications of all Directors are set out in the section headed "Biographical Details of Directors and Senior Management" of this annual report. Save as disclosed, there is no relationship, including financial, business, family or other material/relevant relationship(s) among members of the Board.

RESPONSIBILITIES, ACCOUNTABILITIES AND CONTRIBUTIONS OF THE BOARD AND THE MANAGEMENT

The Board oversees the overall management and administration of the business and operations of the Group. The Board is primarily responsible for overall development, strategic planning, reviewing and monitoring the business performance, approving the financial statements and annual budgets, internal controls and risk management as well as supervising the management of the Group. The management is delegated the authority and responsibilities by the Board for the day-to-day management and operation of the Company. The delegated functions and work tasks are reviewed by the Board periodically.

The Board may delegate any of its powers, authorities and discretions to committees, consisting of such Director(s) and other person(s) as the Board thinks fit, and they may, from time to time, revoke such delegation or revoke the appointment of and discharge any such committees either wholly or in part, and either as to persons or purposes. Any committee so formed shall, in the exercise of the powers, authorities and discretions so delegated, conform to any regulations which may be imposed on it by the Board.

Regular meetings of the Board will be held to deliberate the strategic policies of the Company including significant acquisitions and disposals, review and approve annual budgets, review the performance of the business and approve the public release of periodic financial results. Directors are also provided with access to independent professional advice in carrying out their obligations as Directors as and when required, at the expense of the Company.

Appointment and Re-election of Directors

Each executive Director has entered into a service contract with the Company for a term of three years and each independent non-executive Director has entered into a letter of appointment for a term of three years. Each Director is subject to retirement by rotation at least once every three years but is eligible for re-election at an annual general meeting in accordance with the Articles.

The Articles specify that any Directors appointed during the year to fill a casual vacancy are subject to re-election by Shareholders at the first general meeting after such appointments and any Directors appointed by the Board as an addition to the existing Board shall hold office only until the next following annual general meeting of the Company and shall then be eligible for re-election.

None of the Directors proposed for re-election at the forthcoming annual general meeting has a service contract or letter of appointment with the Company which is not determinable by the Company within one year without payment of compensation, other than statutory compensation. The Company has also taken out Directors' and Officers' liabilities insurance for such purposes with effect from the Listing.

Independent Non-executive Directors

During the Relevant Period, the Board at all times met the requirements of the GEM Listing Rules relating to the appointment of at least three independent non-executive Directors, representing at least one-third of the Board with one of whom possessing appropriate professional qualifications or accounting or related financial management expertise.

The Company has received written annual confirmation from each of the independent non-executive Directors in respect of his independence in accordance with the independence guidelines set out in Rule 5.09 of the GEM Listing Rules. The Company is of the view that all independent non-executive Directors are independent.

During the Relevant Period, the Board also reviewed the implementation and effectiveness of mechanisms to ensure independent views and input are available to the Board. Taking into account, among others, the size, structure, composition of the Board and the annual meeting between the Chairman and all independent non-executive Directors without the presence of other Directors which has provided an effective platform for the Chairman to listen to independent views on various issues concerning the Group, the Board considered that the Company had in place mechanisms which remain effective to ensure a strong independent element on the Board.

Continuous Professional Development of Directors

During the year ended 31 December 2024, the Directors have participated in continuous professional development by attending a training session in respect of the roles and responsibilities of directors of a company listed on the GEM, as well as reading related materials. They also received from the Company from time to time updates on laws, rules and regulations which may be relevant to their roles, duties and functions as directors of a listed company. Particulars of participation by the Directors are set out as follows:

	Reading materials relevant to directors' roles and responsibilities	Attending training session relevant to directors' roles and responsibilities
Executive Directors		
Mr. Chan Lap Tak, Douglas	✓	✓
Mr. Lo Chi Ho	✓	✓
Ms. Catherine Chan	✓	✓
Independent Non-Executive Directors		
Mr. Chan Chi Kwong Dickson	✓	✓
Mr. Liu Kin Sing	✓	✓
Mr. Au Yeung Po Fung	✓	✓

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Under code provision C.2.1 of the CG Code, the roles of chairman and chief executive officer should not be performed by the same individual. The Directors recognise the importance of good corporate governance in management and internal procedures so as to achieve effective accountability. During the Relevant Period, the Group has complied with the CG Code, Mr. Chan currently holds the role of chairman and Mr. Lo holds the role of chief executive officer of the Company.

BOARD COMMITTEES

In order to assist the Board in discharging its duties in a more efficient manner, the Board has established, with written terms of reference, three Board committees, namely the audit committee, remuneration committee and nomination committee, to oversee particular aspects of the Company's affairs. The Board committees are provided with sufficient resources to discharge their duties. The written terms of reference for each Board committee are in compliance with the GEM Listing Rules and they are posted on the websites of the Stock Exchange and the Company.

Audit Committee

The Company established an audit committee on 19 June 2018 in compliance with Rule 5.28 of the GEM Listing Rules. Written terms of reference in compliance with Rule 5.29 of the GEM Listing Rules and code provision D.3.3 of the CG Code have been adopted. The primary duties of the audit committee are mainly to make recommendations to the Board on appointment, reappointment and removal of the external auditor, review and supervise the financial reporting process and the financial controls, internal control and risk management systems of the Company.

The audit committee of the Company consists of three independent non-executive Directors, being Mr. Au Yeung Po Fung, Mr. Chan Chi Kwong Dickson and Mr. Liu Kin Sing. Mr. Au Yeung Po Fung is the chairman of the audit committee.

The Audit Committee held four meetings in the year ended 31 December 2024, to review, the interim, quarterly and annual financial results and reports and significant issues on the financial reporting, operational and compliance controls, the effectiveness of the risk management and internal control systems, and continuing connected transactions.

During the Relevant Period, the chairman of the Audit Committee also met the external auditors twice without the presence of the executive Directors.

Nomination Committee

The Company established a nomination committee on 19 June 2018. Written terms of reference in compliance with code provision B.3.1 of the CG Code have been adopted. The primary duties of the nomination committee are to review the structure, size and composition (including the skills, knowledge, length of service and the breadth of expertise) of the Board and make recommendations to the Board on any proposed changes to the Board to complement the Company's corporate strategy; identify individuals suitably qualified as potential Board members and select or make recommendations to the Board on the selection of individuals nominated for directorships; to assess the independence of independent non-executive Directors; and make recommendations to the Board on the appointment or reappointment of Directors and succession planning of Directors, in particular that of the chairman and the chief executive.

The nomination committee of the Company consists of one executive Director and two independent non-executive Directors, being Mr. Chan Lap Tak, Douglas, Mr. Chan Chi Kwong Dickson and Mr. Liu Kin Sing. Mr. Chan Lap Tak, Douglas is the chairman of the nomination committee.

The Board recognises the importance of its diversity in relation to its business, and on 19 June 2018 adopted a Board diversity policy (the "**Diversity Policy**"). As a summary of the Diversity Policy, the selection of candidates has been considered from a number of aspects, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service. As an objective of the Group's diversity policy, the Board shall consist of at least one member with financial or accounting expertise. During the year ended 31 December 2024, the above objective has been achieved. All Board appointments will be based on meritocracy, and will be considered against objective criteria, having due regard for the benefits of diversity on the Board. The ultimate decision of Board appointment will be based on merit and contribution that the selected candidates will bring to the Board.

The Board has achieved gender diversity as it currently has one female executive Director. The Board will maintain at least one female Director to be a member of the Board. The Company will continue to proactively provide training to our senior management and will take into account the factor of gender diversity when recruiting suitable candidates for our senior management in the future, so to develop a pipeline of potential successors for the Board and enhance gender diversity in the Board in the coming years. The Company may also engage resources to identify potential successors for the Board and enhance gender diversity in the coming years, if necessary.

From the Group's perspective, as at 31 December 2024, the female-to-male ratio of the Group's employees is approximately 0.40. The Group is determined to maintain gender diversity and equality in terms of the whole workforce and expects the above is achievable with suitable effort in promoting the gender diversity culture, which the Group has been advocating for.

The nomination committee met once during the Relevant Period to review among other things, the independence of the independent non-executive Directors; consider the qualifications of the retiring directors standing for election at the 2024 annual general meeting; review the structure, size and composition of the Board and review the Board diversity policy adopted by the Company. In identifying and selecting suitable candidates for directorships, the nomination committee would consider various factors including the candidate's character, qualifications, experience, independence and other relevant criteria necessary to complement the corporate strategy and achieve Board diversity, where appropriate, before making recommendation to the Board. Having reviewed the composition of the Board, the nomination committee considered that there is an appropriate balance of Board diversity.

Remuneration Committee

The Company established a remuneration committee on 19 June 2018 in compliance with Rule 5.34 of the GEM Listing Rules. Written terms of reference in compliance with Rule 5.35 of the GEM Listing Rules and code provision E.1.2 of the CG Code have been adopted. The primary duties of the remuneration committee are to make recommendations to the Board on the remuneration policy and the structure relating to all Directors and senior management of the Group, review the remuneration packages of the Directors and senior management of the Group and ensure none of the Directors determine their own remuneration and consider and approve the grant of award shares and share options to eligible participants pursuant to the Share Award Scheme and the Share Option Scheme. No Director or any of his associates were involved in deciding his own remuneration.

The remuneration committee of the Company consists of three Directors, being Mr. Liu Kin Sing, Mr. Au Yeung Po Fung and Mr. Chan Lap Tak, Douglas. Mr. Liu Kin Sing is the chairman of the remuneration committee.

The Remuneration Committee met once during the Relevant Period to review and make recommendation to the Board on the remuneration policy and the remuneration packages of the executive Directors.

Pursuant to code provision B.1.5 of the CG Code, details of the remuneration of the senior management (other than Directors) by bands for the year ended 31 December 2024 are as follows:

	Number of employees
Nil to HK$1,000,000	1

For the year ended 31 December 2024, the Remuneration Committee recommended and the Board approved the grant of an aggregate of 5,040,000 award Shares, all in the form of existing Shares, to 13 selected persons under the Share Award Scheme on 13 May 2024. The Remuneration Committee is of the view that the grant of the award Shares, including a shorter vesting period and without performance targets, is consistent with the purpose of the Scheme. Additionally, the 2,520,000 award Shares, which shall vest to the respective selected persons on 31 December 2024, should have been granted earlier if not for administrative reasons but had to wait for a subsequent batch. Therefore, the Remuneration Committee and the Board are of the view that a shorter vesting period is appropriate. There is no performance target attached to the Awards Shares granted. Having considered the past performance and contributions to the Group of each of the Selected Persons, the Remuneration Committee and the Board consider that the grant of such award Shares is consistent with the purpose of the Share Award Scheme. Furthermore, the Remuneration Committee has also recommended and the Board approved deferring the vesting date of 285,000 award shares from 31 December 2024 to 30 June 2025.

Corporate Governance Functions

The Board as a whole is responsible for performing the corporate governance functions set out in code provision A.2.1 of the CG Code, namely:

(i) to develop and review the Company's policies and practices on corporate governance;

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

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

(iv) to develop, review and monitor the code of conduct and compliance manual (including in relation to securities trading) applicable to employees and Directors; and

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

During the Board meeting on 21 March 2025, the Board reviewed the corporate governance measures of the Group and this corporate governance report.

Board meetings and attendance record of Directors

Code provision C.5.1 of the CG Code states that at least four regular Board meetings should be held each year at approximately quarterly intervals with active participation of a majority of Directors, either in person or through other electronic means of communication.

The Board reviewed the Company's corporate governance policies and practices, training and continuous professional development of directors and senior management, the Company's policies and practices on compliance with legal and regulatory requirements, the compliance of the Model Code, and the Company's compliance with the CG Code and disclosure in this corporate governance report.

The attendance record of each Director at the Board meetings, committee meetings and annual general meeting held during the Relevant Period is set out in the table below:

	Attendance/Number of Meetings				
Name of Director	**Board meeting**	**Nomination Committee**	**Audit Committee**	**Remuneration Committee**	**General Meeting**
Mr. Chan Lap Tak, Douglas	6/6	3/3	N/A	1/1	2/2
Mr. Lo Chi Ho	6/6	N/A	N/A	N/A	2/2
Mr. Liu Kin Sing	6/6	3/3	2/2	1/1	2/2
Mr. Au Yeung Po Fung	6/6	N/A	2/2	1/1	2/2
Mr. Chan Chi Kwong Dickson	6/6	3/3	2/2	N/A	2/2
Ms. Catherine Chan	5/5	N/A	N/A	N/A	N/A

COMPANY SECRETARY

Mr. Liew Swee Yean ("**Mr. Liew**"), the Company's company secretary, has undertaken no less than 15 hours of relevant professional training to update his skills and knowledge in respect of the year ended 31 December 2024.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code on terms no less exacting than the required standard of dealings set out in Rules 5.48 to 5.67 of the GEM Listing Rules.

Specific enquiry has been made with all the Directors, and the Directors have confirmed that they have complied with the Model Code throughout the Relevant Period.

During the year ended 31 December 2024, the Company is not aware of any incident of non-compliance of the Model Code by the Directors.

DIRECTORS' AND AUDITORS' RESPONSIBILITY FOR ACCOUNTS

The Directors acknowledge their responsibility for the preparation of consolidated financial statements of the Group for the year ended 31 December 2024 under applicable statutory and regulatory requirements, which give a true and fair view of the state of affairs, profit or loss and cash flow of the Group on a going concern basis.

Statements of Directors' responsibilities for preparing of the consolidated financial statements of the Group and external auditors' responsibilities for the audit of the consolidated financial statements are set out in the "Independent Auditor's Report" in this report.

AUDITOR'S REMUNERATION

The fees paid or payable to the external auditor of the Group, Gary Cheng CPA Limited and its affiliated firm, for the year ended 31 December 2024 are as follows:

Services rendered	**Fees paid/ payable HK$**
Audit services	680,000
Non-audit services*	18,500
	698,500

* Included in non-audit services (including taxation services) were in relation to services performed by Gary Cheng CPA Limited's affiliated firm.

RISK MANAGEMENT AND INTERNAL CONTROL

The Board acknowledges its responsibility for the effectiveness of the Group's risk management and internal control systems in order to safeguard the Group's assets and the Shareholders' interest and conducts a review on an annual basis. The main features of the risk management and internal control systems of the Group include the identification of risks, the assessment and evaluation of risks, the development and continuous updating of mitigation measures, and the ongoing review of internal control procedures to ensure their effectiveness in aspects of the Group's financial, operational, compliance controls and risk management functions.

