

MIN FU

INTERNATIONAL HOLDING LIMITED

(Incorporated in the Cayman Islands with limited liability)

STOCK CODE : 8511

Annual Report
2025



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

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

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

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This report will be available on the Company's website www.minfuintl.com and will remain on the "Latest Company Announcements" page on the website of the Stock Exchange at www.hkexnews.hk for at least 7 days from the date of its posting.

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CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive Directors

Mr. Zeng Weijin (*Chairman and Chief Executive Officer*)
Ms. Ye Jialing

Non-executive Directors

Ms. Li Chunling (*appointed on 21 February 2025*)
Ms. Li Xiaoxuan
Ms. Zhang Xiaoling
Ms. Zhu Minchun (*appointed on 21 February 2025*)

Independence non-executive Directors

Ms. Chen Meng
Mr. Lu Shengwe
Dr. Zhou Wenming

AUDIT COMMITTEE

Mr. Lu Shengwei (*Chairman*)
Ms. Chen Meng
Dr. Zhou Wenming

REMUNERATION COMMITTEE

Dr. Zhou Wenming (*Chairman*)
Ms. Chen Meng (*appointed on 2 May 2024*)
Mr. Zeng Weijin

NOMINATION COMMITTEE

Mr. Zeng Weijin (*Chairman*)
Ms. Chen Meng (*appointed on 2 May 2024*)
Dr. Zhou Wenming

AUTHORISED REPRESENTATIVES

Mr. Zeng Weijin
Mr. Cheng Wai Hei

COMPANY SECRETARY

Mr. Cheng Wai Hei

COMPLIANCE OFFICER

Mr. Zeng Weijin

AUDITOR

McMillan Woods (Hong Kong) CPA Limited
Registered Public Interest Entity Auditor
24/F., Siu On Centre 188 Lockhart Road
Wanchai, Hong Kong

REGISTERED OFFICE

Offices of Conyers Trust Company (Cayman) Limited
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P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Room 1911, Lee Garden One
33 Hysan Avenue, Causeway Bay
Hong Kong

PRINCIPAL SHARE REGISTRAR

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

HONG KONG SHARE REGISTRAR

Computershare Hong Kong Investor Services Limited
Shop 1712-1716, 17th Floor, Hopewell Centre
183 Queen's Road East
Wan Chai, Hong Kong

PRINCIPAL BANKERS

The Hong Kong and Shanghai Banking Corporation
Industrial and Commercial Bank of China

COMPANY'S WEBSITE

www.minfuintl.com

STOCK CODE

8511

LISTING DATE

20 April 2018

CHAIRMAN'S STATEMENT

Dear shareholders,

On behalf of the board of directors (the "**Board**") of Min Fu International Holding Limited (the "**Company**", together with its subsidiaries, the "**Group**"), it is my pleasure to present to you the annual report of the Group for the year ended 31 March 2025 ("**FY2025**").

SMART MANUFACTURING SOLUTION BUSINESS

The Group is one of the leading smart manufacturing solution providers in China. For FY2025, the Group continued to focus on providing high-end precision 3D testing solutions and precision machining solutions to customers in industries such as aviation, aerospace, shipbuilding, ground transportation vehicles and electronics.

FY2025 was a year marked by continued economic volatility. Although the global situation showed some signs of recovery, the economic landscape remained complex. High inflation rates still persisted in many regions, and central banks' monetary policies, including interest rate adjustments, continued to impact financial markets. Geopolitical tensions, such as the ongoing conflicts in some areas and trade frictions, added to the economic uncertainties. Affected by the economic uncertainties, the Group's realised revenue was approximately HK\$26.3 million from smart manufacturing solution business, a decrease of 66.5% from last year.

Looking ahead, we will continue to closely monitor the economic situation, adjust our business strategies in a timely manner, and strive to achieve sustainable growth for the Group and maximize returns for our shareholders.

GOING FORWARD

The economic outlook remains highly uncertain. The result of the 2024 US Presidential Election has significantly influenced the geopolitical situation. The new policies proposed by the elected president are expected to reshape international relations and trade dynamics.

Although inflation has shown signs of moderation in some regions, it's still a concern. Tight monetary policies, especially those of the US Federal Reserve, continue to have a global impact. Trade protectionism remains a threat, with the potential for new tariffs between major economies. These factors, combined with geopolitical conflicts, pose risks to the global economic recovery. The improvement of economic and trade relations between the US and China is a key factor to watch, as it will have a significant impact on the global economic and trade landscape.

APPRECIATION

At this time, I would like to extend my sincerest appreciation to my fellow directors and our entire workforce for their commitment, diligence and contributions to the Group during the past year. I wish to also express my gratitude to all of our customers, suppliers, business partners and shareholders for their unwavering support.

Mr. Zeng Weijin

Chairman

Hong Kong, 26 June 2025

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

The principal activities of the Group consist of (i) smart manufacturing solution services; and (ii) burial business in the PRC.

Smart manufacturing solution services

The Group is a smart manufacturing solution provider focusing on precision 3D testing solutions and precision machining solutions in China. The Company provides smart manufacturing solutions to serve the needs of high-end equipment manufacturers which require a high level of precision in the manufacture of their industrial products. Its solutions comprise and integrate various equipment and services, ranging from solution concept and design, procurement of machinery, auxiliary tools and software and system installation and debugging to provision of aftersales services such as technical support and training.

For the year ended 31 March 2025, the Group continued to devote great efforts in expanding the market scopes, approaching new customers in various industries and regions, and maintaining the productive relationships with existing customers. Benefited from its sales efforts, the Group obtained a total of 5 new projects. 3 new projects together with 1 projects which were carried forward from prior years, were completed during the year. As at 31 March 2025, the Group had 2 on-going projects, which were all precision 3D scanning solutions projects.

The Group had been persisting in developing new technology, including new auxiliary tools design and relevant software applications. As of 31 March 2025, the Group has 34 registered patents, including 8 invention patents and 26 utility model patents as well, and 16 invention patents in the registration process.

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL REVIEW

Revenue

For the year ended 31 March 2025, the Group recorded revenue of approximately HK\$27.8 million, representing a decrease of approximately 65.4% comparing with that of approximately HK\$80.5 million for the year ended 31 March 2024. The decrease in revenue was mainly due to the economic volatility and the slowdown of China's economic growth, the potential customers hold up their budget for the investment in the smart manufacturing solution.

Cost of sales

Cost of sales decreased by 59.8% to HK\$25.3 million for the year ended 31 March 2025 from HK\$62.9 million for the year ended 31 March 2024. The cost of sales decrease in line with revenue.

Gross profit and gross profit margin

Gross profit decreased by 85.5% to HK\$2.5 million for the year ended 31 March 2025 from HK\$17.6 million for the year ended 31 March 2024. The decrease in gross profit was mainly due to a decrease in revenue.

Gross profit margin was 9.2% for the year ended 31 March 2025 (2024: 21.8%).

Selling and marketing expenses

Selling and marketing expenses decreased to HK\$1.4 million for the year ended 31 March 2025 (2024: HK\$2.5 million).

Administrative expenses

Administrative expenses decreased by 24.1% to HK\$19.9 million for the year ended 31 March 2025 from HK\$26.3 million for the year ended 31 March 2024, which was due to decrease in entertainment, and research and development expenses.

Income tax credit/expense

The Group had an income tax credit of HK\$1.1 million (2024: income tax expense HK\$2.6 million) for the year ended 31 March 2025.

Loss for the year

Loss for the year increased by 34.9% to HK\$27.3 million for the year ended 31 March 2025 from HK\$20.3 million for the year ended 31 March 2024. Such increase was mainly attributable to the effect of impairment loss of trade receivables and decrease of gross profit.

MANAGEMENT DISCUSSION AND ANALYSIS

LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

Cash position

As at 31 March 2025, the net current assets of the Group were approximately HK\$8.9 million (2024: HK\$22.6 million). The decrease was mainly attributable to decrease of cash at banks and on hand and increase of trade payable of HK\$14.5 million and HK\$7.4 million respectively.

As at 31 March 2025, the cash and cash equivalents and bank borrowings of the Group were approximately HK\$0.2 million (2024: HK\$14.7 million) and HK\$Nil (2024: HK\$4.6 million) respectively. The Group expected to fund the future cash flow needs through internally generated cash flows from operations, bank facilities and equity financing.

Gearing ratio

The Group monitors capital on the basis of the net gearing ratio. Net gearing ratio represents the ratio of net debts (total borrowings and amount due to a director net of cash and cash equivalents and restricted cash) divided by total equity as at 31 March 2025 was 5.4% (31 March 2024: Nil).

As at 31 March 2025, the Group had no bank borrowing.

Capital Structure

Placing of 132,960,000 placing shares

On 13 August 2024 the Company entered into a placing agreement (the “**Placing Agreement 1**”) with a sole placing agent, pursuant to which the Company appointed the sole placing agent as its agent to procure not less than six placees who were independent third parties to subscribe up to 143,978,636 ordinary Shares (the “**Placing 1**”) at the placing price of HK\$0.024 (the “**Placing Price 1**”) per Share, representing approximately 16.67% of the issued share capital of the Company as immediately after the completion of the Placing 1.

The Placing Price 1 of HK\$0.024 per placing share represents (i) a discount of approximately 14.29% to the closing price of HK\$0.028 per Share as quoted on the Stock Exchange on the date of the Placing Agreement; and (ii) a discount of approximately 16.67% to the average of the closing prices per Share of HK\$0.0288 as quoted on the Stock Exchange for the last five consecutive trading days immediately prior to the date of the Placing Agreement.

The Placing 1 was completed on 28 August 2024 in accordance with the terms and conditions of the Placing Agreement 1. An aggregate of 143,960,000 placing shares (the “**Placing Shares 1**”), representing approximately 16.66% of the issued share capital of the Company immediately after the completion of the Placing 1, have been successfully placed to not less than six placees at the Placing Price 1 of HK\$0.024 per Placing Share 1.

The net proceeds derived from the placing amounted to approximately HK\$3,292,000 and resulted in the increase in share capital of approximately HK\$112,000 and share premium of approximately HK\$3,180,000, net of transaction costs of approximately HK\$163,000.

For details of the Placing, please refer to the announcements of the Company dated 13 August 2024 and 28 August 2024.

MANAGEMENT DISCUSSION AND ANALYSIS

Share consolidation

On 19 August 2024, the Board proposes that every forty (40) issued and unissued existing shares in the share capital of the Company be consolidated into one (1) consolidated share (the **"Share Consolidation"**). The Share Consolidation become effective from 3 October 2024.