The Group has also established an organisational structure in such control systems, clearly defining the power and obligations of each department in the Group, in order to protect the Group's assets against improper use and ensure compliance with rules and regulations. Such risk management and internal control systems are designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable but not absolute assurance against material misstatement or loss.

Process used to identify, evaluate and manage significant risks

The Group's risk management process involves the identification, evaluation, response, monitoring and reporting of risks. After risks that may potentially affect the Group's business and operations are identified by the management of the Company, the Board will perform a risk assessment by prioritising risks identified to determine key risks exposed to the Group and discuss measures to mitigate such key risks. Besides, existing risk mitigation measures are subject to regular monitoring by the management of the Company, which will review the Group's risk management strategies, and report such results and make appropriate suggestions to the Board.

Risk Register

The risks identified are evaluated with a risk matrix which prioritises risks according to the likelihood of their occurrence and the significance of their impact on the achievement of the Group's business objectives. Following the review of the risk matrix, the Group selects and deploys the corresponding risk responses and investigates the mitigation procedures to be executed to ensure the identified significant risks were managed to an acceptable level.

Independent Assessment

To ensure the independent review of the effectiveness of the risk management and internal control systems, the Group engaged an independent external consulting firm as the Group's internal control adviser to perform an annual review and assessment of the risk management and internal control system of the Group covering the financial year ended 31 December 2024. The Group has carried out risk-oriented internal control evaluation on financial reporting and disclosure control process, revenue and receivable process, and expenditure and payable.

Review of the Effectiveness

The management and the Audit Committee have reviewed the internal control evaluation report and have evaluated the effectiveness of the Group's risk management and internal control systems. The Board and the Audit Committee are satisfied with the adequacy and effectiveness of the risk management and internal control of the Group. The review covers all material controls, including financial, operational and compliance controls. The Group does not have an internal audit function and is of the view that there is no immediate need to set up an internal audit function within the Group in light of the size, nature and complexity of the Group's business. The Board and the Audit Committee will reconsider the need for an internal audit function from time to time.

Handling and Dissemination of Inside Information

With respect to procedures and internal controls for the handling and dissemination of inside information, the Company is aware of the relevant obligations under the SFO and the GEM Listing Rules. The Group adopts and implements an information disclosure policy and procedures in order to protect inside information from unauthorised and inaccurate disclosure.

The Group has strictly prohibited unauthorised use of confidential or inside information. Any inside information and any information which may potentially constitute inside information is promptly identified, assessed and escalated to the Chairman of the Board and the financial controller to decide on the need for disclosure. The audit committee of the Board regularly review and assess the effectiveness of the information disclosure policy and procedures and propose recommendations to the Board.

COMPANY'S CULTURE

Our core value "integrity, people-oriented, keeping up with the times and accountability" remained the foundation and the vision of the Group. The Board believes that corporate culture underpins the long-term business, economic success and sustainable growth of the Group. A strong culture enables the Company to deliver long-term sustainable performance and fulfil its role as a responsible corporate citizen. The Company is committed to developing a positive and progressive culture that is built on its purpose and vision. Discussion on (i) the link between corporate culture and the Company's business objectives; (ii) the implementation of the desired corporate culture into the Company's daily operations; and (iii) an assessment of the progress and success of such implementation will be provided in the Environmental, Social and Governance Report 2024 which will be published on the websites of the Company and the Stock Exchange.

SHAREHOLDERS' RIGHTS

The general meetings of the Company provide a forum for the Shareholders to exchange views directly with the Board. Subject to provisions of the applicable laws in the Cayman Islands and rules and regulations of the Stock Exchange, an annual general meeting of the Company is held each year at the venue as determined by the Board. Each general meeting, other than an annual general meeting, is called an extraordinary general meeting ("**EGM**").

Right to Convene EGMs and Procedures

Pursuant to Article 58 of the Articles, the Board may, whenever it thinks fit, convene an EGM. Any one or more Shareholders holding at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company having the right of voting at general meetings of the Company shall have the right, by written requisition to the Board or the secretary of the Company, to require an extraordinary general meeting to be called by the Board for the transaction of any business specified in such requisition. Such meeting shall be held within two months after the deposit of such requisition. The requisition must be deposited at the registered office or the head office of the Company.

If within 21 days of such deposit, the Board fails to proceed to convene such EGM, the requisitionist(s) himself (themselves) may do so in the same manner, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to requisitionist(s) by the Company.

Putting Forward Enquiries to the Board

To put forward any enquiries to the Board of the Company, Shareholders may send written enquiries to the Company. The Company will not normally deal with verbal or anonymous enquiries. Inquiries are dealt with in an informative and timely manner.

Contact Details

Shareholders may send their enquiries or requests as mentioned above to the following:

Address: Suite 1410-11, North Tower, World Finance Centre, 19 Canton Road, Tsim Sha Tsui, Kowloon, Hong Kong (For the attention of the Board)
Fax: +852 2928 9008
Email: info@ebrokersystems.com

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.

COMMUNICATION WITH SHAREHOLDERS AND INVESTORS

The Company considers that effective communication with Shareholders is essential for enhancing investor relations and investor understanding of the Group's business performance and strategies. The Company endeavours to maintain an on-going dialogue with Shareholders and in particular, through annual general meetings and other general meetings. At the annual general meeting, Directors (or their delegates as appropriate) are available to meet Shareholders and answer their enquiries.

The Company maintains a website at www.ebrokersystems.com as a communication platform with the Shareholders and investors, where the financial information and other relevant information of the Company are available for public access.

The Board has reviewed the implementation and effectiveness of the Shareholders' communication policy. Having considered the multiple channels of communication and engagement in place, it is satisfied that the Shareholder's communication policy has been implemented during the Relevant Period and is effective.

Right to Put Forward Proposals at General Meetings

There are no provisions allowing shareholders to propose new resolutions at the general meetings under the Companies Law (as revised) of the Cayman Islands. Subject to provisions of the Articles, eligible Shareholders who wish to move a resolution may by means of requisition convene an extraordinary general meeting following the procedures set out above.

INVESTOR RELATIONS

The Company establishes different communication channels with investors to update them with the latest business development and financial performance including the publication of quarterly, interim and annual reports, the publish and posting of notices, announcements and circulars on the GEM website and the Company's website in order to maintain a high level of transparency.

CONSTITUTIONAL DOCUMENTS

Further to the adoption of the Second Amended and Restated Memorandum and Articles of Association of the Company in 2022, the Board has proposed on 19 December 2023 to seek approval of its shareholders by a supermajority resolution at the extraordinary general meeting of the Company to adopt the new Third Amended and Restated Memorandum and Articles of Association, which shall include amendments to, among others, (i) bring the Articles in line with the applicable laws of the Cayman Islands and the GEM Listing Rules; (ii) reflect the upcoming amendments to the GEM Listing Rules which mandates the electronic dissemination of corporate communications by listed issuers to their securities holders from 31 December 2023 onwards; and (iii) make other consequential and housekeeping edits to the Articles. The Third Amended and Restated Memorandum and Articles of Association is passed at the extraordinary general meeting of the Company held on 12 January 2024.

For details, please refer to the announcement and circular of the Company dated 19 December 2023 and the new memorandum of association and articles of association of the Company.

Save as disclosed above, there was no change in the constitutional document during the Year.

GARY CHENG CPA LIMITED
Certified Public Accountants
加多利會計師事務所有限公司

TO THE SHAREHOLDERS OF eBROKER GROUP LIMITED

(Incorporated in the Cayman Islands with limited liability)

OPINION

We have audited the consolidated financial statements of eBroker Group Limited (the "Company") and its subsidiaries (the "Group") set out on pages 29 to 75, which comprise the consolidated statement of financial position as at 31 December 2024, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information and other explanatory information.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 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 (the "HKICPA") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

BASIS FOR OPINION

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

KEY AUDIT MATTERS

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

Key audit matter	How our audit addressed the key audit matter
Impairment assessment of trade receivables Refer to notes 5(g) and 25 to the consolidated financial statements. As at 31 December 2024, the carrying amount of trade receivables was approximately HK$2,712,000 which represented 4.49% of the Group's net assets. The Group's trading terms with customers are due upon presentation of invoices. However, as the Group seeks to develop long-term relationship with its customers, it may allow an average credit period of 60 days to its customers, depending on the creditworthiness of customers and the existing relationships with the Group.	Our audit procedures in relation to management's assessment of the recoverability of trade receivables included: — Assessing whether trade receivables had been appropriately grouped by management based on their shared credit risk characteristics; — Testing the accuracy and completeness of the data used by management to develop the historical loss rates and assessing the sufficiency, reliability and relevance of that data;

KEY AUDIT MATTERS (CONT'D)

Key audit matter	How our audit addressed the key audit matter
Impairment assessment of trade receivables (cont'd) Loss allowances for trade receivables are based on management's estimate of the lifetime expected credit losses ("ECL") to be incurred. The Group assesses lifetime ECL individually for debtors with credit impaired and collectively for the remaining using a provision matrix, which is estimated by taking into account the credit loss experience, aging of overdue trade receivables, customers' repayment history and customers' financial position and an assessment of both the current and forecast general economic conditions, all of which involve a significant degree of management judgement. We identified assessing the recoverability of trade receivable as a key audit matter because of the involvement of significant judgements and assumptions in determining the expected credit loss allowance of the trade receivables and the significance of the carrying amounts of trade receivables to the Group's consolidated financial statements.	— Assessing the appropriateness of the impairment loss methodology, testing the calculation of the historical loss rates and evaluating the reasonableness of the forward-looking adjustments made to reflect current and forecast future economic conditions; — Testing the accuracy of the aging of trade receivables on a sample basis to supporting documents; and — Testing the calculation of expected credit loss provisions applying the provision rates to the age categories of the trade receivables outstanding at the reporting date.

OTHER INFORMATION

The 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 auditor's report thereon.

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

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

RESPONSIBILITIES OF DIRECTORS FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with 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 Audit Committee assists the directors in discharging their responsibilities for overseeing the Group's financial reporting process.

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

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

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

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- 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, 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 auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement director on the audit resulting in this independent auditor's report is Ms. Lo Mei Yan.

Gary Cheng CPA Limited

Certified Public Accountants

Lo Mei Yan

Practising Certificate Number: P08056

Hong Kong

21 March 2025

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2024

	Notes	2024 HK$'000	2023 HK$'000
Revenue	8	**31,190**	37,632
Other income and expenses, net	9	**1,354**	1,157
Other gains and losses, net	10	**(135)**	(1,132)
(Impairment losses)/reversal of impairment losses on trade receivables, net		**(151)**	115
Purchases of and changes in inventories		**(3)**	(310)
Depreciation		**(2,346)**	(2,408)
Staff costs	16	**(21,555)**	(23,181)
Other operating expenses	11	**(11,055)**	(9,844)
(Loss)/profit from operations		**(2,701)**	2,029
Finance costs	13	**(247)**	(84)
(Loss)/profit before tax		**(2,948)**	1,945
Income tax credit/(expense)	14	**233**	(26)
(Loss)/profit for the year attributable to owners of the Company	15	**(2,715)**	1,919
Other comprehensive income/(expense) after tax:			
Item that will not be reclassified subsequently to profit or loss:			
Fair value changes of financial assets at fair value through other comprehensive income		**476**	(287)
Item that may be reclassified subsequently to profit or loss:			
Exchange differences on translating financial statements of a foreign subsidiary		**(229)**	(217)
Other comprehensive income/(expense) for the year, net of tax		**247**	(504)
Total comprehensive (expense)/income for the year attributable to owners of the Company		**(2,468)**	1,415
(Loss)/earnings per share	18		
– Basic (HK cents per share)		**(0.24)**	0.17
– Diluted (HK cents per share)		**N/A**	N/A

	Notes	2024 HK$'000	2023 HK$'000
Non-current assets			
Property, plant and equipment	19	11,238	12,518
Intangible assets	20	6,814	5,568
Right-of-use assets	21	3,425	1,010
Financial assets at fair value through other comprehensive income	23(b)	2,229	1,753
Deposits	25	815	757
Deferred tax assets	27	404	166
		24,925	21,772
Current assets			
Contract assets	24	375	418
Trade and other receivables	25	15,393	5,171
Financial assets at fair value through profit or loss	23(a)	8,154	7,362
Current tax assets		64	126
Non-pledged time deposit with original maturity over three months	26	10,408	8,206
Cash and cash equivalents	26	9,645	23,600
		44,039	44,883
Current liabilities			
Trade and other payables	29	2,941	1,543
Contract liabilities	24	1,216	1,494
Financial liabilities at fair value through profit or loss	23(c)	901	—
Lease liabilities	28	1,533	888
		6,591	3,925
Net current assets		37,448	40,958
Total assets less current liabilities		62,373	62,730
Non-current liability			
Lease liabilities	28	1,993	162
		1,993	162
NET ASSETS		60,380	62,568
Capital and reserves			
Share capital	30	1,230	1,230
Reserves		59,150	61,338
TOTAL EQUITY		60,380	62,568

Approved by the Board of Directors on 21 March 2025 and are signed on its behalf by:

Chan Lap Tak, Douglas
Director

Lo Chi Ho
Director

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2024

	Share capital	Share premium (note 32(b)(i))	Capital reserve (note 32(b)(ii))	Foreign currency translation reserve (note 32(b)(iii))	Investment revaluation reserve	Statutory Reserve (note i)	Shares held for share award scheme	Share-based compensation reserve	Retained profits	Total equity
	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000
At 1 January 2023	1,230	61,921	(54,333)	883	(466)	–	(17,141)	209	68,725	61,028
Recognition of equity-settled share-based payments	–	–	–	–	–	–	–	125	–	125
Shares vested under share award scheme (note 33(b))	–	–	–	–	–	–	610	(334)	(276)	–
Profit for the year	–	–	–	–	–	–	–	–	1,919	1,919
Other comprehensive expense for the year	–	–	–	(217)	(287)	–	–	–	–	(504)
Transfer to statutory reserve	–	–	–	–	–	26	–	–	(26)	–
Changes in equity for the year	–	–	–	(217)	(287)	26	610	(209)	1,617	1,540
At 31 December 2023 and 1 January 2024	1,230	61,921	(54,333)	666	(753)	26	(16,531)	–	70,342	62,568
Recognition of equity-settled share-based payments	–	–	–	–	–	–	–	280	–	280
Shares vested under share award scheme (note 33(b))	–	–	–	–	–	–	434	(179)	(255)	–
Loss for the year	–	–	–	–	–	–	–	–	(2,715)	(2,715)
Other comprehensive (expense)/income for the year	–	–	–	(229)	476	–	–	–	–	247
Changes in equity for the year	–	–	–	(229)	476	–	434	101	(2,970)	(2,188)
At 31 December 2024	1,230	61,921	(54,333)	437	(277)	26	(16,097)	101	67,372	60,380

Note i: It represents statutory reserve of the Group's subsidiary in the People's Republic of China (the "PRC"). According to the relevant laws in the PRC, the Group's subsidiary in the PRC is required to transfer at least 10% of its net profit after taxation, as determined under the PRC accounting regulations, to a non-distributable reserve fund until the reserve balance reaches 50% of its registered capital. The transfer to this reserve must be made before the distribution of a dividend to owners. Such reserve fund can be used to offset the previous years' losses, if any, and is non-distributable other than upon liquidation.

	2024 HK$'000	2023 HK$'000
CASH FLOWS FROM OPERATING ACTIVITIES		
(Loss)/profit before tax	(2,948)	1,945
Adjustments for:		
Interest income	(941)	(846)
Finance costs	247	84
Dividend income from financial assets at fair value through profit or loss ("FVTPL")	(330)	(326)
Dividend income from financial assets at fair value through other comprehensive income ("FVTOCI")	(48)	(49)
Depreciation of property, plant and equipment	838	867
Depreciation of right-of-use assets	1,508	1,541
Amortisation of intangible assets	1,339	1,154
Impairment losses on property, plant and equipment	118	200
Impairment losses on intangible assets	763	–
Impairment losses/(reversal of impairment losses) on trade receivables, net	151	(115)
Change in fair value of financial assets at FVTPL	(746)	932
Share-based payment expenses	280	125
Gain on early lease termination of right-of-use assets	(3)	–
Operating profit before working capital changes	228	5,512
(Increase)/decrease in trade and other receivables and contract assets	(10,316)	2,768
Increase/(decrease) in trade and other payables and contract liabilities	1,121	(2,437)
Increase in financial liabilities at FVTPL	901	–
Cash (used in)/generated from operations	(8,066)	5,843
Income tax refunded/(paid)	57	(314)
Net cash (used in)/generated from operating activities	(8,009)	5,529
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of financial assets FVTPL	(9,983)	(12,001)
Proceeds from disposal of financial assets at FVTPL	9,639	11,607
Dividends received from financial assets at FVTPL	330	326
Dividends received from financial assets at FVTOCI	48	49
Expenditure on development projects	(3,348)	(1,088)
Purchases of property, plant and equipment	(53)	(42)
Interest received	858	593
Pledged bank deposit released	–	5,000
Increase in non-pledged time deposit with original maturity over three months	(2,202)	(8,206)
Net cash used in investing activities	(4,711)	(3,762)
CASH FLOWS FROM FINANCING ACTIVITIES		
Principal elements of lease payments	(1,444)	(1,609)
Interest expenses on lease liabilities	(247)	(84)
Net cash used in financing activities	(1,691)	(1,693)
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(14,411)	74
Effect of foreign exchange rate changes	456	201
CASH AND CASH EQUIVALENTS AT 1 JANUARY	23,600	23,325
CASH AND CASH EQUIVALENTS AT 31 DECEMBER	9,645	23,600

1. GENERAL INFORMATION

eBroker Group Limited (the "Company") was incorporated in the Cayman Islands with limited liability under the Companies Law of the Cayman Islands on 23 May 2016. The address of its registered office is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands. The address of its principal place of business is Suites 1401-11, 14th Floor, North Tower, World Finance Centre, 19 Canton Road, Tsim Sha Tsui, Kowloon, Hong Kong.

The Company's shares are listed on the GEM of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") on 19 February 2019. The principal activity of the Company is investment holding. The principal activities of its subsidiaries (together with the Company collectively referred to as the "Group") are set out in note 22 to the consolidated financial statements.

The consolidated financial statements are presented in thousands of units of Hong Kong dollars (HK$'000) unless otherwise stated. Hong Kong dollars ("HK$") is the Company's functional and the Group's presentation currency.

2. BASIS OF PREPARATION

These consolidated financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA"). HKFRSs comprise Hong Kong Financial Reporting Standards ("HKFRS"); Hong Kong Accounting Standards ("HKAS"); and Interpretations. These consolidated financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on the GEM of the Stock Exchange and with the disclosure requirements of the Hong Kong Companies Ordinance (Cap.622). The material accounting policies adopted by the Group are disclosed in note 4.

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

3. ADOPTION OF AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS

(a) Amendments to HKFRSs that are mandatorily effective for the current year

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

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

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

3. ADOPTION OF AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (CONT'D)

(b) New and amendments to HKFRSs in issue but not yet effective

The Group has not applied any new and amendments to HKFRSs that have been issued but are not yet effective for the financial year beginning 1 January 2024. These amendments to HKFRSs include the following which may be relevant to the Group.

	Effective for accounting periods beginning on or after
Amendments to HKAS 21 and HKFRS 1, Lack of Exchangeability	1 January 2025
Amendments to HKFRS 9 and HKFRS 7, Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
Amendments to HKFRS Accounting Standards, Annual Improvements to HKFRS Accounting Standards — Volume 11	1 January 2026
HKFRS 18, Presentation and Disclosure in Financial Statements	1 January 2027
HKFRS 19, Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to HK Int 5, Hong Kong Interpretation 5 Presentation of Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause	1 January 2027
Amendments to HKFRS 10 and HKAS 28, Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Effective date not yet determined

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

HKFRS 18 Presentation and Disclosure in Financial Statements

HKFRS 18 will replace HKAS 1 "Presentation of financial statements", introducing new requirements that will help to achieve comparability of the financial performance of similar entities and provide more relevant information and transparency to users. Even though HKFRS 18 will not impact the recognition or measurement of items in the consolidated financial statements, HKFRS 18 introduces significant changes to the presentation of financial statements, with a focus on information about financial performance present in the statement of profit or loss, which will affect how the Group present and disclose financial performance in the financial statements. The key changes introduced in HKFRS 18 relate to (i) the structure of the statement of profit or loss, (ii) required disclosures for management-defined performance measures (which are referred to alternative or non-GAAP performance measures), and (iii) enhanced requirements for aggregation and disaggregation of information.

The directors of the Group are currently assessing the impact of applying HKFRS 18 on the presentation and the disclosures of the consolidated financial statements.

4. MATERIAL ACCOUNTING POLICY INFORMATION

These consolidated financial statements have been prepared under the historical cost convention.

The preparation of financial statements in conformity with HKFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in note 5.

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

The material accounting policies applied in the preparation of these consolidated financial statements are set out below.

(a) Consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries made up to 31 December. Subsidiaries are entities over which the Group has control. The Group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The Group has power over an entity when the Group has existing rights that give it the current ability to direct the relevant activities, i.e. activities that significantly affect the entity's returns.

When assessing control, the Group considers its potential voting rights as well as potential voting rights held by other parties. A potential voting right is considered only if the holder has the practical ability to exercise that right.

Subsidiaries are consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date the control ceases.

The gain or loss on the disposal of a subsidiary that results in a loss of control represents the difference between (i) the fair value of the consideration of the sale plus the fair value of any investment retained in that subsidiary and (ii) the Company's share of the net assets of that subsidiary plus any remaining goodwill and any accumulated foreign currency translation reserve relating to that subsidiary.

Intragroup transactions, balances and unrealised profits are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

(b) Foreign currency translation

(i) Functional and presentation currency

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

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

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

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

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

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

(b) Foreign currency translation (cont'd)

(iii) Translation on consolidation

The results and financial position of all foreign operation (none of which has the currency of hyperinflation economy) that have a functional currency different from the Company's presentation currency are translated into the Company's presentation currency as follows:

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

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

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

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

(c) Property, plant and equipment

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

When the Group makes payments for ownership interest of properties which includes both leasehold land and building elements, the entire consideration is allocated between the leasehold land and the building elements in proportion to the relative fair value at initial recognition.

To the extent the allocation of the relevant payments can be made reliably, interest in leasehold land that is accounted for as an operating lease is presented as right-of-use assets in the statement of financial position. When the consideration cannot be allocated reliably between non-lease building element and undivided interests in the underlying leasehold land, the entire properties are classified as property, plant and equipment.

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 recognised in profit or loss during the period in which they are incurred.

Depreciation of property, plant and equipment is calculated at rates sufficient to write off their cost less their residual values over the estimated useful lives on a straight-line basis. The principal annual rates are as follows:

Land and buildings	Shorter of the remaining lease term or 20 years
Computer software	10%
Furniture and fixtures	20%
Office equipment	20%
Computer equipment	20%
Motor vehicles	33%

The residual values, useful lives and depreciation method are reviewed and adjusted, if appropriate, at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

The gain or loss on disposal of property, plant and equipment is the difference between the net sales proceeds and the carrying amount of the relevant asset, and is recognised in profit or loss.

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

(d) Internally generated intangible assets

Expenditure on research activities is recognised as an expense in the period in which it is incurred. An internally generated intangible asset arising from the Group's software system development is recognised only if all of the following conditions are met:

– The technical feasibility of completing the intangible asset so that it will be available for use or sale;

– Management intends to complete the intangible asset and use or sell it;

– There is ability to use or sell the intangible asset;

– It can be demonstrated how the intangible asset will generate probable future economic benefits;

– Adequate technical, financial and other resources to complete the development and to use or sell the intangible asset are available;

– The expenditure attributable to the intangible asset during its development can be reliably measured.

Internally generated intangible assets are stated at cost less accumulated amortisation and impairment losses. Amortisation is calculated on a straight-line basis over their estimated useful lives of 5 years. Where no internally generated intangible asset can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred.

The residual value, useful lives and amortisation method are reviewed and adjusted, if appropriate, at end of each reporting period.

(e) Leases

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

Where the contract contains lease component(s) and non-lease component(s), non-lease components are separated from lease component and accounted for by applying other applicable standards.

At the lease commencement date, the Group recognises a right-of-use asset and a lease liability, except for short-term leases that have a lease term of 12 months or less which, for the Group are primarily car park, office and rack spaces of data centers. When the Group enters into a lease in respect of a low-value asset, the Group decides whether to capitalise the lease on a lease-by-lease basis. The lease payments associated with those leases which are not capitalised are recognised as an expense on a systematic basis over the lease term.

Where the lease is capitalised, the lease liability is initially recognised at the present value of the lease payments payable over the lease term, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, using a relevant incremental borrowing rate. After initial recognition, the lease liability is measured at amortised cost and interest expense is calculated using the effective interest method.

Variable lease payments that do not depend on an index or rate are not included in the measurement of the lease liability and hence are charged to profit or loss in the accounting period in which they are incurred.

The right-of-use asset recognised when a lease is capitalised is initially measured at cost, which comprises the initial amount of the lease liability plus any lease payments made at or before the commencement date, and any initial direct costs incurred. Where applicable, the cost of the right-of-use assets also includes an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, discounted to their present value, less any lease incentives received.

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

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

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

(e) Leases (cont'd)

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

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

The Group presents right-of-use assets and lease liabilities separately in the consolidated statement of financial position.

(f) Contract assets and contract liabilities

Contract asset is recognised when the Group recognises revenue before being unconditionally entitled to the consideration under the payment terms set out in the contract. Contract assets are assessed for expected credit losses ("ECL") in accordance with the policy set out in note 4(t) and are reclassified to receivables when the right to the consideration has become unconditional.

A contract liability is recognised when the customer pays consideration before the Group recognises the related revenue. A contract liability would also be recognised if the Group has an unconditional right to receive consideration before the Group recognises the related revenue. In such cases, a corresponding receivable would also be recognised.

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.

When the contract includes a significant financing component, the contract balance includes interest accrued under the effective interest method.

(g) Contract for services

A contract with a customer of installation and customisation services is classified by the Group as a contract for services when the Group's performance relates to work on installation and customisation services does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date or enhance an asset under the customer's control.

When the outcome of an installation and customisation services contract can be reasonably measured, revenue from the contract is recognised progressively over time using the cost-to-cost method, i.e. based on the proportion of the actual costs incurred relative to the estimated total costs. The directors consider that this input method is an appropriate measure of the progress towards complete satisfaction of these performance obligations under HKFRS 15.

The Group becomes entitled to invoice customers for rendering of installation and customisation services based on achieving a series of performance-related milestones. When a particular milestone is reached the customer is sent an invoice for the related milestone payment. The Group will previously have recognised a contract asset for any work performed. Any amount previously recognised as a contract asset is reclassified to trade receivables at the point at which it is invoiced to the customer. If the milestone payment exceeds the revenue recognised to date under the cost-to-cost method then the Group recognises a contract liability for the difference. There is not considered to be a significant financing component in contracts with customers as the period between the recognition of revenue under the cost-to-cost method and the payment is always less than one year.

The likelihood of the Group earning contractual bonuses for early completion or suffering contractual penalties for late completion are taken into account in making these estimates, such that revenue is only recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur.

When the outcome of the contract cannot be reasonably measured, revenue is recognised only to the extent of contract costs incurred that are expected to be recovered.

If at any time the costs to complete the contract are estimated to exceed the remaining amount of the consideration under the contract, then a provision is recognised.

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

(h) Recognition and derecognition of financial instruments

Financial assets and financial liabilities are recognised in the consolidated statement of financial position when the Group entity becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss ("FVTPL") and at fair value through other comprehensive income ("FVTOCI") are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognised immediately in profit or loss.

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

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

(i) Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace. All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Debt investments

Debt investments held by the Group are classified into one of the following measurement categories:

- Amortised cost, if the investment is held for the collection of contractual cash flows which represent solely payments of principal and interest. Interest income from the investment is calculated using the effective interest method.
- FVTOCI (recycling), if the contractual cash flows of the investment comprise solely payments of principal and interest and the investment is held within a business model whose objective is achieved by both the collection of contractual cash flows and sale. Changes in fair value are recognised in other comprehensive income, except for the recognition in profit or loss of ECL, interest income (calculated using the effective interest method) and foreign exchange gains and losses. When the investment is derecognised, the amount accumulated in other comprehensive income is recycled from equity to profit or loss.
- FVTPL, if the investment does not meet the criteria for being measured at amortised cost or FVTOCI (recycling). Changes in the fair value of the investment (including interest) are recognised in profit or loss.