Immediate before the effective of the Share Consolidation, the authorised share capital of the Company is US\$500,000 divided into 5,000,000,000 existing shares (the **"Existing Shares"**) of par value of US\$0.0001 each, of which 863,853,183 Existing Shares have been allotted and issued as fully paid or credited as fully paid. Upon the effective of the Share Consolidation, the authorised share capital of the Company becomes US\$500,000 divided into 125,000,000 Consolidated Shares of US\$0.004 each, of which 21,596,329 Consolidated Shares were issued.

For details of the Share Consolidation, please refer to the announcements of the Company dated 19 August 2024 and 30 September 2024, and the circular dated 30 August 2024.

Placing of 4,318,000 placing shares

On 12 December 2024 the Company entered into a placing agreement (the **"Placing Agreement 2"**) with a sole placing agent, pursuant to which the Company appointed the sole placing agent as its agent to procure not less than six placees who were independent third parties to subscribe up to 4,318,000 ordinary Shares (the **"Placing 2"**) at the placing price of HK\$0.85 (the **"Placing Price 2"**) per Share, representing approximately 16.66% of the issued share capital of the Company as immediately after the completion of the Placing 2.

The Placing Price 2 of HK\$0.85 per placing share represents (i) a discount of approximately 5.56% to the closing price of HK\$0.90 per Share as quoted on the Stock Exchange on the date of the Placing Agreement 2; and (ii) a discount of approximately 8.21% to the average of the closing prices per Share of HK\$0.926 as quoted on the Stock Exchange for the last five consecutive trading days immediately prior to the date of the Placing Agreement 2.

The Placing 2 was completed on 27 December 2024 in accordance with the terms and conditions of the Placing Agreement 2. An aggregate of 4,318,000 placing shares (the **"Placing Shares 2"**), representing approximately 16.66% of the issued share capital of the Company immediately after the completion of the Placing 2, have been successfully placed to not less than six placees at the Placing Price 2 of HK\$0.85 per Placing Share 2.

The net proceeds derived from the placing amounted to approximately HK\$3,572,000 and resulted in the increase in share capital of approximately HK\$135,000 and share premium of approximately HK\$3,437,000, net of transaction costs of approximately HK\$98,000.

For details of the Placing 2, please refer to the announcements of the Company dated 12 December 2024 and 27 December 2024.

Save as disclosed above, there was no other material change in the capital structure of the Group during the year ended 31 March 2025. As at 31 March 2025, the Company has 25,914,329 Shares in issue. Details are set out in Note 23 to the audited financial statements.

MANAGEMENT DISCUSSION AND ANALYSIS

USE OF NET PROCEEDS

Placing 1

On 28 August 2024, 143,960,000 Placing Share 1, have been issued and allotted at the Placing Price 1 of HK\$0.024 per Placing Share 1. The net proceeds from the Placing 1 are approximately HK\$3,292,000 after deducting placing commissions and other costs related to the Placing 1. The Company has been applying the net proceeds according to the use of proceeds stated in the announcement of the Company dated 13 August 2024. Use of net proceeds as at 31 March 2025 are listed as follows:

	Planned use of proceeds HK\$'million	Percentage of net proceeds	Actual use of proceeds from 28 August 2024 to 31 March 2025 HK\$'million	Percentage of net proceeds	Unutilized net proceeds as at 31 March 2025 HK\$'million	Percentage of net proceeds
General working capital	3.3	100%	3.3	100%	–	0%
	3.3	100%	3.3	100%	–	0%

Placing 2

On 27 December 2024, 4,318,000 Placing Share 2, have been issued and allotted at the Placing Price 2 of HK\$0.85 per Placing Share 2. The net proceeds from the Placing 2 are approximately HK\$3,572,000 after deducting placing commissions and other costs related to the Placing 2. The Company has been applying the net proceeds according to the use of proceeds stated in the announcement of the Company dated 12 December 2024. Use of net proceeds as at 31 March 2025 are listed as follows:

	Planned use of proceeds HK\$'million	Percentage of net proceeds	Actual use of proceeds from 29 December 2024 to 31 March 2025 HK\$'million	Percentage of net proceeds	Unutilized net proceeds as at 31 March 2025 HK\$'million	Percentage of net proceeds
General working capital	3.6	100%	3.6	100%	–	0%
	3.6	100%	3.6	100%	–	0%

CONTINGENT LIABILITIES

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

CAPITAL COMMITMENTS

As at 31 March 2025, the Group did not have any capital commitments.

MANAGEMENT DISCUSSION AND ANALYSIS

PLEDGE OF ASSETS

As at 31 March 2025, save for the restricted cash approximately of HK\$0.1 million (2024: HK\$0.7 million), the Group did not have any pledge on its assets.

EXCHANGE RATE RISK EXPOSURE

The Group is exposed to foreign exchange risk primarily through its transactions that are denominated in a foreign currency, i.e. a currency other than the functional currency of the operations to which the transactions relate. The currencies giving rise to this risk are primarily United States dollars (“**US\$**”) and Swiss Franc (“**CHF**”). The Group currently does not have a foreign currency hedging policy in respect of foreign currency transactions, assets and liabilities. The Group monitors its foreign currency exposure closely and will consider hedging significant foreign currency exposure should the need arise.

Because of the fluctuation in the exchange rate of the functional currencies of the group entities, mainly RMB, CHF and US\$, to the Group’s presentation currency, HK\$, the Group recorded a loss in other comprehensive loss of HK\$0.1 million for the year ended 31 March 2025.

PROSPECTS

On 24 January 2025, the Group entered into the sale and purchase agreement with the vendors in respect of the acquisition of 100% equity interest of Hunan Province Baisheng Biotechnology Company Limited. The Group recognises huge potential in the agricultural food technology market. Leveraging on the expertise of the Group’s smart manufacturing solutions business, the Group has developed a comprehensive suite of smart manufacturing solutions designed to assist manufacturers in upgrading their agricultural food production, processing, and storage capabilities. The Board believe that the acquisition would enable the Group to promptly establish a comprehensive organisational structure in preparation for the commencement of the agricultural food technology and sales business.

SIGNIFICANT INVESTMENTS HELD

As at 31 March 2025, the Group did not hold any significant investments.

OTHER FINANCIAL ASSETS

As at 31 March 2025, other financial assets held by the Group comprise:

- Trade receivables of HK\$13.2 million;
- Cash and bank deposits of HK\$0.2 million; and
- Other receivables of HK\$5.3 million.

FUTURE PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

As at 31 March 2025, the Group did not have any plans for material investments.

MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES AND AFFILIATED COMPANIES

During the year ended 31 March 2025, the Group did not have any material acquisitions and disposals of subsidiaries and affiliated companies.

MANAGEMENT DISCUSSION AND ANALYSIS

PRINCIPAL RISKS AND UNCERTAINTIES

The principal business of the Group is to provide smart manufacturing solutions to its customers on a project basis. As the Company does not have any long-term contractual arrangements with its customers, there is no assurance that the Company will continue to secure new contracts or maintain or increase its current level of business activities with existing or future customers in the future. Therefore, the Group is increasing its sales and marketing efforts, expanding its sales force, sales spots and sales coverage, aiming to continuously get new tenders and secure contracts from more customers.

The Group's major customers are high-end equipment manufacturers in the aviation, aerospace, shipbuilding, ground transportation vehicles and electronics industries. The market for smart manufacturing solutions is characterised by rapidly changing technologies and evolving developments. The success of its business is dependent upon its ability to continuously develop, in a timely manner, new technological applications through research and development and introduce new solution designs to cater its customers' requirements. Therefore, the Group intends to increase its research and development efforts, establish its own research and development centers, recruit more technical staff, so as to hold its edges in terms of technology.

Other risks are as follows:

Credit risk

Credit risk mainly arises from cash at banks, restricted cash, contract assets and trade and other receivables. The carrying amount of these balances in the consolidated statement of financial position represents the Group's maximum exposure to credit risk in relation to its financial assets. The Group has a credit policy in place and the exposure to these credit risks are monitored on an ongoing basis.

Interest rate risk

The Group's interest-bearing asset and liabilities are borrowings, restricted cash and cash at banks. Borrowings bore at fixed rates expose the Group to fair value interest rate risk. The Group's exposure to cash flow interest rate risks arises from its restricted cash and cash at banks and therefore bear interest at variable rates varied with the then prevailing market condition. The directors of the Company consider the cash flow interest rate risk with respect to restricted cash and cash at banks to be insignificant to the Group.

During the reporting period, the Group did not hedge its interest rate risk.

Except as stated above, the Group does not have other significant interest-bearing assets and liabilities at the end of the reporting period, its income and operating cash flows are substantially independent of changes in market interest rates.

Liquidity risk

To manage the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the operations and mitigate the effects of fluctuations in cash flows. The Group met cash flow needs through internally generated cash flows from operation and borrowings from financial institutions.

DIRECTORS AND SENIOR MANAGEMENT

EXECUTIVE DIRECTORS

Mr. Zeng Weijin ("Mr. Zeng") aged 43, is the Chief Executive Officer and an executive Director of the Company. He was appointed as executive Director on 16 December 2021, as the Chief Executive Officer with effect from 7 January 2023, and as Chairman with effect from 4 November 2023. Mr. Zeng is overseeing the overall management, and corporate policy making of the Group's business operations.

Mr. Zeng has over ten years of equity and securities investment, corporate management, assets restructure, merger and acquisition experience. In 2007, he had worked in OCBC Wing Hang Bank (formerly known as "**Wing Hang Bank**") for over ten years. He graduated from Zhaoqing University in Guangdong, the PRC in 2006. He is an intermediate accountant and a registered fund practitioner with the Asset Management Association of China.

Ms. Ye Jialing ("Ms. Ye"), aged 38, is the executive Director of the Company. She was appointed as non-executive Director on 7 January 2023 and re-designated as executive Director on 4 November 2023. She is currently the chief operation officer of Min Fu Holding (Shenzheng) Limited. Ms. Ye is overseeing the business operation and research & development of enterprise digital management system for the PRC subsidiaries of the Group.

Ms. Ye has over ten years of investment and management experience. In 2009, she had worked in Shenzhen City Tourism (Group) Capital Limited (transliteration of 深圳市旅遊(集團)股份有限公司) for over ten years. She holds a Bachelor of International Hotel and Tourism Management from The University of Queensland.

DIRECTORS AND SENIOR MANAGEMENT

NON-EXECUTIVE DIRECTORS

Ms. Li Chunling, aged 26, was appointed as a non-executive Director on 21 February 2025.

Ms. Li Chunling, graduated from Shenzhen University in 2020 with a Bachelor's Degree in Finance and Management. Since February 2020, she has been serving in the Finance and Human Resources Department of Shenzhen Deyuan Investment Co., Ltd. In her role, she has taken on comprehensive responsibilities, including accounting and bookkeeping, budget planning and management, tax compliance and reporting, recruitment and talent acquisition, employee training and development, as well as performance management. Through her diverse role, Ms. Li Chunling has contributed significantly to the company's financial stability, operational efficiency, and workforce development.

Ms. Li Xiaoxuan ("Ms. Li"), aged 40, was appointed as non-executive Director on 8 February 2023.

Ms. Li has over six years of experience in administrative management. She is currently the administrative director of 深圳縱橫國際旅行社 (Shenzhen Zongheng International Travel Service Co., Ltd.*), responsible for (i) supervision and management of the daily work of the company's administrative personnel; (ii) implementation of various regulations and work instructions; and (iii) arrangement of the work assigned. She obtained a bachelor's degree in business management from Shenzhen University in Guangdong, the People's Republic of China in 2008.

Ms. Zhang Xiaoling ("Ms. Zhang"), aged 34, was appointed as non-executive Director on 8 February 2023.

Ms. Zhang is currently the legal representative and general manager of 張家港市鳳凰山塔園有限公司 (Zhangjiagang Fenghuangshan Pagoda Garden Co., Ltd.*), is responsible for (i) the planning, design and management of ecological cemetery cultural theme park; (ii) the research and development and design of digital management systems; and (iii) funeral services. She obtained a bachelor's degree in agricultural and forestry economic management from Renmin University of China in 2013 and a bachelor's degree in software engineering from Peking University in 2018.

Ms. Zhu Minchun (Ms. Zhu"), aged 26, was appointed as a non-executive Director on 21 February 2025.

Ms. Zhu, aged 26, obtained a Bachelor's Degree majoring in Communication Studies from the University of California, San Diego in 2021. From June 2022 to September 2022, she worked as a Content Editor at Shenzhen Yue Dong Smart Network Technology Co., Ltd. She later joined Shenzhen Fulida Asset Management Co., Ltd. as the Marketing Director from October 2022 to May 2024. During her tenure, she oversaw market sales and the promotion of Kweichow Moutai liquor, contributing to the company's stable growth in both scale and market share. Since June 2024, she has been working at Shenzhen Rong Tai Enterprise Consulting Co., Ltd. as the Deputy General Manager. In this role, she is responsible for the company's financial planning and budget execution, reviewing business-related reports, and assisting the team in management decision making.

DIRECTORS AND SENIOR MANAGEMENT

INDEPENDENT NON-EXECUTIVE DIRECTORS

Ms. Chen Meng (“Ms. Chen”), aged 32, was appointed as an independent non-executive Director of the Company on 2 May 2024.

Ms. Cheng graduated from Changchun Normal University with a bachelor’s degree in Chinese language and literature. Ms. Chen assumed the position of driving control section officer in public security bureau of Hunchun city from April 2016 to December 2018. She also worked at the office of the People’s Procuratorate of Hunchunlin District, Jilin Province of the PRC from January 2019 to December 2022. She was responsible for the collection of confidential documents and the publicity work of the procuratorate.

Mr. Lu Shengwei (“Mr. Lu”), aged 35, was appointed as an independent non-executive Director of the Company on 20 July 2023.

Mr. Lu graduated from Jiangxi University of Finance and Economics with a bachelor’s degree in accountancy and law in 2012 and has extensive experience in finance and taxation. Mr. Lu assumed various positions in different enterprises in the PRC including as a tax manager in China Construction Second Bureau Second Construction Engineering Co., Ltd. (transliteration of 中建二局第二建築工程有限公司) from 2012 to 2017, as a finance and taxation expert and trainer in Yiqiying Network Technology Co., Ltd. (transliteration of 億企贏網絡科技有限公司) from 2017 to 2020, and as a financial manager in Wangqibang Technology Group Co., Ltd. (transliteration of 萬企幫科技集團有限公司) from 2021 to 2022. Since July 2022, he has been a partner of Nanqiao Xi Tax Accountant Firm (Shenzhen) Co., Ltd. (transliteration of 南橋希稅務師事務所(深圳)有限公司) and is responsible for advising on finance and compliance matters, as well as conducting lectures on tax laws and regulations in the PRC. Mr. Lu passed all the required subjects of the professional stage of the National Uniform CPA Examination of the PRC in 2020. He also obtained the qualification certificate of tax advisor issued by China Certified Tax Agents Association in 2018 and the qualification certificate of public valuer issued by China Appraisal Society in 2021.

Dr. Zhou Wenming (“Dr. Zhou”), aged 43, was appointed as an independent non-executive Director of the Company on 7 January 2024.

Dr. Zhou has over seven years of experience in investment management and risk management. He is currently the chief risk management officer of Szu PhD Investment Management Co., Ltd., where he is responsible for the investment management, and establishment, supervision and implementation of risk management and control system. He is currently also the associate dean of Longhua Bioindustry and Innovation Research Institute, Shenzhen University, where he is responsible for technology transformation and other areas. He worked in Shenzhen University Graduate School from August 2008 to December 2017, where he was responsible for postgraduate admission, training and management. He obtained his Bachelor’s degree in biotechnology from South China University of Tropical Agriculture (which had merged with Hainan University) in Hainan, the PRC in June 2005; his Master’s degree in biochemistry and molecular biology from Shenzhen University in Shenzhen, the PRC in June 2008; and his Doctorate degree in history of economic thoughts from Shenzhen University in Shenzhen, the PRC in December 2016. He is a registered fund practitioner with the Asset Management Association of China.

DIRECTORS AND SENIOR MANAGEMENT

COMPLIANCE OFFICER

Mr. Zeng has been appointed as the compliance officer on 4 November 2024. For his biographical information, please refer to the paragraph headed “Executive Directors” above in this section.

COMPANY SECRETARY

Mr. Cheng Wai Hei (“Mr. Cheng”), aged 44, joined our Group in December 2020 as financial controller and was later appointed as the company secretary of our Group on 7 January 2024. Mr. Cheng is responsible for the accounting and financial functions, internal control as well as the company secretary affairs of the Group. Mr. Cheng holds a Master of Business Administration from The Hong Kong Polytechnic University. He is a fellow member of the Association of Chartered Certified Accountants and an associate of The Hong Kong Chartered Governance Institute and The Chartered Governance Institute. Mr. Cheng has over 15 years of experience in accounting, auditing and corporate governance.

CORPORATE GOVERNANCE REPORT

The Company is committed to promoting high standards of corporate governance through its continuous effort in improving its corporate governance practices and process. The Board believes that sound and reasonable corporate governance practices are essential for sustainable growth of the Group and for safeguarding the interests and the Group's assets.

The corporate governance practices of the Group are based on the principles and the code provisions in the Corporate Governance Code (the "**Code**") as set out in Appendix 15 to the GEM Listing Rules.

There was a deviation from code provision A.2.1 of the Code which stipulates that the roles of chairman and chief executive should be separated and should not be performed by the same individual. The Company considers that having Mr. Zeng Weijin ("**Mr. Zeng**") acting as both its chairman of the Board and its chief executive officer will provide a strong and consistent leadership to the Group and allow for more effective planning and management for the Group. In view of Mr. Zeng's extensive experience in the industry, personal profile and critical role in the Group and its historical development, the Company considers that it is beneficial to the business prospects of the Group that Mr. Zeng continues to act as both its chairman and its chief executive officer.

Save as disclosed above, the Company has complied with the applicable code provisions of the Code as set out in Appendix 15 to the GEM Listing Rules for the year ended 31 March 2025.

NON-COMPLIANCE WITH THE GEM LISTING RULES

Following the resignation of Ms. Du Li on 2 February 2024, the Company has two independent non-executive Directors only. The number and composition of independent non-executive directors fail to meet the requirements under (i) Rule 5.05(1) of the GEM Listing Rules which requires the Board to include at least three independent non-executive directors; (ii) Rule 5.05(2) of the GEM Listing Rules which requires the Board to include at least one of the independent non-executive directors with appropriate professional qualifications or accounting or related financial management expertise; (iii) Rule 5.05A of the GEM Listing Rules which requires that the Company must appoint independent non-executive directors representing at least one-third of the board; and (iv) Rule 5.28 of the GEM Listing Rules which requires the audit committee to comprise a minimum of three members and at least one of whom is an independent non-executive director with appropriate professional qualifications or accounting or related financial management expertise as required in Rule 5.05(2).

Following the appointment of Ms. Chen on 2 May 2024, the Company re-complied with Rules 5.05(1), 5.05(2), 5.05A and 5.28 of the GEM Listing Rules.

COMPLIANCE WITH THE REQUIRED STANDARD OF DEALINGS IN SECURITIES TRANSACTIONS BY DIRECTORS

The Group has adopted the required standard of dealings set out in Rules 5.48 to 5.67 of the GEM Listing Rules (the "**Standard of Dealings**"), as its own code of conduct regarding Directors' securities transactions.

Having made specific enquiries of all the Directors, each of the Directors has confirmed that he or she has complied with the required Standard of Dealings for the year ended 31 March 2025.

CORPORATE GOVERNANCE REPORT

CHANGE OF THE DIRECTORS' INFORMATION

With effect from 2 May 2024, Ms. Chen Meng has appointed as independent non-executive Director of the Company.

With effect from 9 October 2024, Mr. Huang Minzhi has resigned as executive Director of the Company due to his other work arrangement.

With effect from 9 October 2024, Mr. Zhou Ruizhao has resigned as non-executive Director of the Company due to his other work arrangement.

With effect from 21 February 2025, Ms. Li Chunling has appointed as non-executive Director of the Company.

With effect from 21 February 2025, Ms. Zhu Minchun has appointed as non-executive Director of the Company.

Save as disclosed above, there are no other changes of the Directors' information to be disclosed pursuant to Rule 17.50A of the GEM Listing Rules since the date of the 2024 annual report of the Company.

THE BOARD

Responsibilities

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

During the year ended 31 March 2025, all the Directors had carried out duties in good faith and, to their best knowledge and belief, in compliance with applicable laws and regulations, and had acted in the interest of the Company and the Shareholders as a whole at all times.

The Company has arranged appropriate liability insurance in respect of legal action against the Directors. The insurance coverage will be reviewed on an annual basis.

Board composition

During the year ended 31 March 2025 and up to the date of this report, the Directors are as follows:

Executive Directors

Mr. Zeng Weijin (*Chairman and chief executive officer*)

Ms. Ye Jialing

Mr. Huang Minzhi (*resigned on 9 October 2024*)

CORPORATE GOVERNANCE REPORT

Non-executive Directors

Ms. Li Chunling (*appointed on 21 February 2025*)

Ms. Li Xiaoxuan

Ms. Zhang Xiaoling

Ms. Zhu Minchun (*appointed on 21 February 2025*)

Mr. Zhou Ruizhao (*resigned on 9 October 2024*)

Independent non-executive Directors

Ms. Chen Meng (*appointed on 2 May 2024*)

Mr. Lu Shengwei

Dr. Zhou Wenming

The brief biographic details of the Directors are set out in the section headed “Directors and Senior Management” on pages 12 to 15 of this annual report.