Equity investments

An investment in equity securities is classified as FVTPL unless the equity investment is not held for trading purposes and on initial recognition of the investment the Group makes an election to designate the investment at FVTOCI (non-recycling) such that subsequent changes in fair value are recognised in other comprehensive income. Such elections are made on an instrument-by-instrument basis, but may only be made if the investment meets the definition of equity from the issuer's perspective. Where such an election is made, the amount accumulated in other comprehensive income remains in the investment revaluation reserve (non-recycling) until the investment is disposed of. At the time of disposal, the amount accumulated in the investment revaluation reserve (non-recycling) is transferred to accumulated losses. It is not recycled through profit or loss. Dividends from an investment in equity securities, irrespective of whether classified as at FVTPL or FVTOCI, are recognised in profit or loss as other income.

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

(j) Trade and other receivables

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

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 less allowance for credit losses.

(k) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, non-pledged time deposit with original maturity within three months and short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are also included as a component of cash and cash equivalents for the purpose of the consolidated cash flow statement. Cash and cash equivalents are assessed for ECL.

(l) Financial liabilities and equity instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument under HKFRSs. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. The accounting policies adopted for specific financial liabilities and equity instruments are set out below.

(i) Trade and other payables

Trade and other payables are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method unless the effect of discounting would be immaterial, in which case they are stated at cost.

(ii) Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is (i) held for trading or (ii) it is designated as at FVTPL.

(iii) Equity instruments

(1) Ordinary shares

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

(2) Shares held for share award scheme

Where shares are acquired by the trustee for the share award scheme (the "Share Award Scheme") from the market or by electing for scrip in lieu of cash dividends, the total consideration of shares acquired from the market (including any directly attributable incremental costs) or under the scrip dividend scheme is presented as shares held for Share Award Scheme and deducted from total equity.

Upon vesting, the related costs of the vested awarded shares purchased from the market and shares acquired under the scrip dividend scheme (dividend shares) are credited to shares held for Share Award Scheme, with a corresponding decrease in employee share-based compensation reserve for awarded shares, and decrease in retained earnings for dividend shares.

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

(m) Revenue recognition and other income

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

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

(i) Revenue from provision of services

Revenue is recognised when or as the control of services is transferred to the customer. Depending on the terms of the contract and the laws that apply to the contract, control of services may be transferred over time or at a point in time. Control of the services is transferred over time if the Group's performance:

– provides all of the benefits received and consumed simultaneously by the customer;

– creates and enhances an asset that the customer control as the Group performs; or

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

Revenue is recognised over the period of the contract by reference to the progress towards complete satisfaction of the performance obligation.

The progress towards complete satisfaction of the performance obligation is measured using an input method, by reference relative to total expected costs to the cost incurred to date of each individual project.

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.

If a customer pays consideration or the Group has a right to an amount of consideration that is unconditional, before the Group transfers services to the customer, the Group presents the contract as a contract liability when the payment is made or a receivable is recorded (whichever is earlier). A contract liability is the Group's obligation to transfer services to a customer for the Group has received consideration (or an amount of consideration is due) from the customer.

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

The Group provides installation and customisation services to its customers through contracts with customers. Services revenue are recognised as a performance obligation satisfied over time as the Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced.

Management fee income is recognised as a performance obligation satisfied over time when the services are rendered.

(ii) Revenue from the sales of hardware and software products are recognised when control of the goods has been transferred which generally coincides with the time when the goods are delivered and the title has passed to the customers. Following delivery, the customer has the primary responsibility when on selling the goods and bears the risks of obsolescence and loss in relation to the goods. A receivable is recognised by the Group when the goods are delivered to the customer as this represents the point in time at which the right to consideration becomes unconditional, as only the passage of time is required before payment is due.

(iii) Interest income is recognised as it accrues using the effective interest rate method, For financial assets measured at amortised cost or FVTOCI (recycling) that are not credit-impaired, the effective interest rate is applied to the gross carrying amount of the asset. For credit impaired financial assets, the effective interest rate is applied to the amortised cost (i.e. gross carrying amount net of loss allowance) of the asset.

(iv) Dividends received from FVTPL and FVTOCI are recognised in "other income and expenses, net" in the consolidated income statement when the right to receive payment is established.

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

(n) Employee benefits

(i) Employee leave entitlements

Employee entitlements to annual leave and long service leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave and long service leave as a result of services rendered by employees up to the end of the reporting period.

Employee entitlements to sick leave and maternity leave are not recognised until the time of leave.

(ii) Pension obligations

The Group contributes to defined contribution retirement schemes which are available to all employees. Contributions to the schemes by the Group and employees are calculated as a percentage of employees' basic salaries. The retirement benefit scheme cost charged to profit or loss represents contributions payable by the Group to the funds.

Subsidiaries incorporated in the People's Republic of China ("PRC") participate in the retirement schemes operated by the local authorities for the Group's employees in the PRC. Contributions to these schemes are charged to profit or loss when incurred.

(iii) Termination benefits

Termination benefits are recognised at the earlier of the dates when the Group can no longer withdraw the offer of those benefits, and when the Group recognises restructuring costs and involves the payment of termination benefits.

(o) Share-based payments

(i) Share option scheme

The Group issues equity-settled share-based payments to certain directors, employees, substantial shareholders of the Company and other eligible person subject to be approved by the independent non-executive directors.

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

(ii) Share award scheme

The Group operates the Share Award Scheme, which is an equity-settled share-based compensation plan under which awarded shares are granted to employees of the Group selected by the board of directors (including the executive director).

The amount to be expensed as share-based compensation expenses is determined by reference to the fair value of the awarded shares granted, taking into account all non-vesting conditions associated with the grants on grant date. The total expense is recognised on a straight-line basis over the relevant vesting periods (or on the grant date if the shares vest immediately), with a corresponding credit to an employee share-based compensation reserve under equity.

For those awarded shares which are amortised over the vesting periods, the Group revises its estimates of the number of awarded shares that are expected to ultimately vest based on the vesting conditions at the end of each reporting period. Any resulting adjustment to the cumulative fair value recognised in prior years is charged/credited to employee share-based compensation expense in the current year, with a corresponding adjustment to the employee share-based compensation reserve.

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

(p) Government grants

A government grant is recognised when there is reasonable assurance that the Group will comply with the conditions attaching to it and that the grant will be received.

Government grants relating to income are deferred and recognised in profit or loss over the period to match them with the costs they are intended to compensate.

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

(q) Taxation

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

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

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

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and interests in joint arrangements, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

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

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised, based on tax rates that have been enacted or substantively enacted by the end of the reporting period. Deferred tax is recognised in profit or loss, except when it relates to items recognised in other comprehensive income or directly in equity, in which case the deferred tax is also recognised in other comprehensive income or directly in equity.

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

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

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

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

In assessing any uncertainty over income tax treatments, the Group considers whether it is probable that the relevant tax authority will accept the uncertain tax treatment used, or proposed to be use by individual group entities in their income tax filings. If it is probable, the current and deferred taxes are determined consistently with the tax treatment in the income tax filings. If it is not probable that the relevant taxation authority will accept an uncertain tax treatment, the effect of each uncertainty is reflected by using either the most likely amount or the expected value.

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

(r) Related parties

A related party is a person or entity that is related to the reporting entity.

(a) A person or a close member of that person's family is related to a reporting entity if that person:

(i) has control or joint control over the reporting entity;

(ii) has significant influence over the reporting entity; or

(iii) is a member of the key management personnel of the reporting entity or of a parent of the reporting entity.

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

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

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

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

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

(v) The entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity. If the reporting entity is itself such a plan, the sponsoring employers are also related to the reporting entity.

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

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

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

(s) Impairment of non-financial assets

Intangible assets that are not yet available for use are reviewed for impairment annually and whenever events or changes in circumstances indicate the carrying amount may not be recoverable.

The carrying amounts of non-financial assets are reviewed at each reporting date for indications of impairment and where an asset is impaired, it is written down as an expense through the consolidated statement of profit or loss and other comprehensive income to its estimated recoverable amount. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. If this is the case, recoverable amount is determined for the cash-generating unit ("CGU") to which the asset belongs. Recoverable amount is the higher of value in use and the fair value less costs of disposal of the individual asset or the CGU.

Value in use is the present value of the estimated future cash flows of the asset/CGU. Present values are computed using pre-tax discount rates that reflect the time value of money and the risks specific to the asset/CGU whose impairment is being measured.

Impairment losses for CGU are allocated first against the goodwill of the unit and then pro rata amongst the other assets of the CGU. Subsequent increases in the recoverable amount caused by changes in estimates are credited to profit or loss to the extent that they reverse the impairment.

The Group recognises a loss allowance for ECL on investments in debt instruments that are measured at amortised cost, trade receivables and contract assets. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

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

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

(t) Impairment of financial assets and contract assets

The Group recognises a loss allowance for ECL on investments in debt instruments that are measured at amortised cost, trade receivables and contract assets. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

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

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

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

Significant increase in credit risk

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

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

- an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- significant deterioration in external market indicators of credit risk for a particular financial instrument;
- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- an actual or expected significant deterioration in the operating results of the debtor;
- significant increases in credit risk on other financial instruments of the same debtor;
- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

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

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

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

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

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

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

(t) Impairment of financial assets and contract assets (cont'd)

Significant increase in credit risk (cont'd)

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

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

Definition of default

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

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

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

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

Credit-impaired financial assets

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

– significant financial difficulty of the issuer or the counterparty;

– a breach of contract, such as a default or past due event;

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

– it is becoming probable that the counterparty will enter bankruptcy or other financial reorganisation; or

– the disappearance of an active market for that financial asset because of financial difficulties.

Write-off policy

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

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

(t) Impairment of financial assets and contract assets (cont'd)

Measurement and recognition of ECL

The measurement of ECL is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above. As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date, the Group's understanding of the specific future financing needs of the debtors, and other relevant forward-looking information.

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

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

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

(u) Provisions and contingent liabilities

Provisions are recognised for liabilities of uncertain timing or amount when the Group has a present legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Where the time value of money is material, provisions are stated at the present value of the expenditures expected to settle the obligation.

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

(v) Events after the reporting period

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

5. CRITICAL JUDGEMENTS AND KEY ESTIMATES

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year are discussed below.

Key sources of estimation uncertainty

(a) 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: (i) whether an event has occurred or any indicators that may affect the asset value; (ii) 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 (iii) the appropriate key assumptions to be applied in estimating the recoverable amounts including cash flow projections and an appropriate discount rate. When it is not possible to estimate the recoverable amount of an individual asset (including right-of-use assets), the Group estimates the recoverable amount of the CGU to which the assets belongs. Changing the assumptions and estimates, including the discount rates or the growth rate in the cash flow projections, could materially affect the recoverable amounts.

The carrying amount of property, plant and equipment and right-of-use assets as at 31 December 2024 were approximately HK$11,238,000 (2023: HK$12,518,000) and HK$3,425,000 (2023: HK$1,010,000) respectively, after taking into account the impairment losses of approximately HK$118,000 (2023: HK$200,000) of property, plant and equipment. No impairment loss of right-of-use assets recognised for both years. Details of impairment assessment of property, plant and equipment refer to note 19.

(b) Impairment loss on investments in a subsidiary

The Company evaluates annually whether impairment loss should be recognised or reversed for its investments in a subsidiary. This evaluation requires use of estimates of the recoverable amount of the subsidiary. Where the actual result is different from the original estimate, such difference will impact the carrying amount of the investments in a subsidiary in the year in which such estimate has been changed.

As at 31 December 2024, no impairment loss on investments in a subsidiary was required (2023: HK$ Nil).

(c) Income taxes

The Group is subject to income taxes in several jurisdictions. Significant estimates are required in determining the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

During the year, approximately HK$233,000 (2023: HK$26,000) of income tax was credited (2023: charged) to profit or loss.

(d) Revenue and profit recognition

As explained in policy notes 4(g) and 4(m) revenue from provision of installation and customisation services is recognised over time. Such revenue and profit recognition on uncompleted projects is dependent on estimating the total outcome of the contract, as well as the work done to date. Based on the Group's recent experience, the Group has made estimates of the point at which it considered the work was sufficiently advanced such that the outcome of the contract can be reasonably measured. Until this point is reached the related contract assets disclosed in note 24(a) do not include profit which the Group might eventually realise from the work done to date. In addition, actual outcomes in terms of total cost or revenue may be higher or lower than estimated at the end of the reporting period, which would affect the revenue and profit recognised in future years as an adjustment to the amounts recorded to date.

During the year, approximately HK$3,227,000 (2023: HK$4,610,000) of revenue from installation and customisation services was recognised.

5. CRITICAL JUDGEMENTS AND KEY ESTIMATES (CONT'D)

Key sources of estimation uncertainty (cont'd)

(e) Recoverability of intangible assets

Determining whether intangible assets are impaired requires an estimation of the value in use of the cash flow forecasts to which intangible assets have been allocated. The value in use calculation requires the Group to estimate the recoverable amount expected to arise from the cash flow forecasts and a suitable discount rate in order to calculate the estimations of the recoverable amount.

The carrying amount of development costs on software system at 31 December 2024 was approximately HK$6,814,000 (2023: HK$5,568,000). Impairment losses of approximately HK$763,000 (2023: Nil) was recognised during the year. Details of the impairment assessment refer to note 20 to the consolidated financial statements.

(f) Estimated useful lives of intangible assets

The estimated useful lives of intangible assets reflect management's estimation on the Group's intention to derive future economic benefits from the intangible assets. The management performs annual reviews of whether the assumptions made of useful lives continue to be valid. When useful lives of intangible assets are different from those previously estimated, the amortisation charges for future periods will be adjusted accordingly.

(g) Impairment of trade receivables and contract assets

The management of the Group estimates the amount of impairment loss for ECL on trade receivables and contract assets based on the credit risk of trade receivables and contract assets. The assessment of the credit risk of trade receivables and contract assets involves estimation uncertainty as it involves the determination of loss rates for debtors that are assessed individually. The amount of the impairment loss based on ECL model is measured as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the effective interest rate determined at initial recognition. Where the future cash flows are less than expected, or being revised downward due to changes in facts and circumstances, a material impairment loss may arise.