The Company had complied with the requirements under Rules 5.05(1) and (2), and 5.05A of the GEM Listing Rules for the year ended 31 March 2025. The Company considers all independent non-executive Directors meet the guidelines for assessment of their independence as set out in Rule 5.09 of the GEM Listing Rules.

Summary of Board Diversity Policy of the Company (the “Policy”)

1. Purpose:

- 1.1 This Policy aims to set out the policy to achieve diversity on the Board of the Group.

2. Vision:

- 2.1 The Group recognises and embraces the benefits of having a diverse Board to enhance the quality of the Company’s performance.

3. Policy statement:

- 3.1 With a view to achieving a balanced and stable development, the Group sees diversity at the Board level as an essential element in achieving balanced development of the Group. In designing the Board’s composition of the Group, Board diversity has comprehensively considered from a number of aspects, including but not limited to gender, age, cultural and educational background or professional experience on the principle of “promotion of the worthy”.

4. Measurable objectives:

- 4.1 Selection of candidates will be based on a range of diversity perspectives, which will include but not limited to gender, age, cultural and educational background or professional experience. The ultimate decision will be based on merit and contribution that the selected candidates will bring to the Group.

5. Review and monitoring:

- 5.1 The Nomination Committee will review the Policy, as and when appropriate, to ensure the effectiveness of the Policy. The Nomination Committee will discuss any revisions that may be required, and recommend any such revisions to the Board for consideration and approval.
- 5.2 Details of the policy and any measurable objectives designed for it will be disclosed in the annual report of the Group. The Group has adopted a policy to diversify the membership of the Board.

CORPORATE GOVERNANCE REPORT

The Group recognises and embraces the benefits of having a diverse Board to enhance the quality of its performance. The Board composition of the Group is based on a range of diverse perspectives, and candidates will be selected from several aspects, including but not limited to gender, age, cultural and educational background or professional experience on the principle of “promotion of the worthy”.

During the Year and at the date of this report, the Board has nine Directors, one of which is a female. The table below further describes the degree of diversity of the Board:

Name of directors	Age Distribution		Gender	
	21-40	41-60	Male	Female
Mr. Zeng Weijin		✓	✓	
Ms. Ye Jialing	✓			✓
Mr. Huang Minzhi <i>(resigned on 9 October 2024)</i>		✓	✓	
Ms. Li Chunling <i>(appointed on 21 February 2025)</i>	✓			✓
Ms. Li Xiaoxuan	✓			✓
Ms. Zhang Xiaoling	✓			✓
Ms. Zhu Minchun <i>(appointed on 21 February 2025)</i>	✓			✓
Mr. Zhou Ruizhao <i>(resigned on 9 October 2024)</i>	✓		✓	
Ms. Chen Meng <i>(appointed on 2 May 2024)</i>	✓			✓
Mr. Lu Shengwei	✓		✓	
Dr. Zhou Wenming		✓	✓	

Name of directors	Education background			Professional experience		
	Management	Legal and/or Finance	Others	Legal and/or Finance	Investment and Assets/Risks Management	Others
Mr. Zeng Weijin			✓	✓	✓	
Ms. Ye Jialing	✓				✓	
Mr. Huang Minzhi <i>(resigned on 9 October 2024)</i>	✓				✓	
Ms. Li Chunling <i>(appointed on 21 February 2025)</i>		✓		✓		
Ms. Li Xiaoxuan	✓					✓
Ms. Zhang Xiaoling			✓			✓
Ms. Zhu Minchun <i>(appointed on 21 February 2025)</i>			✓		✓	
Mr. Zhou Ruizhao <i>(resigned on 9 October 2024)</i>			✓		✓	
Ms. Chen Meng <i>(appointed on 2 May 2024)</i>			✓			✓
Mr. Lu Shengwei				✓		
Dr. Zhou Wenming			✓		✓	

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

CORPORATE GOVERNANCE REPORT

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

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

DIRECTORS' INDUCTION AND CONTINUING PROFESSIONAL DEVELOPMENT

Each newly appointed Director will receive a formal, comprehensive and tailored induction on the first occasion of his appointment to ensure that he/she has a proper understanding of the Company's operations and business and is fully aware of the Director's responsibilities under the statutes and common law, the GEM Listing Rules, legal and other regulatory requirements and the Company's business and governance policies.

All Directors confirmed to comply with the provision of the code provision A.6.5 of the Code in relation to continuous professional development during the year. In doing so, the Directors have undertaken various forms of activities relevant to the Company's business, Directors' duties and responsibilities.

The record of continuous professional development relating to director's duties and regulatory and business development that have been received by the Directors during the year ended 31 March 2025 are summarised as follows:

Name of Directors	Type of trainings
Mr. Zeng Weijin	A, B
Ms. Ye Jialing	A, B
Mr. Huang Minzhi (<i>resigned on 9 October 2024</i>)	B
Ms. Li Chunling (<i>appointed on 21 February 2025</i>)	B
Ms. Li Xiaoxuan	B
Ms. Zhang Xiaoling	B
Ms. Zhu Minchun (<i>appointed on 21 February 2025</i>)	B
Mr. Zhou Ruizhao (<i>resigned on 9 October 2024</i>)	B
Ms. Chen Meng (<i>appointed on 2 May 2024</i>)	B
Mr. Lu Shengwei	B
Dr. Zhou Wenming	B

A: attending seminars/conferences/forums/training sessions

B: reading newspapers, journals and updates relating to the economy, general business, corporate governance and Directors' duties and responsibilities

CORPORATE GOVERNANCE REPORT

APPOINTMENT, RE-ELECTION AND RETIREMENT OF THE DIRECTORS

In accordance with article 108 of the articles of association (the “**Articles**”) of the Company, at each annual general meeting (the “**AGM**”), one third of the Directors for the time being shall retire from office by rotation. However, if the number of Directors is not a multiple of three, then the number nearest to but not less than one third shall be the number of retiring Directors.

In accordance with article 112 of the Articles, any Director so appointed by the Board to fill a casual vacancy of the Board shall hold office only until the first general meeting of the Company after his/her appointment and be subject to re-election at such meeting. Any Director so appointed by the Board shall not be taken into account in determining the Directors or the number of Directors who are to retire by rotation at the AGM.

Each of the Directors has been appointed for an initial term of three years until terminated by either party giving not less than three months’ written notice to the other. Pursuant to the Articles, Ms. Li Chunling, Ms. Li Xiaoxuan, Ms. Zhang Xiaoling, Ms. Zhu Minchun and Mr. Lu Shengwei will retire from office as Directors at the forthcoming AGM, and being eligible, will offer themselves for re-election.

DELEGATION BY THE BOARD

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

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

BOARD MEETINGS AND PROCEDURES

Board members will be provided with complete, adequate and timely information to allow them to fulfill their duties properly. In compliance with code provision A.1.3 of the Code, at least 14 days’ notice will be given for a regular Board meeting to give all Directors an opportunity to attend. Notice, agenda and board papers for regular Board meetings are sent to all Directors within a reasonable time and at least 3 days prior to the meetings. Directors are free to contribute and share their views at meetings and major decisions will only be taken after deliberation at Board meetings. Directors who are considered conflict of interest or material interests in the proposed transactions or issues to be discussed will not be counted in the quorum of the meeting and will abstain from voting on the relevant resolutions. Full minutes are prepared after the meetings, and the draft minutes are sent to all Directors for their comments before the final version of which are endorsed in the subsequent Board meeting.

CORPORATE GOVERNANCE REPORT

Details of the attendance of the Board meetings, the Audit Committee meetings, the Remuneration Committee meetings, the Nomination Committee meetings and general meetings of the Company held during the year ended 31 March 2025 are summarised as follows:

	Board meeting	Audit committee meeting	Remuneration committee meeting	Nomination committee meeting	General meeting
Executive Directors					
Mr. Zeng Weijin	12/13	N/A	3/3	4/4	1/1
Ms. Ye Jialing	13/13	N/A	N/A	N/A	1/1
Mr. Huang Minzhi (<i>resigned on 9 October 2024</i>)	6/13	N/A	N/A	N/A	1/1
Non-executive Directors					
Ms. Li Chunling (<i>appointed on 21 February 2025</i>)	1/13	N/A	N/A	N/A	0/1
Ms. Li Xiaoxuan	11/13	N/A	N/A	N/A	1/1
Ms. Zhang Xiaoling	11/13	N/A	N/A	N/A	1/1
Ms. Zhu Minchun (<i>appointed on 21 February 2025</i>)	1/13	N/A	N/A	N/A	0/1
Mr. Zhou Ruizhao (<i>resigned on 9 October 2024</i>)	5/13	N/A	N/A	N/A	1/1
Independent non-executive Directors					
Ms. Chen Meng (<i>appointed on 2 May 2024</i>)	10/13	3/4	2/3	3/4	1/1
Mr. Lu Shengwei	11/13	4/4	N/A	N/A	1/1
Dr. Zhou Wenming	11/13	4/4	3/3	4/4	1/1

BOARD COMMITTEES

The Board has established specific committees, namely the Audit Committee, the Remuneration Committee and the 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 of the Audit Committee, the Remuneration Committee and the Nomination Committee are posted on the respective websites of the Stock Exchange and the Company.

AUDIT COMMITTEE

The Company established an Audit Committee on 26 March 2018 in compliance with the GEM Listing Rules. The Company has adopted written terms of reference in compliance with Rule 5.28 and code provision C.3.3 of the Code as set out in Appendix 15 to the GEM Listing Rules. The primary duties of the Audit Committee are mainly to make recommendations to the Board on the appointment and removal of external auditor; monitor the integrity of the financial statements, annual reports and interim reports and review significant financial reporting judgements contained therein; and oversee financial reporting system, risk management and internal control procedures.

As at 31 March 2025, the Audit Committee consists of three members who are Mr. Lu Shengwei (an independent non-executive Director and chairman), Ms. Chen Meng (an independent non-executive Director) and Dr. Zhou Wenming (an independent non-executive Directors).

The Audit Committee held 4 meetings for the year ended 31 March 2025. Details of the attendance of the Audit Committee meeting are set out above.

CORPORATE GOVERNANCE REPORT

During the meetings, the Audit Committee:

- reviewed the financial results of the Group for the year ended 31 March 2024, for the six months ended 30 September 2024 as well as the relevant financial reports;
- reviewed the audit report prepared by the external auditor relating to accounting issues and major findings in course of audit;
- reviewed the financial reporting system, compliance procedures, risk management and internal control systems (including the adequacy of resources, staff qualifications, training programmes and budget of the Company's accounting and financial reporting function), risk management systems and processes and the reappointment of the external auditor; the Board had not deviated from any recommendation given by the Audit Committee on the selection, appointment, resignation or dismissal of the external auditor.

REMUNERATION COMMITTEE

The Company established a Remuneration Committee on 26 March 2018 in compliance with the GEM Listing Rules. The Company has adopted written terms of reference in compliance with code provision B.1.2 of the Code as set out in Appendix 15 to the GEM Listing Rules. The primary duties of the Remuneration Committee are mainly to make recommendations to its Board on the overall remuneration policy and structure relating to all Directors and senior management of the Group; review remuneration proposals of the management with reference to the Board's corporate goals and objectives; and ensure none of its directors or any of their associates determine their own remuneration.

As at 31 March 2025, the Remuneration Committee consists of three members who are Dr. Zhou Wenming (an independent non-executive Director and chairman), Ms. Chen Meng (an independent non-executive Director) and Mr. Zeng Weijin (an executive Director). The majority of the members of the Remuneration Committee are independent non-executive Directors.

The remuneration of the Directors was determined with reference to, among other things, their duties, responsibilities and performance. The Remuneration Committee makes recommendations to the Board on remuneration packages of individual Directors and the members of senior management.

The Remuneration Committee held 3 meetings for the year ended 31 March 2025. Details of the attendance of the Remuneration Committee meeting are set out above.

During the meetings, the Remuneration Committee:

- reviewed and approved the remuneration of directors and senior management of the Company for the year ended 31 March 2024;
- proposed Remuneration Policy and Structure for Directors and Senior Management of the Company for the year ended 31 March 2024; and
- reviewed and approved the remuneration of directors appointed during the year ended 31 March 2025.

CORPORATE GOVERNANCE REPORT

NOMINATION COMMITTEE

The Company established a Nomination Committee on 26 March 2018. The Company has adopted written terms of reference in compliance with code provision A.5.2 of the Code as set out in Appendix 15 to the GEM Listing Rules. The primary duties of the Nomination Committee are to review the structure, size, composition and diversity of the Board and make recommendations to the Board on the selection of individuals nominated for directorships, appointments or reappointment of Directors and succession planning for Directors.

As at 31 March 2025, the Nomination Committee consists of two members who are Mr. Zeng Weijin (an executive Director and Chairman), Ms. Chen Meng (an independent non-executive Director) and Dr. Zhou Wenming (an independent non-executive Directors). The majority of the members of the Nomination Committee are independent non-executive Directors.

The Nomination Committee held 4 meetings for the year ended 31 March 2025. Details of the attendance of the Nomination Committee meeting are set out above.

During the meetings, the Nomination Committee:

- to review the structure, size, composition and diversity of the Board;
- to assess the independence of the independent non-executive Directors; and
- proposed and approved the changes of directors and submitted to the board of directors for approval.

Nomination policy

The Board of the Company adopted the nomination policy on 25 December 2018 as follows:

1. Goal

- 1.1 The Nomination Committee shall nominate suitable candidates to the Board for it to consider and make recommendations to the shareholders of the Company (the “**Shareholders**”) for election as Directors at general meetings or appoint as Directors to fill casual vacancies.
- 1.2 The Nomination Committee may nominate suitable number of candidates that it considers to be appropriate for election as Directors at general meetings or nominate the number of candidates who are required to fill casual vacancies.

2. Selection criteria

- 2.1 In assessing the suitability of a proposed candidate, the Nomination Committee would consider the following factors:
 - (a) reputation for integrity;
 - (b) experience in business strategy, management, legal and financial aspects;
 - (c) whether the proposed candidate is able to assist the Board in effective performance of its responsibilities;

CORPORATE GOVERNANCE REPORT

- (d) the perspectives and skills that the proposed candidate is expected to bring to the Board;
- (e) commitment in respect of available time and relevant interest;
- (f) diversity in all aspects of the Board, including but not limited to gender, age, cultural background, educational background, ethnicity, professional experience, skills, knowledge and length of service; and
- (g) in the case of selection for independent non-executive Directors, the independence of the proposed candidate.

The above factors are for reference only, and not meant to be exhaustive and decisive. The Nomination Committee has the discretion to nominate any person, as it considers appropriate.

- 2.2 The proposed candidate shall submit the required personal data in the agreed format and his/her written consent to be appointed as a Director and agree to the public disclosure of his/her personal data on any documents or the relevant websites for the purpose of or in relation to his/her appointment as a Director.
- 2.3 The Nomination Committee may request the proposed candidate to provide additional information and documents, if considered necessary.

3. Nomination procedure

- 3.1 The secretary of the Nomination Committee shall call a meeting of the Nomination Committee, and invite nominations of candidates from Board members, if any, for consideration by the Nomination Committee prior to its meeting. Alternatively, the Nomination Committee may approve the nomination by a written resolution.
- 3.2 For filling a casual vacancy on the Board, the Nomination Committee shall recommend candidates for the Board's consideration and approval. For a proposed candidate to stand for election at a general meeting, the Nomination Committee shall make a nomination to the Board for its consideration and recommendation of the proposed candidate to stand for election.
- 3.3 Until the issue of the circular to Shareholders, the proposed candidates shall not assume that they have been proposed by the Board to stand for election at the general meeting.
- 3.4 According to the articles of association of the Company, and without violating its provisions, any one or more shareholders may send a notice indicating that they intend to put forward a proposal on recommendation of selecting someone as a Director without having to be recommended by the Board or nominated by the Nomination Committee.
- 3.5 The Board shall have the final decision on all matters relating to its recommendation of candidates to stand for election at any general meeting.

CORPORATE GOVERNANCE REPORT

4. Confidentiality

Unless required by law or any regulatory authority, under no circumstances shall a member of the Nomination Committee or a staff member of the Company disclose any information to or entertain any enquiries from the public with regard to any nomination or candidature before the circular to Shareholders, as the case may be, is issued. Following the issue of the circular by the Company, the Nomination Committee, the company secretary of the Company or other staff members of the Company approved by the Nomination Committee may answer enquiries from the regulatory authorities or the public but confidential information regarding nominations and candidates should not be disclosed.

INDEPENDENT NON-EXECUTIVE DIRECTORS

All independent non-executive Directors have been appointed for a fixed term. Pursuant to the letters of appointment between the Company and the independent non-executive Directors of the Group, the independent non-executive Directors have been appointed for a term of three years which may be terminated by either party by giving three months' written notice. Every Director is subject to re-election on retirement by rotation in accordance with the Articles.

CORPORATE GOVERNANCE FUNCTION

The Board recognises that corporate governance should be the individual and collective responsibility of the Directors which includes:

- (a) to review and monitor the Company's policies and practices on compliance with legal and regulatory requirements;
- (b) to review and monitor the training and continuous professional development of the Directors and senior management;
- (c) to develop, review and monitor the codes of conduct and compliance manuals applicable to employees and the Directors;
- (d) to develop and review the Company's policies and practices on corporate governance and make recommendations to the Board and report to the Board on such matters;
- (e) to review the Company's compliance with corporate governance and disclosure in the corporate governance report; and
- (f) to review and monitor the Company's compliance with the Company's whistleblowing policy.

COMPANY SECRETARY

The Company's company secretary, Mr. Cheng Wai Hei, coordinates the supply of information to the Directors and is the primary contact person within the Company for all matters relating to the duties and responsibilities of the company secretary. All Directors have access to the company secretary to ensure that Board procedures and all applicable laws, rules and regulations are followed.

CORPORATE GOVERNANCE REPORT

All Directors have access to the advice and services of the company secretary. The company secretary reports to the Chairman on Board governance matters, and is responsible for ensuring that Board procedures are followed, and for facilitating communications among Directors as well as with the Shareholders and management. During the year ended 31 March 2025, the company secretary had taken no less than 15 hours of relevant professional training.

For his biographical details, please refer to the section headed "Directors and Senior Management" in this annual report.

COMPLIANCE OFFICER

Mr. Zeng Weijin has been appointed as the compliance officer of the Company on 4 November 2022. For his biographical details, please refer to the section headed "Directors and Senior Management" in this annual report.

SENIOR MANAGEMENT'S REMUNERATION

The senior management's remuneration payment of the Group during the year ended 31 March 2025 falls within the following bands:

No. of individual	
HK\$1,000,001 to HK\$1,500,000	1

DIRECTORS' RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Directors are responsible for the preparation of the consolidated financial statements of the Group for each financial period to give a true and fair view of the state of affairs of the Group and of the results and cash flows for that period in accordance with accounting principles generally accepted in Hong Kong. The statement by the auditor of the Company about its responsibilities for the financial statements is set out in the independent auditor's report contained in the annual report. The Directors adopt the going concern approach in preparing the consolidated financial statements and are not aware of any material uncertainties relating to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

EXTERNAL AUDITORS' REMUNERATION

For the year ended 31 March 2025, the total remuneration paid/payable to the Group's external auditors amounted to HK\$850,000.

RISK MANAGEMENT AND INTERNAL CONTROL

The Directors confirmed that during the ordinary course of the Company's business, the Company are exposed to various types of risks, including (i) control risks relating to the Company's overall monitoring system; (ii) regulatory risks in relation to the Company's business; (iii) operational risk; and (iv) credit risks relating to assets.

CORPORATE GOVERNANCE REPORT

The Company has designed and implemented risk management policies to address these potential risks identified in relation to its business. The risk management system of the Company sets out procedures to identify, analyse, assess, mitigate and monitor any potential risks. Its chief executive officer is responsible for overseeing the overall risk management system of the Company and each department carries out their own risk management identification exercise and proposes risk response plan according to the Company's overall risk assessment program. Each department is required to set up appropriate risk management strategies based on the risk identified and their proposed risk response plan and is responsible for the implementation and supervision. For material deficiency or risks identified, the relevant departments should report the situation to the Board for further investigation, internal control, review, enhancement and supervision.

For the year ended 31 March 2025, the Group had not experienced any non-compliance incidents that had or would reasonably be expected to have a material financial or operational impact on its business or would negatively affect the Directors' or senior management's ability or tendency to operate in a compliant matter.

The Directors are responsible for establishing the Company's internal control system and reviewing its effectiveness on an annual basis. In accordance with the applicable laws and regulations, the Company has established procedures for developing and maintaining its internal control system, covering areas such as corporate governance, operations, management, legal, finance and audit. The Company believes that its internal control system is sufficient in terms of comprehensiveness, practicability and effectiveness for its current business operation. To strengthen its internal control and ensure future compliance with the applicable laws and regulations (including the GEM Listing Rules), the Company has adopted the following additional internal control measures:

- (1) the Directors will continuously monitor, evaluate and review the internal control system of the Company to ensure compliance with the applicable legal and regulatory requirements and will adjust, refine and enhance its internal control system as appropriate;
- (2) the Company will provide training and updates on the legal and regulatory requirements applicable to its business operations to Directors, members of senior management and relevant employees of the Company from time to time;
- (3) if necessary, the Company may consider appointing external PRC legal advisers to advise the Company on matters relating to compliance with the applicable PRC laws and regulations; and
- (4) if necessary, the Company may consider appointing external Hong Kong legal advisers to advise the Company on matters relating to compliance with the GEM Listing Rules and the applicable Hong Kong laws and regulations.