As at 31 December 2024, the carrying amounts of trade receivables and contract assets are approximately HK$2,712,000 (net of allowance for doubtful debts of approximately HK$380,000) and approximately HK$375,000 respectively (2023: HK$2,433,000 (net of allowance for doubtful debts of approximately HK$525,000) and approximately HK$418,000 respectively).

6. FINANCIAL RISK MANAGEMENT

The Group's activities expose it to a variety of financial risks: foreign currency risk, credit risk, liquidity risk, interest rate risk and other price risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

(a) Foreign currency risk

The Group has certain exposure to foreign currency risk as most of its business transactions, assets and liabilities are principally denominated in the functional currencies of Group entities such as HK$ and Renminbi ("RMB"), but certain business transactions, assets and liabilities are denominated in currencies other than their functional currencies such as RMB, United Stated dollars ("US$") and Japanese yen ("JPY"). The HK$ currently closely aligned to the US$. The Group does not expect any significant movement in the HK$/US$ exchange rate.

At 31 December 2024, if the HK$ had strengthened/weakened 10 percent against RMB with all other variables held constant, consolidated loss (2023: profit) after tax for the year would have been approximately HK$377,000 lower/higher (2023: HK$286,000 higher/lower), arising mainly as a result of the net foreign exchange loss/gain on other receivables, bank balances, financial assets at FVTPL and trade payables denominated in RMB.

At 31 December 2024, if the HK$ had strengthened/weakened 10 percent against the JPY with all other variables held constant, consolidated loss (2023: profit) after tax for the year would have been approximately HK$40,000 lower/higher (2023: Nil), arising mainly as a result of the foreign exchange loss/gain on other payables and financial liabilities at FVTPL denominated in JPY.

6. FINANCIAL RISK MANAGEMENT (CONT'D)

(b) Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade and other receivables) and from its financing activities, including deposits with banks and financial institutions. Management has a credit policy in place and the exposure to these credit risks are monetised on an ongoing basis.

The Group's concentration of credit risk by geographical locations is mainly in Hong Kong, which accounted for 94% (2023: 94%) of the total trade receivables as at 31 December 2024.

Bank balances and non-pledged time deposits with original maturity within/over three months

The credit risk on bank balances and non-pledged time deposits with original maturity within/over three months are limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies for which the Group considers to have low credit risk.

Trade receivables and contract assets

Customer credit risk is managed by each business unit subject to the Group's established policy, procedures and control relating to customer credit risk management. Individual credit evaluations are performed on all customers requiring credit over a certain amount. These evaluations focus on the customer's past history of making payments when due and current ability to pay, and take into account information specific to the customer as well as pertaining to the economic environment in which the customer operates. Trade receivables are due from the date of billing. Normally, the Group does not obtain collateral from customers.

Except for those with credit-impaired balances are individually assessed, the Group measures loss allowance for trade receivables and contract assets at an amount equal to lifetime ECLs, which is calculated using a provision matrix. As the Group's historical credit loss experience does not indicate significantly different loss patterns for different customer segments, the loss allowance based on past due status is not further distinguished between the Group's different customer bases.

The following table provides information about the Group's exposure to credit risk and ECLs for trade receivables and contract assets as at 31 December 2024:

	2024		
	Expected loss rate %	**Gross carrying amount HK$'000**	**Loss allowance HK$'000**
Not past due	0.00%	375	–
0-30 days	1.11%	1,187	13
31-60 days	2.67%	357	10
61-90 days	6.43%	285	18
91-120 days	12.44%	441	55
More than 120 days	21.28%	683	145
Individually impaired	100.00%	139	139
		3,467	380

6. FINANCIAL RISK MANAGEMENT (CONT'D)

(b) Credit risk (cont'd)

Trade receivables and contract assets (cont'd)

	2023		
	Expected loss rate %	Gross carrying amount HK$'000	Loss allowance HK$'000
Not past due	0.00%	418	–
0-30 days	0.86%	1,434	12
31-60 days	1.97%	521	10
61-90 days	4.35%	95	4
91-120 days	8.06%	229	18
More than 120 days	13.03%	228	30
Individually impaired	100.00%	451	451
		3,376	525

Except for trade receivables with credit-impaired balances are assessed individually, the expected loss rates for remaining trade receivables and contract assets are based on actual loss experience over the past four years. These rates are adjusted to reflect differences between economic conditions during the period over which the historic data has been collected, current conditions and the Group's view of economic conditions over the expected lives of the receivables.

Movement in the loss allowances for trade receivables and contract assets during the year is as follows:

	Total HK$'000
As at 1 January 2023	640
Reversal of impairment losses recognised, net	(115)
As at 31 December 2023 and at 1 January 2024	525
Impairment losses recognised, net of reversal	151
Written-off	(296)
Exchange realignment	–*
As at 31 December 2024	380

* *It represents the amount less than HK$1,000.*

Other receivables and deposits

The management makes periodic collective assessments as well as individual assessment on the recoverability of other receivables and deposits are not material under the 12-month ECL method. Thus, no loss allowance was recognised during both years.

6. FINANCIAL RISK MANAGEMENT (CONT'D)

(c) Liquidity risk

The Group's objective and policy is to regularly monitor current and expected liquidity requirements to ensure that it maintains sufficient reserves of cash to meet its liquidity requirements in the short and longer term.

The maturity analysis based on contractual undiscounted cash flows of the Group's non-derivative financial liabilities is as follows:

	Weighted average Interest rate %	On demand or less than 1 year HK$'000	Between 1 and 2 years HK$'000	Between 2 and 5 years HK$'000	Over 5 years HK$'000	Total undiscounted cash flows HK$'000	Carrying amounts HK$'000
At 31 December 2024							
Trade and other payables	**–**	**2,941**	**–**	**–**	**–**	**2,941**	**2,941**
Lease liabilities	**6.50%**	**1,706**	**2,079**	**–**	**–**	**3,785**	**3,526**
		4,647	**2,079**	**–**	**–**	**6,726**	**6,467**
At 31 December 2023							
Trade and other payables	–	1,543	–	–	–	1,543	1,543
Lease liabilities	5.10%	912	164	–	–	1,076	1,050
		2,455	164	–	–	2,619	2,593

(d) Interest rate risk

The Group's exposure to interest rate risk arises from its bank balances, non-pledged time deposits with original maturity within/over three months and lease liabilities. The bank balances bear interests at variable rates varied with the then prevailing market condition. The Group's non-pledged time deposit with original maturity within/over three months and lease liabilities bear interests at fixed interest rate and therefore are subject to fair value interest rate risk.

The Group does not have significant exposure on interest rate risk. Except as stated above, the Group has no other interest-bearing assets and liabilities as at the end of the reporting period, its income and operating cash flows are substantially independent of changes in variable interest rates.

(e) Other price risk

The Group is exposed to equity price risk through its investments in listed equity securities measured at FVTPL and FVTOCI at the end of the reporting period, the management of the Group manages this exposure by maintaining a portfolio of investments with different risks profile.

Sensitivity analysis

The sensitivity analysis have been determined based on the exposure to equity price risk at the reporting date.

If the prices of the respective equity instruments had been 10% higher/lower, the post-tax loss (2023: profit) for the year ended 31 December 2024 would decrease/increase (2023: increase/decrease) by approximately HK$792,000 (2023: HK$761,000) as a result of the changes in fair value of financial assets and liabilities at FVTPL and FVTOCI.

(f) Categories of financial instruments of the Group as at 31 December

	2024 HK$'000	2023 HK$'000
Financial assets:		
Financial assets at amortised cost	**35,783**	37,280
Financial assets at FVTPL	**8,154**	7,362
Financial assets at FVTOCI	**2,229**	1,753
	46,166	46,395
Financial liabilities:		
Financial liabilities at amortised cost	**6,467**	2,593
Financial liabilities at FVTPL	**901**	–
	7,368	2,593

(g) Fair values

The carrying amounts of the Group's financial assets and financial liabilities as reflected in the consolidated statement of financial position approximate their respective fair values.

7. FAIR VALUE MEASUREMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The following disclosures of fair value measurements use a fair value hierarchy that categorises into three levels the inputs to valuation techniques used to measure fair value:

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

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

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

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

Disclosures of level in fair value hierarchy at 31 December 2024 and 2023:

	Fair value measurements using:			**Total**
Description	Level 1	Level 2	Level 3	**2024**
	HK$'000	HK$'000	HK$'000	**HK$'000**
Recurring fair value measurements:				
Financial assets at FVTPL				
Listed equity securities	8,154	–	–	**8,154**
Financial assets at FVTOCI				
Listed equity securities	2,229	–	–	**2,229**
Financial liabilities at FVTPL				
Listed equity securities	(901)	–	–	**(901)**
	9,482	–	–	**9,482**

	Fair value measurements using:			Total
Description	Level 1	Level 2	Level 3	2023
	HK$'000	HK$'000	HK$'000	HK$'000
Recurring fair value measurements:				
Financial assets at FVTPL				
Listed equity securities	7,362	–	–	7,362
Financial assets at FVTOCI				
Listed equity securities	1,753	–	–	1,753
	9,115	–	–	9,115

During the years ended 31 December 2024 and 2023, there were no transfers between level 1 and 2, or transfer into or out of level 3.

8. REVENUE

Disaggregation of revenue from contracts with customers by major products or service line for the year is as follows:

	2024	2023
	HK$'000	HK$'000
Front office solution service income	**15,466**	17,342
Back office solution service income	**9,297**	10,425
Installation and customisation service income	**3,227**	4,610
Managed cloud service income	**1,876**	2,822
Others	**1,324**	2,433
	31,190	37,632

8. REVENUE (CONT'D)

The Group derives revenue from the transfer of goods and services over time and at a point in time in the following major product items and geographical regions:

	2024 HK$'000	2023 HK$'000
Products and services transferred at a point in time		
Others	4	376
Products and services transferred over time		
Front office solution service income	15,466	17,342
Back office solution service income	9,297	10,425
Installation and customisation service income	3,227	4,610
Managed cloud service income	1,876	2,822
Others	1,320	2,057
Total	31,190	37,632
Primary geographical markets		
Hong Kong	29,187	33,701
Macau	958	1,493
Singapore	250	633
Mainland China	795	1,805
	31,190	37,632

9. OTHER INCOME AND EXPENSES, NET

	2024 HK$'000	2023 HK$'000
Interest income on bank deposits	941	846
Dividend income from financial assets at FVTPL	330	326
Dividend income from financial assets at FVTOCI	48	49
Exchange losses, net	(215)	(184)
Government subsidies (note)	241	114
Gain on early termination of right-of-use assets	3	–
Sundry income	6	6
	1,354	1,157

Note: There were subsidies granted from the government authority for the Group's research. The subsidies are one-off and non-recurring in nature.

10. OTHER GAINS AND LOSSES, NET

	2024 HK$'000	2023 HK$'000
Fair value changes on financial assets and financial liabilities at FVTPL		
– Listed equity investments	746	(932)
Impairment losses on property, plant and equipment	(118)	(200)
Impairment losses on intangible assets	(763)	–
	(135)	(1,132)

11. OTHER OPERATING EXPENSES

	2024 HK$'000	2023 HK$'000
Cost of services	1,973	1,936
Amortisation of intangible assets	1,339	1,154
Auditor's remuneration	680	750
Consultancy fee	1,202	918
Donation	185	100
Expenses relating to short-term lease	208	212
Insurance	557	492
Legal and professional fees	997	1,064
Management fee	74	91
Office expenses	1,958	1,764
Transportation and entertainment expenses	1,171	894
Other miscellaneous expenses	711	469
Total other operating expenses	11,055	9,844

12. SEGMENT INFORMATION

During the year, all of the Group's contract revenue has been generated from the sale of computer products, provision of contracted trading solutions and development of electronics trading systems for brokerage.

The Group has one reportable segment which is the provision of services to the Group's customers. Information reported to the executive directors, being the Group's chief operating decision maker ("CODM"), for the purpose of resources allocation and assessment of the Group's performance, is focused on the operating results of the Group as a whole as the Group's resources are integrated and no discrete financial information is available. Accordingly, no segment analysis or information about the Group's services is presented.

The following table sets out information about the geographical location of (i) the Group's revenue from customers and (ii) the Group's property, plant and equipment, right-of-use asset and intangible assets ("specified non-current assets"). The geographical location of customers is based on the location of which the services were provided or the goods delivered. The geographical location of the specified non-current assets is based on the physical location of the assets, in the case of property, plant and equipment and right-of-use assets and the location of the operation to which they are allocated, in the case of intangible assets.

	Revenue from customers		Specified non-current assets	
	2024 HK$'000	2023 HK$'000	2024 HK$'000	2023 HK$'000
Hong Kong	29,187	33,701	10,503	6,979
Macau	958	1,493	–	–
Singapore	250	633	–	–
Mainland China	795	1,805	10,974	12,117
Total	31,190	37,632	21,477	19,096

During the years ended 31 December 2024 and 2023, no individual customer contributes over 10% of the total revenue of the Group.

13. FINANCE COSTS

	2024 HK$'000	2023 HK$'000
Interest expenses on lease liabilities	247	84

14. INCOME TAX (CREDIT)/EXPENSE

Income tax expense has been recognised in profit or loss as follows:

	2024 HK$'000	2023 HK$'000
Hong Kong Profits Tax		
Current tax	**5**	64
Under-provision in prior years	**–**	38
	5	102
The PRC Enterprise Income Tax		
Current tax	**–**	11
Deferred tax credit (note 27)	**(238)**	(87)
	(233)	26

Under two-tiered profits tax rates regime of Hong Kong Profits Tax, the first HK$2 million of profits of the qualifying group entities will be taxed at 8.25% and profits above HK$2 million will be taxed at 16.5%. The profits of group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%. Accordingly, the Hong Kong Profits Tax of the qualifying group entities is calculated at 8.25% on the first HK$2 million of the estimated assessable profits and at 16.5% on the estimated assessable profits above HK$2 million.

Under the Law of the PRC on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiary is 25% for both years. No provision was made for the year ended 31 December 2024 as the subsidiary has incurred tax loss.