The Company has also adopted relevant procedures and internal controls for the handling and dissemination of inside information to ensure inside information remains confidential until the disclosure of such information is appropriately approved, and the dissemination of such information is efficiently and consistently made.

In light of the foregoing and based on the findings and recommendations of the work performed by the internal control consultant, the Directors reviewed the Group's risk management and internal control systems during the year ended 31 March 2025 and are of the view that the Group's risk management and internal control systems are adequate and effective.

CORPORATE GOVERNANCE REPORT

THE SHAREHOLDERS' RIGHTS TO CONVENE AN EXTRAORDINARY GENERAL MEETING

Pursuant to article 64 of the Articles, extraordinary general meetings shall be convened on the requisition of 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 to vote at general meetings. Such a requisition shall be made in writing to the Board or the company secretary of the Company for the purpose of requiring 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 2 months after the deposit of such requisition. If within 21 days of such deposit, the Board fails to proceed to convene such meeting, the requisitionist(s) himself (themselves) may do so in the same manner.

COMMUNICATIONS WITH SHAREHOLDERS AND INVESTORS

In order to keep shareholders well informed of the business activities and direction of the Group, information about the Group has been provided to the shareholders through financial reports and announcements. The Company has established its own corporate website (www.minfuintl.com) as a channel to facilitate effective communication with its shareholders and the public. The Company will continue to enhance communications and relationships with its shareholders and investors. A shareholders' communication policy was adopted on 20 April 2018 to comply with code provision E.1.4 of the Code.

Shareholders, investors and interested parties can make enquiries directly to the Company through the following e-mail: info@minfuintl.com.

PROCEDURES FOR DIRECTING SHAREHOLDERS' ENQUIRIES TO THE BOARD

Shareholders may at any time send their enquiries and concerns to the Board in writing. Contact details are as follows:

Min Fu International Holding Ltd.

Address: Room 1911, Lee Garden One, 33 Hysan Avenue, Causeway Bay, Hong Kong

E-mail: info@minfuintl.com

Shareholders' enquiries and concerns will be forwarded to the Board and/or relevant committees of the Board, where appropriate, to answer the shareholders' questions.

PROCEDURES FOR PUTTING FORWARD PROPOSALS AT GENERAL MEETINGS BY SHAREHOLDERS

Pursuant to article 113 of the Articles, no person (other than a retiring Director) shall, unless recommended by the Board for election, be eligible for election to the office of Director at any general meeting unless a notice in writing of the intention to propose that person for election as a Director and notice in writing by that person of his willingness to be elected shall have been lodged at the head office or at the office of the branch share registrar of the Company in Hong Kong no earlier than the day after the despatch of the notice of the general meeting appointed for such election and end no later than 7 days prior to the date of such general meeting and the minimum length of the period during which such notices to the Company may be given will be at least 7 days. The procedures for shareholders to propose a person for election as a Director is posted on the website of the Company.

DIRECTORS' REPORT

The Company presents herewith this report of the Directors together with the audited consolidated financial statements of the Group for the year ended 31 March 2025.

SHARE STRUCTURE

The Company was incorporated in the Cayman Islands as an exempted company on 23 June 2017 with limited liability as a holding company of the Group. The authorised share capital of the Company was 125,000,000 ordinary shares of par value of US\$0.004 each. As at 31 March 2025, the Company has 25,914,329 shares in issue.

PLACING OF NEW SHARES OF THE COMPANY UNDER GENERAL MANDATE

Placing of 132,960,000 placing shares

On 13 August 2024 the Company entered into a placing agreement (the **"Placing Agreement 1"**) with a sole placing agent, pursuant to which the Company appointed the sole placing agent as its agent to procure not less than six placees who were independent third parties to subscribe up to 143,978,636 ordinary Shares (the **"Placing 1"**) at the placing price of HK\$0.024 (the **"Placing Price 1"**) per Share, representing approximately 16.67% of the issued share capital of the Company as immediately after the completion of the Placing 1.

The Placing Price 1 of HK\$0.024 per placing share represents (i) a discount of approximately 14.29% to the closing price of HK\$0.028 per Share as quoted on the Stock Exchange on the date of the Placing Agreement; and (ii) a discount of approximately 16.67% to the average of the closing prices per Share of HK\$0.0288 as quoted on the Stock Exchange for the last five consecutive trading days immediately prior to the date of the Placing Agreement.

The Placing 1 was completed on 28 August 2024 in accordance with the terms and conditions of the Placing Agreement. An aggregate of 143,960,000 placing shares (the **"Placing Shares 1"**), representing approximately 16.66% of the issued share capital of the Company immediately after the completion of the Placing 1, have been successfully placed to not less than six placees at the Placing Price 1 of HK\$0.024 per Placing Share 1.

The net proceeds derived from the placing amounted to approximately HK\$3,292,000 and resulted in an increase in share capital of approximately HK\$112,000 and share premium of approximately HK\$3,180,000, net of transaction costs of approximately HK\$163,000.

For details of the Placing, please refer to the announcements of the Company dated 13 August 2024 and 27 August 2024.

Placing of 4,318,000 placing shares

On 12 December 2024 the Company entered into a placing agreement (the **"Placing Agreement 2"**) with a sole placing agent, pursuant to which the Company appointed the sole placing agent as its agent to procure not less than six placees who were independent third parties to subscribe up to 4,318,000 ordinary Shares (the **"Placing 2"**) at the placing price of HK\$0.85 (the **"Placing Price 2"**) per Share, representing approximately 16.66% of the issued share capital of the Company as immediately after the completion of the Placing 2.

DIRECTORS' REPORT

The Placing Price 2 of HK\$0.85 per placing share represents (i) a discount of approximately 5.56% to the closing price of HK\$0.90 per Share as quoted on the Stock Exchange on the date of the Placing Agreement 2; and (ii) a discount of approximately 8.21% to the average of the closing prices per Share of HK\$0.926 as quoted on the Stock Exchange for the last five consecutive trading days immediately prior to the date of the Placing Agreement 2.

The Placing 2 was completed on 27 December 2024 in accordance with the terms and conditions of the Placing Agreement 2. An aggregate of 4,318,000 placing shares (the **"Placing Shares 2"**), representing approximately 16.66% of the issued share capital of the Company immediately after the completion of the Placing 2, have been successfully placed to not less than six placees at the Placing Price 2 of HK\$0.85 per Placing Share 2.

The net proceeds derived from the placing amounted to approximately HK\$3,572,000 and resulted in the increase in share capital of approximately HK\$135,000 and share premium of approximately HK\$3,437,000, net of transaction costs of approximately HK\$98,000.

For details of the Placing 2, please refer to the announcements of the Company dated 12 December 2024 and 27 December 2024.

PRINCIPAL ACTIVITIES

The Company is an investment holding company. The principal activities of the Group consist of (i) smart manufacturing solutions business; and (ii) burial business in the PRC.

The activities and particulars of the Company's subsidiaries are shown under note 31 to the Financial Statements.

BUSINESS REVIEW AND FUTURE BUSINESS DEVELOPMENT

The business review and future business development of the Group for the year ended 31 March 2025 is set out in the sections headed "Chairman's Statement" and "Management Discussion and Analysis" of this annual report.

Risks and uncertainties

The principal risks and uncertainties facing the Group have been addressed in the section headed "Management Discussion and Analysis" on pages 5 to 11 of this annual report. In addition, various financial risks have been disclosed in note 3 to the consolidated financial statements.

An analysis using financial key performance indicators

An analysis of the Group's performance during the year ended 31 March 2025 using financial performance indicators is provided in the section headed "Financial Summary" on page 126 of this annual report.

Environmental protection

The Group recognises its responsibility to protect the environment from its business activities. The Group has endeavoured to comply with laws and regulations regarding environmental protection and encourages environmental protection and promotes awareness towards environmental protections among its staff and employees.

DIRECTORS' REPORT

Compliance with laws and regulations

The Group recognises the importance of compliance with regulatory requirements and risks of non-compliance with such requirements. The Group has on-going review the newly enacted laws and regulations affecting the operations of the Group. The Group is not aware of any material non-compliance with the laws and regulations that have significant impact on the business of the Group during the year ended 31 March 2025.

KEY RELATIONSHIP WITH EMPLOYEES, CUSTOMERS AND SUPPLIERS

The Company maintained good relationships with its employees and the Company had not experienced any significant disputes with its employees nor had there been any material and adverse disruptions to its business operations as a result of strikes, claims, litigation or other labour disputes.

During the year ended 31 March 2025, there was no dispute on salary payments and all accrued remunerations were settled on or before their respective due dates, as stipulated under the individual employee's employment contract. The Group also ensures that all the employees are reasonably remunerated by regular review of the policies on salary increment, promotion, bonus, allowances and all other related benefits.

The Company maintained good relationships with its customers. The Company believes that delivering quality solutions to its end customers is important to its reputation and to its customer relationships. The Company has implemented stringent quality control measures in every major stage of the project in order to provide high quality smart manufacturing solutions.

The Group also maintained good relationships with its suppliers. During the year ended 31 March 2025, no complaint was received from the suppliers, there were no disputed debts or unsettled debts and all the debts were settled on or before due dates or a later date as mutually agreed.

During the year ended 31 March 2025, the Company did not have any material return to its suppliers or any material return from its customers. In view of the above and as at 31 March 2025, there was no circumstance or any event which would have a significant impact on the Group's business.

EMPLOYEES AND EMOLUMENT POLICIES

The Group had 32 employees (including executive Directors) as at 31 March 2025 (2023: 27 employees). The Company relies on its employees to provide smart manufacturing solutions to its customers. In order to recruit, develop and retain talented employees, the Group offers competitive remuneration packages to its staff, including internal promotion opportunities and performance-based bonus. The Company generally has a fixed-term employment contract with its employees such as administrative and finance staff and the Company generally renews the employment contract with such employees on a yearly basis.

The Group also reviews the performance of the Group's staff periodically and considers the result of such a review for staff's annual bonus, salary review and promotion appraisal. The Company has also adopted a share option scheme, details of which are set out on pages 38 to 40 of this annual report.

The Remuneration Committee shall make recommendations to the Board on the overall remuneration policy and structure relating to all Directors and senior management; review remuneration proposals of the management with reference to the Board's corporate goals and objectives; and ensure none of the Directors or any of their associates determine their own remuneration.