Tax reconciliation between the income tax (credit)/expense and the product of (loss)/profit before tax multiplied by the applicable rates is as follows:

	2024 HK$'000	2023 HK$'000
(Loss)/profit before tax	**(2,948)**	1,945
Tax at the domestic income tax rate of 16.5% (2023: 16.5%) (note)	**(486)**	321
Tax effect of expenses that are not deductible	**284**	89
Tax effect of income that is not taxable	**(240)**	(231)
Tax effect of unused tax losses not recognised	**595**	203
Tax effect of two-tied profits tax regime	**(6)**	(67)
Tax effect of utilisation of tax losses previously not recognised	**(46)**	(287)
Tax effect of utilisation of temporary difference previously not recognised	**–**	(10)
Effect of tax exemptions granted to subsidiary operating in other jurisdiction	**–**	(25)
Effect of different tax rates of subsidiary operating in other jurisdiction	**–**	(2)
Others	**(334)**	(3)
Under-provision in prior years	**–**	38
Income tax (credit)/expense	**(233)**	26

Note: The domestic tax rate, which is the Hong Kong Profits Tax rate, in the jurisdiction where the operations of the Group are substantially based is used.

15. (LOSS)/PROFIT FOR THE YEAR

The Group's (loss)/profit for the year is stated after charging/(crediting) the following:

	2024 **HK$'000**	2023 HK$'000
Auditor's remuneration	**680**	750
Amortisation of intangible assets	**1,339**	1,154
Depreciation of property, plant and equipment	**838**	867
Depreciation of right-of-use assets	**1,508**	1,541
Impairment losses/(reversal of impairment losses) on trade receivables, net	**151**	(115)
Impairment losses on property, plant and equipment	**118**	200
Impairment losses on intangible assets	**763**	–
Purchases of and changes in inventories	**3**	310

16. SALARIES AND EMPLOYEE BENEFITS EXPENSE (INCLUDING DIRECTORS EMOLUMENTS)

	2024 **HK$'000**	2023 HK$'000
Salaries, bonuses and allowances (including directors' emoluments)	**23,208**	22,795
Equity-settled share-based payments	**280**	125
Retirement benefit scheme contributions (note 16(a))	**1,415**	1,349
	24,903	24,269
Less: Capitalisation to intangible assets (note 20)	**(3,348)**	(1,088)
	21,555	23,181

(a) Retirement benefit scheme contributions

The Group operates a mandatory provident fund scheme (the "MPF Scheme") under the Hong Kong Mandatory Provident Fund Schemes Ordinance for all qualifying employees in Hong Kong. The Group's contributions to the MPF Scheme are calculated at 5% of the salaries and wages subject to a monthly maximum amount of HK$1,500 per employee and vest fully with employees when contributed into the MPF Scheme.

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

16. SALARIES AND EMPLOYEE BENEFITS EXPENSE (INCLUDING DIRECTORS EMOLUMENTS) (CONT'D)

(b) The remuneration of each director is as follows:

Name of directors	Fees HK$'000	Salaries and allowances HK$'000	Discretionary bonuses $'000	Share-based payments $'000	Retirement benefit scheme contributions HK$'000	Total HK$'000
For the year ended 31 December 2024						
Executive directors						
Mr. Chan Lap Tak, Douglas	**–**	**1,493***	**–**	**–**	**18**	**1,511**
Mr. Lo Chi Ho	**–**	**1,488***	**–**	**–**	**18**	**1,506**
Ms. Catherine Chan (note)	**–**	**227**	**–**	**–**	**11**	**238**
Independent non-executive directors						
Mr. Chan Chi Kwong Dickson	**180**	**–**	**–**	**–**	**–**	**180**
Mr. Liu Kin Sing	**180**	**–**	**–**	**–**	**–**	**180**
Mr. Au Yeung Po Fung	**180**	**–**	**–**	**–**	**–**	**180**
Total for 2024	**540**	**3,208**	**–**	**–**	**47**	**3,795**
For the year ended 31 December 2023						
Executive directors						
Mr. Chan Lap Tak, Douglas	–	1,493*	–	–	18	1,511
Mr. Lo Chi Ho	–	1,488	–	8	18	1,514
Independent non-executive directors						
Mr. Chan Chi Kwong Dickson	180	–	–	–	–	180
Mr. Liu Kin Sing	180	–	–	–	–	180
Mr. Au Yeung Po Fung	180	–	–	–	–	180
Total for 2023	540	2,981	–	8	36	3,565

Note: Ms. Chan Catherine has been appointed as an executive director with effect from 13 May 2024.

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

The independent non-executive directors' emoluments shown above were for their services as directors of the Company.

No director waived or agreed to waive any remuneration during the years ended 31 December 2024 and 2023.

* From the directors' remuneration, approximately HK$1,510,000 (2023: HK$907,000) was included in the cost of intangible assets.

(c) Five highest paid individuals

The five highest paid individuals in the Group during the year included two (2023: two) directors whose emoluments are reflected in the analysis presented above. The emoluments of the remaining three (2023: three) highest paid individuals are set out below:

	2024 HK$'000	2023 HK$'000
Basic salaries and allowances	**4,236**	3,905
Equity-settled share-based payment	**–**	8
Retirement benefit scheme contributions	**54**	54
	4,290	3,967

16. SALARIES AND EMPLOYEE BENEFITS EXPENSE (INCLUDING DIRECTORS EMOLUMENTS) (CONT'D)

(c) Five highest paid individuals (CONT'D)

The emoluments of the remaining individuals with highest emoluments fell within the following bands:

	2024	2023
Nil to HK$1,000,000	**–**	–
HK$1,000,001 to HK$1,500,000	**2**	3
HK$1,500,001 to HK$2,000,000	**1**	–

No emoluments were paid by the Group to any of the directors or the five highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office during the years ended 31 December 2024 and 2023.

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

During the year, the Group entered into the following transactions with the following companies in which the directors have beneficial interest:

Name	**Nature**	**2024 HK$'000**	2023 HK$'000
T G Securities Limited ("TG")	Service income received	**818**	785
	Transaction fee of investment trading	**108**	128
深圳易博科金融工程系统有限公司 *Shenzhen Yiboke Financial Engineering Systems Company Limited ("Shenzhen Yiboke")	Rental expenses paid	**208**	212
Quantsmile (HK) Limited ("Quantsmile")	Management fee paid	**74**	91

Notes:

(i) Mr. Chan Lap Tak, Douglas is interested in the aforesaid transactions to the extent that he is a beneficial shareholder of TG, Shenzhen Yiboke, and Quantsmile.

(ii) The Company granted 2,380,000 award shares to Mr. Lo Chi Ho ("Mr. Lo"), being executive director of the Company, on 20 January 2022 pursuant to a share award scheme adopted by the Company on 12 August 2019 (Note 33(b)). During the year ended 31 December 2023, remaining 210,000 award shares were vested on 31 December 2023. During the year ended 31 December 2024, the Company did not grant any share awards to Mr. Lo.

(iii) Save for the aforementioned transactions, no other significant transactions, arrangements and contracts to which the Company was a party and in which a director of the Company and other director's connected party had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

* The English name represents management's best efforts at translating the Chinese name for identification purpose as no English name has been registered.

17. DIVIDENDS

No dividend was paid or proposed by the Company during the year ended 31 December 2024 nor has any dividend been proposed since the end of the reporting period (2023: HK$Nil).

18. (LOSS)/EARNINGS PER SHARE

The calculation of the basic earnings per share is based on the following:

	2024 HK$'000	2023 HK$'000
(Loss)/earnings		
(Loss)/profit for the year attributable to owners of the Company	(2,715)	1,919

	'000	'000
Number of shares		
Weighted average number of ordinary shares for the purpose of calculating basic earnings per share	1,144,800	1,141,400

The weighted average number of ordinary shares in issue during the years ended 31 December 2024 and 2023 for the purpose of basic earnings per share has excluded the shares held for share award scheme.

No diluted earnings per share were presented for the years ended 31 December 2024 and 2023 as there was no potential diluted ordinary share in existence.

19. PROPERTY, PLANT AND EQUIPMENT

	Land and buildings HK$'000	Motor vehicles HK$'000	Computer software HK$'000	Furniture and fixtures HK$'000	Office equipment HK$'000	Computer equipment HK$'000	Total HK$'000
Cost							
At 1 January 2023	15,148	599	17,000	893	453	3,283	37,376
Additions	–	–	–	–	4	38	42
Exchange realignment	(423)	–	–	–	–	(1)	(424)
At 31 December 2023 and 1 January 2024	14,725	599	17,000	893	457	3,320	36,994
Additions	–	–	–	–	–	53	53
Written off	–	–	–	–	–	(1,729)	(1,729)
Exchange realignment	(477)	–	–	–	–	(1)	(478)
At 31 December 2024	14,248	599	17,000	893	457	1,643	34,840
Accumulated depreciation and impairment							
At 1 January 2023	1,818	599	17,000	531	448	3,067	23,463
Charge for the year	668	–	–	121	2	76	867
Impairment loss recognised in profit or loss	200	–	–	–	–	–	200
Exchange realignment	(53)	–	–	–	–	(1)	(54)
At 31 December 2023 and 1 January 2024	2,633	599	17,000	652	450	3,142	24,476
Charge for the year	642	–	–	121	2	73	838
Written off	–	–	–	–	–	(1,729)	(1,729)
Impairment loss recognised in profit or loss	118	–	–	–	–	–	118
Exchange realignment	(100)	–	–	–	–	(1)	(101)
At 31 December 2024	3,293	599	17,000	773	452	1,485	23,602
Carrying amount							
At 31 December 2024	10,955	–	–	120	5	158	11,238
At 31 December 2023	12,092	–	–	241	7	178	12,518

19. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

The carrying amounts of owner-occupied leasehold land and buildings in the PRC of RMB10,295,000 (equivalent to HK$10,956,000) (2023: RMB10,995,000, equivalent to HK$12,092,000) at the end of the year included both the leasehold land and building elements in property, plant and equipment, and allocations of the carrying amounts between the leasehold land and buildings elements cannot be made reliably. The remaining lease term of ownership interests in leasehold land and buildings held for own use is last between 10 and 50 years.

The recoverable amounts of the owner-occupied leasehold land and buildings have been determined based on their fair value less costs of disposal. The Group uses direct comparison method to estimate the fair value less costs of disposal of the assets which is based on the recent transaction prices for similar properties adjusted for nature, location and conditions of the property. The fair value measurement is categorised into Level 3 fair value hierarchy. The key assumptions are location difference of comparable properties and price per square meter. The relevant assets were impaired to their recoverable amount of HK$10,956,000 (2023: HK$12,092,000), which is their carrying values at year end and the impairment of HK$118,000 (2023: HK$200,000) has been recognised in profit or loss within the relevant functions to which these assets relate during the year ended 31 December 2024.

20. INTANGIBLE ASSETS

	Development costs on software system (internally generated) HK$'000
Cost	
At 1 January 2023	6,693
Additions through internal development	1,088
At 31 December 2023 and 1 January 2024	7,781
Additions through internal development	3,348
At 31 December 2024	11,129
Accumulated amortisation and impairment	
At 1 January 2023	1,059
Charge for the year	1,154
At 31 December 2023 and 1 January 2024	2,213
Charge for the year	1,339
Impairment losses recognised in profit or loss	763
At December 2024	4,315
Carrying amount	
At 31 December 2024	6,814
At 31 December 2023	5,568

The capitalised development costs for the year ended 31 December 2024 represented the expenditure incurred for developing software system.

The average remaining amortisation period of the software system is 2.2 years (2023: 3.2 years).

As at 31 December 2024, development costs amounting to approximately HK4,435,000 (2023: HK$1,087,000) related to development projects in progress for the development of software system that are not yet available for use.

The Group carried out reviews of the recoverable amount of its development costs on software system as at 31 December 2024, having regard to the market conditions of the Group's services. The management is in view of the decreasing profitability generated and failure to meet the budgeted financial performance derived from the services under these software system with reference to the valuation reports prepared by an independent valuer.

20. INTANGIBLE ASSETS (CONT'D)

For the year ended 31 December 2024, the impairment losses of approximately HK$763,000 (2023: Nil) was recognised, which represent the software system of the Group write-down to the recoverable amounts as a result of decreasing profitability generated. The impairment loss was recognised in the consolidated statement of profit or loss and other comprehensive income as other gains and losses. The recoverable amounts have been determined with reference to the value-in-use calculations based on cash flow projections from approved budgets covering of five years which is the expected useful life of these software system estimated by the management. Budgeted revenue generated and annual growth rates are determined based on the past performance on similar development of software systems and management's expectations for the market development. The discount rate used is pre-tax rate of approximately 11.08%.

21. RIGHT-OF-USE ASSETS

	Leased Offices HK$'000	**Leased Car parks** HK$'000	**Leased Rack spaces** HK$'000	**Total** HK$'000
Carrying values				
At 1 January 2023	1,487	44	546	2,077
Modification	–	–	474	474
Depreciation	(1,050)	(31)	(460)	(1,541)
At 31 December 2023 and 1 January 2024	437	13	560	1,010
Additions	947	–	–	947
Modification	2,999	61	250	3,310
Termination	–	–	(334)	(334)
Depreciation	(1,190)	(31)	(287)	(1,508)
At 31 December 2024	3,193	43	189	3,425

As at 31 December 2024 and 2023, the lease agreements do not impose any covenants and leased assets are not used as security for borrowing purposes.

	2024 **HK$'000**	2023 HK$'000
Depreciation expenses on right-of-use assets	1,508	1,541
Interest expenses on lease liabilities (included in finance costs)	247	84
Expenses relating to short-term lease (included in other operating expenses)	208	212
Gain on early termination of right-of-use assets	3	–

Details of total cash outflow for leases is set out in note 34(b).

For both years, the Group leases offices, various car parks, and rack spaces of data centers for its operations. Lease contracts are entered into for fixed term of one year to three years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. In determining the lease term and assessing the length of the non-cancellable period, the Group applies the definition of a contract and determines the period for which the contract is enforceable.