DIRECTORS' REPORT

RESULTS AND APPROPRIATIONS

The financial results of the Group for the year ended 31 March 2025 are set forth in the audited consolidated statement of comprehensive income on page 49 of this annual report. The Board did not recommend the payment of a final dividend for the year ended 31 March 2025 (2023: nil).

FINANCIAL SUMMARY

A summary of the published results and assets and liabilities of the Group for the last five financial years is set out on page 126 of this annual report. This summary does not form part of the audited consolidated financial statements in this annual report.

RESERVES

Movements in reserves of the Group during the year ended 31 March 2025 are set out in the consolidated statements of changes in equity on page 52 of this annual report.

DISTRIBUTABLE RESERVES

Pursuant to applicable statutory provisions of the Cayman Islands, the Company's reserves available for distribution to the shareholders of the Company as at 31 March 2025 amounted to HK\$4.2 million.

SHARE CAPITAL

Details of movements in share capital of the Company during the year ended 31 March 2025 are set out in the paragraph headed "Share Structure" above and note 23 to the consolidated financial statements in this annual report.

DIRECTORS

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

Executive Directors

Mr. Zeng Weijin (*Chairman and chief executive officer*)

Ms. Ye Jialing

Mr. Huang Minzhi (*resigned on 9 October 2024*)

Non-executive Directors

Ms. Li Chunling (*appointed on 21 February 2025*)

Ms. Li Xiaoxuan

Ms. Zhang Xiaoling

Ms. Zhu Minchun (*appointed on 21 February 2025*)

Mr. Zhou Ruizhao (*resigned on 9 October 2024*)

Independent non-executive Directors

Ms. Chen Meng (*appointed on 2 May 2024*)

Mr. Lu Shengwei

Dr. Zhou Wenming

DIRECTORS' REPORT

In accordance with the Articles, at each annual general meeting, one third of the Directors for the time being shall retire from office by rotation. However, if the number of Directors is not a multiple of three, then the number nearest to but not less than one third shall be the number of retiring Directors. The Directors to retire in each year shall be those who have been in office longest since their last re-election or appointment but, as between persons who became or were last re-elected Directors on the same day, those to retire shall (unless they otherwise agree among themselves) be determined by lot.

DIRECTORS' SERVICE CONTRACTS

Each of the executive Directors has entered into a service contract with its Company for a term of three years until terminated by not less than three months' notice in writing served by either party on the other, but subject to the termination provisions set out in the service contract. Pursuant to the letters of appointment between the Company and the non-executive Directors/independent non-executive Directors, each of the non-executive Directors/independent non-executive Directors has been appointed for an initial term of three years until terminated by either party giving not less than three months' written notice to the other expiring at the end of the initial term of their appointment or any time thereafter. The appointments are subject to the provisions of the Articles with regard to the vacation of Directors, removal and retirement by rotation of Directors. None of the Directors who are proposed for re-election at the forthcoming annual general meeting has a service contract with the Company which is not determinable within one year without payment of compensation, other than statutory compensation.

BIOGRAPHIES OF DIRECTORS AND SENIOR MANAGEMENT

The biographical details of the Directors and senior management are disclosed in the section headed "Directors and Senior Management" on pages 12 to 15 of this annual report.

DIRECTORS' REMUNERATIONS

Details of the remunerations of the Directors during the year ended 31 March 2025 are set out in note 8 to the consolidated financial statements in this annual report.

INDEPENDENCE OF INDEPENDENT NON-EXECUTIVE DIRECTORS

The Company has received from each of the independent non-executive Directors an annual confirmation of his independence pursuant to Rule 5.09 of the GEM Listing Rules. The Company considers all of the independent non-executive Directors are independent.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed in this annual report, at no time during the year ended 31 March 2025 was the Company, its holding company, or any of its subsidiaries or fellow subsidiaries a party to any arrangement that would enable the Directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

DIRECTORS' INTEREST IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS

There had been no transaction, arrangement or contract of significance to which the Company, its holding company, or any of its subsidiaries or fellow subsidiaries was a party and in which a Director or an entity connected with the Director is or was materially interested, either directly or indirectly, subsisting during or at the end of the year ended 31 March 2025.

DIRECTORS' REPORT

MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed during the year ended 31 March 2025.

MAJOR CUSTOMERS AND SUPPLIERS

Sales to the Group's five largest customers accounted for approximately 100% and sales to the Group's largest customer amounted to approximately 47.3% of the total revenue for the year ended 31 March 2025, respectively. Purchases from the Group's five largest suppliers accounted for approximately 98.1% and purchases from the Group's largest supplier amounted to approximately 35.4% of the total purchases for the year ended 31 March 2025.

To the best of knowledge of the Directors, neither the Directors, their close associates (as defined in the GEM Listing Rules), nor any shareholders (which to the knowledge of the Directors) owned more than 5% of the Company's issued shares, had any beneficial interest in any of the Group's five largest customers or suppliers during the year ended 31 March 2025.

RELATED PARTY TRANSACTIONS

Related party transactions of the Group during the year ended 31 March 2025 are disclosed in note 33 to the consolidated financial statements in this annual report. They did not constitute connected transactions or continuing connected transactions, which are required to comply with the disclosure requirements in accordance with Chapter 20 of the GEM Listing Rules.

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

None of the Company or any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the year ended 31 March 2025.

DIVIDENDS

The Board did not recommend the payment of any dividend for the year ended 31 March 2025 (2024: nil).

DIRECTORS' REPORT

DIVIDEND POLICY

The Board of the Company adopted the dividend policy on 25 December 2018 as follows:

1. Goal

- 1.1 The Board seeks to maintain a balance between meeting shareholders' expectations and prudent capital management with a sustainable dividend policy (the **"Dividend Policy"**).
- 1.2 Under the Dividend Policy, provided the Group is profitable and without affecting the normal operations of the Group, the Company may declare and pay dividends to the Shareholders.
- 1.3 The Dividend Policy aims to allow Shareholders to participate in the Company's profit and for the Company to retain adequate reserves for future development.

2. Criteria

- 2.1 When proposing to declare dividends, the Board shall consider the followings, inter alia:
 - (a) the actual and expected financial results of the Company and the Group;
 - (b) retained earnings and distributable reserves of the Company and each member of the Group;
 - (c) dividends received from subsidiaries of the Company;
 - (d) the debt-to-equity ratio level, return on equity and related financial covenants of the Group;
 - (e) restrictions on payment of dividends that may be imposed by the Group's lenders;
 - (f) the expected working capital requirements and future expansion plans and prospects of the Group;
 - (g) the general economic and financial conditions, business cycle of the Group and other internal or external factors that may have an impact on the business or financial performance and position of the Company; and
 - (h) any other factors that the Board deems appropriate.

3. Procedure on declaration of dividends

- 3.1 The Dividend Policy and the declaration and/or payment of the dividends under the Dividend Policy in the future shall depend on whether the Board will continue to affirm the Dividend Policy and the declaration and/or payment of dividends is in the best interests of the Group and the Shareholders, and is compliance with all applicable laws and regulations.
- 3.2 The declaration and payment of dividends shall be approved and conducted in accordance with all applicable laws and regulations and the articles of association (as amended from time to time) of the Company.
- 3.3 The declaration and payment of dividends is at the sole discretion of the Board and there is no assurance that dividends will be paid in any particular amount for any given period.

DIRECTORS' REPORT

4. Review of the Dividend Policy

The Board will continually review the Dividend Policy and reserve the right in its sole and absolute discretion to update, amend, modify and/or cancel the Dividend Policy at any time; and the Dividend Policy shall in no way constitute a legally binding commitment by the Company in respect of its future dividend and/or in no way obligate the Company to declare a dividend at any time or from time to time.

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 its existing shareholders.

CONTRACTS OF SIGNIFICANCE

No contract of significance in relation to the Group's business to which any member of the Group was a party and in which a Director had a material interest, whether directly or indirectly, subsisted during and at the end of the year ended 31 March 2025.

No contract of significance (including provision of services) between the Company, or any of its subsidiaries, and a controlling shareholder or any of its subsidiaries subsisted during the year ended 31 March 2025.

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND/OR SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY ASSOCIATED CORPORATION

As at 31 March 2025, none of the Directors and chief executive of the Company had any interests or short positions in the share, underlying shares and debentures of the Company and its associated corporation (within the meaning of Part XV of Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "SFO") which were required (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO; or (b) pursuant to Section 352 of the SFO, to be recorded in the register referred therein; or (c) pursuant to Rule 5.46 of the GEM Listing Rules to be notified to the Company and the Stock Exchange.

DIRECTORS' REPORT

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

So far as was known to the Directors, as at the date of this annual report, the following persons had, or were deemed to have, interests or short positions in the Shares or underlying Shares which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO or who were directly or indirectly interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any member of the Group:

Name of Substantial Shareholder	Long/short position	Capacity	Number of shares	Percentage of interest
Tecway Technology Limited ("Tecway")	Long position	Beneficial interest	3,061,545	11.82%
Mr. Huang Minzhi ("Mr. Huang") (Note 1)	Long position	Interest in a controlled corporation	3,061,545	11.82%

Note:

- (1) Tecway is a company incorporated in the Hong Kong and is wholly-owned by Mr. Huang. Mr. Huang is deemed to be interested in all the Shares held by Tecway for the purpose of the SFO.

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

SHARE OPTION SCHEME

The Company conditionally adopted a share option scheme (the "Share Option Scheme") on 26 March 2018 which took effect on the Listing Date. The following is a summary of the principal terms and conditions of the Share Option Scheme.

1. Purpose of the Share Option Scheme

The purpose of the Share Option Scheme is to recognise the Participants (as defined below) who have contributed to the Group and to provide the Participants an opportunity to have a personal stake in the Company.

2. Who may join

The Directors may, at their discretion, invite Directors (including non-executive Directors and independent non-executive Directors) and employees and any advisers, consultants, suppliers, customers and agents who the Board considers, in its sole discretion, have contributed or will contribute to the Group (the "Participants") to take up options at the subscription price.

DIRECTORS' REPORT

3. Acceptance of an offer of options

An option shall be deemed to have been granted and accepted by the grantee and to have taken effect when the duplicate offer document constituting acceptance of the options duly signed by the grantee, together with a remittance in favour of its Company of HK\$1.00 by way of consideration for the grant thereof, is received by its Company on or before the relevant acceptance date. Such payment shall in no circumstances be refundable. Any offer to grant an option to subscribe for shares may be accepted in respect of less than the number of shares for which it is offered provided that it is accepted in respect of a board lot for dealing in shares on the Stock Exchange or an integral multiple thereof and such number is clearly stated in the duplicate offer document constituting acceptance of the option. To the extent that the offer to grant an option is not accepted by any prescribed acceptance date, it shall be deemed to have been irrevocably declined.