22. INVESTMENTS IN SUBSIDIARIES

Particulars of the subsidiaries as at 31 December 2024 are as follows:

Name	Place of incorporation/ registration and operation/form of legal entity	Issued and fully paid share capital/registered capital	Attributable equity interest of the Group as at 31 December 2024	2023	Principal activities
Directly held by the Company:					
eBrokerSys (BVI) Limited ("eBroker (BVI)")	BVI/Limited liability company	2 ordinary shares of US$2	100%	100%	Investment holding
Indirectly held by the Company:					
eBroker Systems Limited	Hong Kong/Limited liability company	5,913,488,372 ordinary shares of HK$48,631,819	100%	100%	Investment holding, selling of computer products, provision of automated trading solutions and development of the electronics trading systems for the brokerage
eBroker systems (HK) Limited	Hong Kong/Limited liability company	300,000 ordinary shares of HK$300,000	100%	100%	Investment holding and provision of electronics trading systems for the brokerage and computer maintenance services
前海易博信息技術(深圳)有限公司 *Qiahai Yibo Information Technology (Shenzhan) Co., Limited ("Qianhai")	The PRC/Limited liability company	Registered and paid-up capital of RMB10,000,000 (note i & ii)	100%	100%	Provision of electronics trading solutions and research and development activities

Note:

(i) On 23 July 2019, the Group established a wholly owned subsidiary, Qianhai in the PRC with registered capital of RMB10,000,000 (equivalent to approximately HK$11,023,000). At 31 December 2024, the Group has fulfilled its investment obligation in Qianhai to the extent of RMB10,000,000 (2023: RMB8,000,000).

(ii) The statutory financial statement of the subsidiary was not audited by Gary Cheng CPA Limited.

* The English name represents management's best efforts at translating the Chinese name for identification purpose as no English name has been registered.

23. FINANCIAL ASSETS AND FINANCIAL LIABILITIES AT FVTPL/FINANCIAL ASSETS AT FVTOCI

(a) Financial assets at FVTPL

	2024 HK$'000	2023 HK$'000
Equity investments, at FVTPL		
Listed in Hong Kong	3,797	3,962
Listed outside Hong Kong	4,357	3,400
	8,154	7,362

The carrying amounts of the above financial assets are mandatorily measured at FVTPL in accordance with HKFRS 9.

The investments included above represent investments in listed equity securities that offer the Group the opportunity for return through dividend income and fair value gains. They have no fixed maturity or coupon rate.

None of the equity investments of which the carrying amount exceeds 5% of the total assets of the Group at 31 December 2024.

In order to minimise credit risk, the directors have delegated a team to be responsible for the formulation of a credit policy governing the control of credit risk. In this regard, the directors consider that there is no concentration of credit risk in respect of the financial assets at FVTPL.

The carrying amounts of financial assets at FVTPL are denominated in the following currencies:

	2024 HK$'000	2023 HK$'000
HK$	3,797	3,962
RMB	4,357	3,400
	8,154	7,362

(b) Financial assets at FVOCI

	2024 HK$'000	2023 HK$'000
Equity investments, at FVTOCI		
Listed in Hong Kong	2,229	1,753

These equity instruments were irrevocably designated at FVTOCI as the directors of the Company consider these investments to be strategic in nature.

All of the financial assets at FVTOCI are denominated in HK$.

(c) Financial liabilities at FVTPL

	2024 HK$'000	2023 HK$'000
Equity investments	901	–

The balance of Equity investments as at 31 December 2024 represents the fair value of listed securities from short selling activities.

The carrying amounts of financial liabilities at FVTPL are denominated in the following currencies:

	2024 HK$'000	2023 HK$'000
HK$	2,175	–
USD	500	–
JPY	(1,774)	–
	901	–

24. CONTRACT ASSETS AND CONTRACT LIABILITIES

a. Contract assets

	2024 HK$'000	2023 HK$'000
Contract assets related to provision of services	375	418

	2024 HK$'000	2023 HK$'000
Receivables from contracts with customers within the scope of HKFRS 15, which are included in "Trade and other receivables"	2,712	2,433

Amounts relating to contract assets are balance due from customers under contracts that arise when the Group receives payment from customers in line with a series of performance related milestones.

Payment for services is not due from the customer until the services are complete and therefore a contract asset is recognised over the period in which the services are performed to represent the entity's right to consideration for the services transferred to date. Contract assets decreased in 2024 was primarily due to the decrease in work completed but not billed as at 31 December 2024.

All of the contract assets are expected to be recovered within one year.

b. Contract liabilities

	2024 HK$'000	2023 HK$'000
Contract liabilities related to provision of services	1,216	1,494

Contract liabilities relating to services are balances due to customers under the services contracts for which advanced consideration was received from customer. These arise if a particular milestone payment exceeds the revenue recognised to date under the cost-to-cost method.

Movements in contract liabilities:

	2024 HK$'000	2023 HK$'000
Balance at 1 January	1,494	3,113
Decrease in contract liabilities as a result of recognising revenue during the year was included in the contract liabilities		
– at the beginning of the year	(1,384)	(2,378)
– during the year	(3,361)	(2,693)
Increase in contract liabilities as a result of receiving receipt in advance of front office and back-office solution service income	3,107	2,704
Increase in contract liabilities as a result of billing in advance of installation and customisation services	1,360	751
Exchange realignment	–	(3)
Balance at 31 December	1,216	1,494

All of the contract liabilities are expected to be recognised as income within one year.

25. TRADE AND OTHER RECEIVABLES

	2024 HK$'000	2023 HK$'000
Trade receivables	3,092	2,958
Impairment losses on trade receivables	(380)	(525)
	2,712	2,433
Prepayments, deposits and other receivables*	1,447	1,467
Amount due from a trustee	662	669
Amounts due from brokers**	11,387	1,359
	16,208	5,928
Analysed as:		
Non-current assets	815	757
Current assets	15,393	5,171
	16,208	5,928

* Included in the deposits as at 31 December 2024 are approximately HK$37,000 (2023: HK$37,000) of rental deposits paid to another company in which Mr. Chan Lap Tak, Douglas has beneficial interests.

** Amounts due from brokers represent the net position held by two brokers in respect of cash and margin trading accounts. Included in the amounts due from brokers as at 31 December 2024 is approximately HK$1,286,000 (2023: HK$1,252,000) due by a company in which Mr. Chan Lap Tak, Douglas has beneficial interests.

The Group's trading terms with customers are due upon presentation of invoices. However, as the Group seeks to develop long-term relationship with its customers, it may allow an average credit period of 60 days to its customers, depending on the creditworthiness of customers and the existing relationships with the Group. The Group seeks to maintain strict control over its outstanding receivables. Overdue balances are reviewed regularly by the directors.

The ageing analysis of trade receivables, based on the invoice date, and net of allowance is as follows:

	2024 HK$'000	2023 HK$'000
0 to 30 days	1,174	1,422
31 to 60 days	347	511
61 to 90 days	267	91
91 to 120 days	386	211
Over 120 days	538	198
	2,712	2,433

The carrying amounts of trade receivables are denominated in the following currencies:

	2024 HK$'000	2023 HK$'000
HK$	2,536	2,275
RMB	176	158
	2,712	2,433

The carrying amounts of the prepayments, deposits and other receivables, amount due from a trustee and amounts due from brokers are denominated in the following currencies:

	2024 HK$'000	2023 HK$'000
HK$	6,662	3,420
RMB	185	68
US$	6,649	7
	13,496	3,495

26. NON-PLEDGED TIME DEPOSITS WITH ORIGINAL MATURITY WITHIN/OVER THREE MONTHS AND CASH AND CASH EQUIVALENTS

	2024 HK$'000	2023 HK$'000
Cash on hand	2	3
Cash at banks	8,559	8,597
Non-pledged time deposits with original maturity within three months	1,084	15,000
Cash and cash equivalents	9,645	23,600
Non-pledged time deposit with original maturity over three months	10,408	8,206
	20,053	31,806

Cash at banks earns interest at floating rates based on daily bank deposit rates. The non-pledged time deposits with original maturity within three months are made for varying periods of one month (2023: one month and three months) depending on the immediate cash requirements of the Group and earn interests of 4.08% (2023: 4.97% to 5.5%) per annum.

The interest rate on non-pledged time deposit with original maturity over three months was 3.62% (2023: 5.25%) per annum.

As at 31 December 2024 and 2023, the Group had no available undrawn secured and unsecured banking facilities.

The cash and cash equivalents and non-pledged time deposit with original maturity over three months of the Group are denominated in the following currencies:

	2024 HK$'000	2023 HK$'000
HK$	17,577	29,653
RMB	2,476	2,153
	20,053	31,806

As at 31 December 2024, the bank and cash balances of the Group's subsidiary in the PRC denominated in RMB amounted to approximately HK$2,461,000 (2023: HK$2,138,000). Conversion of RMB into foreign currencies is subject to the PRC's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations.

27. DEFERRED TAX ASSETS/(LIABILITIES)

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

	Allowance for doubtful debt HK$'000	Tax losses HK$'000	Accelerated tax depreciation HK$'000	Total HK$'000
At 1 January 2023	85	–	(6)	79
Credit to profit or loss for the year	1	68	18	87
At 31 December 2023	86	68	12	166
(Charge)/credit to profit or loss for the year	(24)	246	16	238
At 31 December 2024	62	314	28	404

27. DEFERRED TAX ASSETS/(LIABILITIES) (CONT'D)

The following is the analysis of the deferred tax balances (after offset) for consolidated statement of financial position purposes:

	2024 HK$'000	2023 HK$'000
Deferred tax assets	404	166

At the end of the reporting period, the Group has unused tax losses of approximately HK$10,643,000 (2023: HK$5,821,000) available for offset against future profits. A deferred tax asset has been recognised in respect of tax losses of approximately HK$1,904,000 (2023: HK$412,000). No deferred tax assets have been recognised in respect of the remaining tax losses carried forward due to the unpredictability of the future profit streams. Included in unrecognised tax losses are losses of approximately RMB3,305,000 (equivalent to approximately HK$3,606,000) (2023: RMB Nil) that can be carried forward for five years from the year in which the respective loss arose. Other unrecognised tax losses may be carried forward indefinitely.

28. LEASE LIABILITIES

	Minimum lease payments		Present value of minimum lease payments	
	2024 HK$'000	2023 HK$'000	2024 HK$'000	2023 HK$'000
Within one year	1,706	912	1,533	888
In the second to fifth years, inclusive	2,079	164	1,993	162
	3,785	1,076	3,526	1,050
Less: Future finance charges	(259)	(26)	–	–
Present value of lease obligations	3,526	1,050	3,526	1,050
Less: Amount due for settlement within 12 months (shown under current liabilities)			(1,533)	(888)
Amount due for settlement after 12 months			1,993	162

All lease liabilities are denominated in HK$.

The weighted average incremental borrowing rates applied to lease liabilities from 6.00% to 7.00% (2023: from 4.50% to 4.75%).

29. TRADE AND OTHER PAYABLES

	2024 HK$'000	2023 HK$'000
Trade payables	214	286
Accruals and other payables	2,727	1,257
	2,941	1,543

The ageing analysis of trade payables based on the date of receipt of goods or services, is as follows:

	2024 HK$'000	2023 HK$'000
0 to 30 days	136	112
31 to 60 days	76	121
61 to 90 days	–	11
Over 90 days	2	42
	214	286

The credit terms granted by the suppliers generally ranged from 0 to 60 days.

29. TRADE AND OTHER PAYABLES (CONT'D)

The carrying amounts of the Group's trade payables are denominated in the following currencies:

	2024 HK$'000	2023 HK$'000
HK$	1,572	1,448
RMB	46	64
US$	33	31
JPY	1,290	–
	2,941	1,543

30. SHARE CAPITAL

The Group

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern and to maximise the return to the shareholders through the optimisation of the debt and equity balance. At 31 December 2024, the ratio of the Group's total liabilities over its total assets was 12.44% (2023: 6.13%). The increase in the ratio during 2024 resulted primarily from increase of financial liabilities at FVTPL and lease liabilities.

The Group reviews the capital structure frequently by considering the cost of capital and the risks associated with each class of capital. The Group will balance its overall capital structure through the payment of dividends, new share issues and share buy-backs as well as the issue of new debts, redemption of existing debts or selling assets to reduce debts.

The externally imposed capital requirements for the Group are in order to maintain its listing on the GEM of the Stock Exchange it has to have a public float of at least 25% of the shares.

The Group receives a report from the share registrars weekly on substantial share interests showing the non-public float and it demonstrates continuing compliance with the 25% limit throughout the year. As at 31 December 2024, 25.61% (2023: 28.25%) of the shares were in public hands.

The Company

	Nominal value per share HK$	Number of shares '000	Amount HK$'000
Authorised:			
Ordinary share			
At 1 January 2023, 31 December 2023 and 31 December 2024	0.001	5,000,000	5,000
Issued and fully paid:			
Ordinary share			
At 1 January 2023, 31 December 2023 and 31 December 2024	0.001	1,230,000	1,230

Note: During the year ended 31 December 2024, total number of shares included 85,140,000 (2023: 88,280,000) shares were held by the trustee under Share Award Scheme and has 2,235,000 (2023: 3,140,000) shares were held by the trustee on behalf of selected persons. Detail are set out in note 33(b).

31. STATEMENT OF FINANCIAL POSITION AND RESERVE MOVEMENT OF THE COMPANY

(a) Statement of financial position of the Company

	Note	2024 HK$'000	2023 HK$'000
Non-current asset			
Investments in a subsidiary		13,651	13,651
Current assets			
Other receivables		10,990	1,254
Financial assets at fair value through profit or loss		8,144	7,297
Amounts due from a subsidiary		10,182	9,877
Non-pledged time deposit with original maturity over three months		–	8,206
Bank and cash balances		1,406	541
		30,722	27,175
Current liabilities			
Accruals and other payables		1,460	120
Amounts due to a subsidiary		1,139	1,055
Financial liabilities at fair value through profit or loss		901	–
		3,500	1,175
Net current assets		27,222	26,000
NET ASSETS		40,873	39,651
Capital and reserves			
Share capital		1,230	1,230
Reserves	31(b)	39,643	38,421
TOTAL EQUITY		40,873	39,651

Approved by the Board of Directors on 21 March 2025 and are signed on its behalf by:

Chan Lap Tak, Douglas
Director

Lo Chi Ho
Director

31. STATEMENT OF FINANCIAL POSITION AND RESERVE MOVEMENT OF THE COMPANY (CONT'D)

(b) Reserve movement of the Company

	Share premium (note 32(b)(i)) HK$'000	Shares held for share award scheme HK$'000	Share-based Compensation reserve HK$'000	Accumulated losses HK$'000	Total HK$'000
At 1 January 2023	61,921	(17,141)	209	(6,336)	38,653
Recognition of equity-settled share-based payments	–	–	125	–	125
Shares vested under share award scheme	–	610	(334)	(276)	–
Total comprehensive expense for the year	–	–	–	(357)	(357)
At 31 December 2023 and 1 January 2024	61,921	(16,531)	–	(6,969)	38,421
Recognition of equity-settled share-based payments	–	–	280	–	280
Shares vested under share award scheme	–	434	(179)	(255)	–
Total comprehensive income for the year	–	–	–	942	942
At 31 December 2024	61,921	(16,097)	101	(6,282)	39,643

32. RESERVES

a. The Group

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

b. Nature and purpose of reserves

i. Share premium account

Share premium represents premium arising from the issue of shares at a price in excess of their par value per share and is not distributable but may be applied in paying up unissued shares of the Company to be issued to the shareholders of the Company as fully paid bonus shares or in providing for the premiums payable on repurchase of shares.

ii. Capital reserve

The capital reserve arose as a result of the followings:

1. As a result of group reorganisations implemented in 2013 and 2016, the capital reserve represented the difference between the nominal value of share capital of the Company and the paid-up capital of eBroker (BVI) pursuant to the group reorganisations.
2. As part of the group reorganisation in 2016, the Group recorded a deemed distribution of approximately HK$13,240,000 in the capital reserve.

iii. Foreign currency translation reserve

The foreign currency translation reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations. The reserve is dealt with in accordance with the accounting policies set out in note 4(b) to the consolidated financial statements.

33. SHARE-BASED PAYMENTS

a. Share option scheme

The Company has adopted a share option scheme (the "Scheme") pursuant to a resolution passed by the shareholders of the Company at an extraordinary general meeting on 22 January 2019. The purpose of the Scheme is to provide incentives and rewards to eligible participants who contribute to the success of the Group's operations. The Scheme, unless otherwise cancelled or amended, will remain in force for 10 years after the date on which the Scheme is adopted.

The total number of securities available for issue under the Scheme is 123,000,000 ordinary shares, being 10% of the issued shares of the Company as at the date of this report. The maximum number of share options permitted to be granted under the Scheme is an amount equivalent, upon their exercise, to 10% of the ordinary shares in issue at any time. The maximum number of shares issuable under share options granted to each eligible participant in the Scheme within any 12-month period is limited to 1% of the shares of the Company in issue at any time. Any further grant of share options in excess of this limit subject by the Company's shareholder in general meeting.

Share options granted to a director, chief executive or substantial shareholder of the Company, or to any of their associates, are subject to approval in advance by the independent non-executive Directors. In addition, any share options granted to a substantial shareholder or an independent non-executive Director, or to any of their associates, in excess of 0.1% of the shares in issue at any time or with an aggregate value (based on the closing price of the Company's shares at the date of grant) in excess of HK$5 million, within any 12-month period, are subject to Shareholders' approval in advance in a general meeting.

The offer of a grant of share options may be accepted within 28 days from the date of grant. A consideration of HK$1.00 is payable on the acceptance of the offer of grant of an option. The exercise period of the share options granted is determinable and notified by the directors, but shall end not later than 10 years from the date on which the share option is deemed to be granted and accepted in accordance with the Scheme.

The exercise price of share options is determinable by the Directors, but may not be less than the higher of (i) the Stock Exchange closing price of the shares on the date of offer of the share options which must be a business day; (ii) the average Stock Exchange closing price of the Shares for the five business days immediately preceding the date of offer; and (iii) the nominal value of the shares on the date of the offer.

No share option has been granted since the adoption of the Scheme.

b. Share award scheme

On 12 August 2019 (the "Adoption Date"), the Company adopted the Share Award Scheme. The objectives of the Share Award Scheme is to provide (i) to recognise the contributions by certain employees and to provide them with incentives in order to retain them for the continual operation and development of the Group; and (ii) to attract suitable personnel for further development of the Group.

Subject to any early termination as may be determined by the board of directors pursuant to the rules of the Share Award Scheme (the "Scheme Rules"), the Share Award Scheme shall be valid and effective for a term of 10 years commencing on the Adoption Date.

The Share Award Scheme is subject to the administration of the board of directors and a trustee in accordance with the Scheme Rules and a trust deed.

The board of directors may, from time to time, at its absolute discretion select any eligible person (other than any excluded person) for participation in the Share Award Scheme as a selected person (the "Selected Person"), and grant such number of share awarded shares to any Selected Person at no consideration and in such number and on and subject to such terms and conditions as it may in its absolute discretion determine.

The maximum number of shares which may be awarded to a Selected Person under the Share Award Scheme shall not exceed 1% of the issued share capital of the Company from time to time. The board of directors shall not make any further award of share awarded shares which will result in the number of the shares awarded by the board of directors under the Share Award Scheme exceeding 10% of the issued share capital of the Company from time to time.

33. SHARE-BASED PAYMENTS (CONT'D)

b. Share award scheme (cont'd)

Subject to the terms and conditions of the Share Award Scheme and the fulfillment of all relevant vesting conditions, the respective share awarded shares held by the trustee on behalf of a Selected Person pursuant to the provision of the scheme rules shall vest in such Selected Person in accordance with the vesting schedule (if any) and the trustee shall cause the share awarded shares to be transferred to such Selected Person on the vesting date.

For details of the Share Award Scheme are set out in the Company's announcements dated 12 August 2019, 20 August 2019, 3 October 2019 and 28 November 2019.

On 20 January 2022, the Board resolved to grant an aggregate of 9,280,000 award shares (the "3rd Lot Award Shares") under the Share Award Scheme, all in the form of existing shares, to 45 selected persons ("Selected Persons Group C"). Among Selected Persons Group C, the Company granted 2,380,000 award shares to Mr. Lo. Subject to the satisfaction of the vesting conditions, 980,000 of the 3rd Award Shares shall be vested on 20 January 2022 ("the grant date"), a total of 4,640,000 and 3,660,000 of the 3rd Lot Award Shares shall be vested to the Selected Person Group C on 31 December 2022 and on 31 December 2023 respectively.

The 3rd Lot Award Shares represented approximately 0.75% of the total number of shares in issue of the Company as at the date of grant. Based on the closing price of HK$0.09 per share of the Company on the date of grant of the 3rd Lot Award Shares, the market value of the 9,280,000 award shares in aggregate was approximately HK$835,200.

Out of 9,280,000 award shares, 230,000 and 580,000 award shares were lapsed before 31 December 2023 and 31 December 2022 respectively. 980,000 award shares were vested to Mr. Lo on the grant date, 3,140,000 award shares and 4,350,000 award shares have been vested to Mr. Lo and remaining selected persons on 31 December 2023 and 31 December 2022 respectively and recognised as staff costs in the consolidated financial statements for the year ended 31 December 2023 and 31 December 2022.

Movements of the awarded shares granted under the Share Award Scheme are as follow:

	Number of awarded shares granted '000
Granted on 20 January 2022	9,280
Vested on 20 January 2022	(980)
Vested on 31 December 2022	(4,350)
Vested on 31 December 2023	(3,140)
Lapsed	(810)
Unvested on 31 December 2023	–

On 13 May 2024, the Board resolved to grant an aggregate of 5,040,000 award shares (the "4th Lot Award Shares") under the Share Award Scheme, all in the form of existing shares, to 13 selected persons ("Selected Persons Group D"). Subject to the satisfaction of the vesting conditions, 50% of the 4th Lot Award Shares shall be vested to the respective Selected Persons Group D on 31 December 2024 and the remaining 50% of the 4th Lot Award Shares shall be vested to the respective Selected Persons Group D on 31 December 2025.

The 4th Lot Award Shares represented approximately 0.41% of the total number of shares in issue of the Company as at the date of grant. Based on the closing price of HK$0.08 per share of the Company on the date of grant of the 4th Lot Award Shares, the market value of the 5,040,000 award shares in aggregate was approximately HK$403,200.

33. SHARE-BASED PAYMENTS (CONT'D)

b. Share award scheme (cont'd)

2,235,000 award shares of 4th Lot Award Shares have been vested to Selected Persons Group D on 31 December 2024 and recognised as staff costs in the consolidated financial statements for the year ended 31 December 2024.

Movements of the awarded shares granted under the Share Award Scheme are as follow:

	Number of awarded shares granted ’000
Granted on 13 May 2024	5,040
Vested on 31 December 2024	(2,235)
Unvested on 31 December 2024	2,805

34. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

a. Reconciliation of liabilities arising from financing activities

The table below details changes in the Group's liabilities 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.

	1 January 2024 HK$'000	**Additions** HK$'000	**Modification** HK$'000	**Termination** HK$'000	**Changes from financing cash flow** HK$'000	**Interest expenses** HK$'000	**31 December 2024** HK$'000
Lease liabilities (note 28)	**1,050**	**947**	**3,310**	**(337)**	**(1,691)**	**247**	**3,526**

	1 January 2023 HK$'000	Additions HK$'000	Modification HK$'000	Termination HK$'000	Changes from financing cash flow HK$'000	Interest expenses HK$'000	31 December 2023 HK$'000
Lease liabilities (note 28)	2,185	–	474	–	(1,693)	84	1,050

34. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS (CONT'D)

b. Total cash outflow for leases

Amounts included in the consolidation statement of cash flows for leases comprise the following:

	2024 **HK$'000**	2023 HK$'000
Within operating cash flows	**208**	212
Within financing cash flows	**1,691**	1,693
	1,899	1,905

These amounts related to the following

	2024 **HK$'000**	2023 HK$'000
Lease rental paid	**1,899**	1,905

35. OPERATING LEASE ARRANGEMENTS

The Group regularly entered into a short-term lease for its office premises in the PRC. As at 31 December 2024, the portfolio of short-term leases is similar to the portfolio of short-term leases to which the short-term lease expenses disclosed in note 21. As at 31 December 2024 and 2023, there was no outstanding lease commitments relating to office premises in the PRC.

36. RELATED PARTY TRANSACTIONS

a. Except for disclosure elsewhere in the consolidated financial statement, the Group had no material transactions with related parties during the years.

b. All key management personnel are directors of the Company, their remuneration are disclosed in note 16(b).

37. EVENTS AFTER THE REPORTING PERIOD

There are no material subsequent events took place after 31 December 2024 and up to the date of this report.

The following is a summary of the published results and of the assets and liabilities of the Group prepared on the bases set out in the note below:

RESULTS

	Year ended 31 December				
	2024	2023	2022	2021	2020
	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000
Continuing operations					
Revenue	**31,190**	37,632	38,584	41,631	40,409
(Loss)/profit before tax	**(2,948)**	1,945	1,969	231	1,474
Income tax credit/(expense)	**233**	(26)	3	96	36
(Loss)/profit for the year from continuing operations	**(2,715)**	1,919	1,972	327	1,510
(Loss)/profit and total comprehensive income for the year attributable to owners of the Company	**(2,468)**	1,415	382	1,090	2,706
ASSETS AND LIABILITIES					
Non-current assets	**24,925**	21,772	24,501	22,700	18,066
Current assets	**44,039**	44,883	44,267	45,120	45,873
Non-current liabilities	**(1,993)**	(162)	(646)	(1,740)	(121)
Current liabilities	**(6,591)**	(3,925)	(7,094)	(6,530)	(6,860)
Net assets	**60,380**	62,568	61,028	59,550	56,958
Equity attributable to owners of the Company:					
Paid-up capital	**1,230**	1,230	1,230	1,230	1,230
Reserves	**59,150**	61,338	59,798	58,320	55,728
Total equity	**60,380**	62,568	61,028	59,550	56,958

In this report, unless the context otherwise requires, the following expressions have the following meaning:

"Articles"	The articles of association of the Company, as amended, supplemented or otherwise modified from time to time
"Auditors"	Gary Cheng CPA Limited
"Board"	The board of Directors
"Business Day"	Has the meaning ascribed to it under the GEM Listing Rules
"China" or "PRC"	The People's Republic of China and, except where the context requires otherwise and only for the purposes of this annual report, references to China or the PRC exclude Hong Kong, Macau Special Administrative Region of the PRC and Taiwan
"Company"	eBroker Group Limited (電子交易集團有限公司), a company incorporated as an exempted company with limited liability in the Cayman Islands on 23 May 2016
"Companies Law"	The Companies Law (as revised) of the Cayman Islands, as amended, supplemented or otherwise modified from time to time
"Companies Ordinance"	The Companies Ordinance (Chapter 622 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
"Controlling Shareholder(s)"	Has the meaning ascribed to it under the GEM Listing Rules
"CG Code"	Corporate Governance Code and Corporate Governance Report set out in Appendix C2 of the GEM Listing Rules (effective up to 31 December 2024)
"Director(s)"	The director(s) of the Company
"GEM Listing Rules"	The Rules Governing the Listing of Securities on GEM of the Stock Exchange, as amended, supplemented or otherwise modified from time to time as the context may require
"Group"	The Company and its subsidiaries, or any of them or, where the context so requires, in respect of the period before the Company became the holding company of its present subsidiaries, such subsidiaries as if they were subsidiaries of the Company at that time
"HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"Hong Kong" or "HK"	The Hong Kong Special Administrative Region of the PRC
"Listing"	The listing of the Shares on GEM on the Stock Exchange on 19 February 2019
"Listing Date"	19 February 2019, the date on which the Shares were listed on GEM of the Stock Exchange
"Model Code"	A code of conduct adopted by the Company regarding securities transactions by Directors on terms no less exacting than the required standard of dealings set out in Rules 5.48 to 5.67 of the GEM Listing Rules effective from the Listing Date
"Prospectus"	The prospectus of the Company published on 30 January 2019 in connection with the Listing
"Renminbi"	The lawful currency of the PRC
"SFC"	The Securities and Futures Commission of Hong Kong
"SFO"	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) as amended, supplemented or otherwise modified from time to time
"Share(s)"	Ordinary share(s) of HK$0.01 each in the share capital of the Company
"Shareholder(s)"	Holder(s) of the Shares
"Share Option Scheme"	The share option scheme of the Company adopted by the Shareholders on 22 January 2019
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Two-factor Authentication"	a security mechanism which requires the adoption of any two of the following authentication factors for accessing a database, operating system, or platform: (1) "what a client knows"; (2) "what a client has"; and (3) "who a client is"
"United States"	United States of America
"%"	Per cent