4. Maximum number of shares

The maximum number of shares in respect of which options may be granted (including shares in respect of which options, whether exercised or still outstanding, have already been granted) under the Share Option Scheme and under any other share option schemes of its Company must not in aggregate exceed 10% of the total number of shares in issue, being 40,000,000 shares (the “**Scheme Limit**”), excluding for this purpose shares which would have been issuable pursuant to options which have lapsed in accordance with the terms of the Share Option Scheme (or any other share option schemes of its Company). The total number of shares issued and which may fall to be issued upon exercise of the options granted under the Share Option Scheme and any other share option schemes of its Company (including both exercised, outstanding options and shares which were the subject of options which have been granted and accepted under the Share Option Scheme or any other scheme of its Company but subsequently cancelled (the “**Cancelled Shares**”), to each Eligible Participant in any 12-month period up to the date of grant shall not exceed 1% of the shares in issue as at the date of grant.

5. Subscription price of the shares

The subscription price of a shares in respect of any particular option granted under the Share Option Scheme shall be such a price as the Board in its absolute discretion shall determine, save that such price will not be less than the highest of:

- (i) the closing price of the shares as stated in the Stock Exchange's daily quotation sheets on the date of grant, which must be a day on which the Stock Exchange is open for the business of dealing in securities;
- (ii) the average of the closing prices of the shares as stated in the Stock Exchange's daily quotation sheets for the five Business Days immediately preceding the date of grant; and
- (iii) the nominal value of a shares.

DIRECTORS' REPORT

6. Time of exercise of option and duration of the Share Option Scheme

An option may be exercised in accordance with the terms of the Share Option Scheme at any time after the date upon which the option is deemed to be granted and accepted and prior to the expiry of ten years from that date. The period during which an option may be exercised will be determined by the Board in its absolute discretion, save that no option may be exercised more than ten years after it has been granted. No option may be granted more than ten years after the date of approval of the Share Option Scheme by the shareholders of its Company (the “**Adoption Date**”). Subject to earlier termination by its Company in a general meeting or by the Board, the Share Option Scheme shall be valid and effective for a period of ten years from the Adoption Date.

No options were granted, exercised, cancelled or lapsed and there were no outstanding options from the date of the adoption of the Share Option Scheme to 31 March 2025.

Further particulars of the Share Option Scheme are set out in the section headed “Statutory and General Information – 13. Share Option Scheme” in Appendix IV to the Prospectus.

INTEREST IN COMPETING BUSINESS

For the year ended 31 March 2025, none of the Directors, controlling shareholder or any of their respective close associates (as defined under the GEM Listing Rules) are engaged in any business that competes or may compete, directly or indirectly, with the business of the Group or have any other conflicts of interest with the Group nor are they aware of any other conflicts of interest which any such persons has or may have with the Group.

DIRECTORS' EMOLUMENT POLICY

The Remuneration Committee has been established for reviewing the Group's emolument policy and structure for all remuneration of the Directors and senior management of the Group having regard to the Group's operating results, individual performance and comparable market standards and practices. The Company has adopted a Share Option Scheme as an incentive to the Directors and eligible employees, details of which are set out in the section headed “Share Option Scheme” of this report.

PERMITTED INDEMNITY PROVISION

The Company has arranged for appropriate insurance cover for Directors' and officers' liabilities in respect of legal action against its Directors and senior management arising out of corporate activities. The Company has taken out and maintained directors' and officers' liability insurance throughout the year, which provides appropriate cover for certain legal actions brought against its Directors and officers.

LIMITING CONDITIONS

The Company has assumed the accuracy of, and have relied on the information and management representations provided in arriving at the opinion of value.

The Company assumes that there are no hidden or unexpected conditions associated with the assets valued that might adversely affect the market value.

It is assumed that the assets valued are free from encumbrances, restrictions and outgoings of an onerous nature which could affect their values.

DIRECTORS' REPORT

CONNECTED TRANSACTIONS AND CONTINUING CONNECTED TRANSACTIONS

During the year ended 31 March 2025, the Company had not entered into any connected transactions or continuing connected transactions which are subject to the disclosure requirements under the GEM Listing Rules.

CORPORATE GOVERNANCE

The Company is committed to maintaining a high standard of corporate governance. Information on the corporate governance practices adopted by the Company is set out in the Corporate Governance Report on pages 16 to 29 of this annual report.

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and to the best knowledge of the Directors, the Company has maintained sufficient public float under the GEM Listing Rules during the year ended 31 March 2025.

AUDITOR

The consolidated financial statements for the year ended 31 March 2025 have been audited by McMillan Woods (Hong Kong) CPA Limited, who will retire and being eligible, offer themselves for re-appointment at the forthcoming annual general meeting of the Company.

EVENTS AFTER THE REPORTING PERIOD

The Directors are not aware of any significant event requiring disclosure that has taken place subsequent to 31 March 2025 and up to the date of this annual report.

On behalf of the Board

Mr. Zeng Weijin
Chairman

Hong Kong, 26 June 2025

INDEPENDENT AUDITOR'S REPORT



McMillanWoods

Professionalism at the forefront

**To the Shareholders of
Min Fu International Holding Limited**
(Incorporated in the Cayman Islands with limited liability)

OPINION

We have audited the consolidated financial statements of Min Fu International Holding Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 49 to 125, which comprise the consolidated statement of financial position as at 31 March 2025, and the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of material accounting policy information.

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

MATERIAL UNCERTAINTY RELATED TO GOING CONCERN

We draw attention in the "Going concern" section in note 2.1(a) to the consolidated financial statements, which indicates that the Group incurred a loss of approximately HK\$27,331,000 for the year ended 31 March 2025. In addition, as at 31 March 2025, the Group had cash and cash equivalents of approximately HK\$223,000. These events or conditions indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. In light of the plans and measures detailed in note 2.1(a) to the consolidated financial statements, the directors of the Company are of the opinion that the Group will be able to finance its future working capital and financial requirements at least in the coming twelve months from 31 March 2025. Our opinion is not modified in respect of this matter.

INDEPENDENT AUDITOR'S REPORT

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the Material Uncertainty Related to Going Concern, the key audit matters we identified are:

- 1) Impairment assessment on trade and other receivables; and
- 2) Impairment assessment on non-financial assets.

Impairment assessment on trade and other receivables

Key audit matter

Refer to the summary of material accounting policy information in note 2, critical judgements and key sources of estimation uncertainty in note 4, and relevant disclosures in notes 3.1.2, 18 and 20 to the consolidated financial statements.

As at 31 March 2025, the Group had trade receivables of approximately HK\$13,158,000 and deposits and other receivables of approximately HK\$5,324,000. The Group has recognised an impairment loss of trade receivables of approximately HK\$5,181,000 and impairment loss of other receivables of approximately HK\$426,000 during the year ended 31 March 2025.

The measurement of impairment loss under the expected credit losses ("ECLs") model is determined by the management through the application of judgement and increased complexity which include the identification of exposures with a significant deterioration in credit quality and assumptions used in the ECLs model, such as the probability of default, loss given default and forward-looking macroeconomic factors.

How our audit addressed the key audit matter

Our key audit procedures in relation to impairment assessment on trade and other receivables included:

- Obtaining an understanding of and evaluating the Group's credit policies and internal control on ECLs assessment;
- Selecting samples to assess the reasonableness of management judgements and estimates on whether the credit risk on other receivables has increased significantly since initial recognition and whether credit impairment has occurred;
- Obtaining and testing the accuracy of trade receivables ageing analysis as at 31 March 2025, on a sample basis;

INDEPENDENT AUDITOR'S REPORT

KEY AUDIT MATTERS *(CONTINUED)*

Impairment assessment on trade and other receivables *(Continued)*

Key audit matter

We identified the impairment assessment on trade and other receivables as a key audit matter due to the significance of trade and other receivables to the Group's consolidated statement of financial position and the involvement of subjective judgements and management estimations in evaluating the ECLs of the Group's trade and other receivables at the end of the reporting period.

How our audit addressed the key audit matter

- Assessing the external valuers' qualifications, experience and expertise and considering their objectivity;
- Obtaining and inspecting the valuation report and model prepared by the external valuers engaged by the Group on which the impairment assessment on trade and other receivables were based;
- Evaluating, together with auditor's expert, the reasonableness of the Group's ECL methodology and related parameters, including the probability of default, loss given default and forward looking information;
- Recalculating the amount of the impairment loss on trade and other receivables and assessing the appropriateness and adequacy of the impairment as at 31 March 2025; and
- Reviewing the appropriateness of the disclosure of credit risk exposure and ECLs in the consolidated financial statements.

INDEPENDENT AUDITOR'S REPORT

KEY AUDIT MATTERS (CONTINUED)

Impairment assessment on non-financial assets

Key audit matter

Refer to the summary of material accounting policy information in note 2, critical judgements and key sources of estimation uncertainty in note 4, and relevant disclosures in notes 13, 15 and 21 to the consolidated financial statements.

As at 31 March 2025, the Group recognised impairment losses on plant and equipment and intangible assets of approximately HK\$3,134,000 and HK\$968,000 respectively, and a reversal of impairment loss on prepayments of approximately HK\$1,366,000.

The management of the Group has performed an impairment review in accordance with Hong Kong Accounting Standard 36 ("HKAS 36") Impairment of Assets in relation to the Group's non-financial assets.

As at 31 March 2025, the recoverable amount of the cash-generating unit of the equipment manufacturing business (the "Equipment CGU") was determined by management of the Group and based on value-in-use calculations using cash flow projections. Independent external valuations were obtained in order to support management's estimates.

We identified the impairment assessment on non-financial assets as a key audit matter due to significance of non-financial assets to the Group's consolidated statement of financial position and the required exercise of significant judgements and high level of estimation uncertainty by management of the Group concerning the cash flow projections and other key inputs on the estimation of the recoverable amount of the Equipment CGU to which non-financial assets have been allocated.

How our audit addressed the key audit matter

Our key audit procedures in relation to impairment assessment on non-financial assets included:

- Understanding the key internal controls over preparation of the cash flow projections on which the estimation of the recoverable amount of the Equipment CGU is based;
- Assessing and challenging the Group's identification of the Equipment CGU and the allocation of non-financial assets to the Equipment CGU with reference to the requirements of HKAS 36;
- Assessing the external valuers' qualifications, experience and expertise and considering their objectivity;
- Obtaining and inspecting the valuation report and model prepared by the external valuers engaged by the Group on which the impairment assessment on non-financial assets were based;
- With the assistance of auditor's expert, evaluating the methodology used in the determination of the recoverable amount of the Equipment CGU, challenging the key assumptions and critical judgements made in the preparation of the discounted cash flow projections prepared by management of the Group by comparing key inputs, with historical performance, management's budgets and forecasts and other external available information, and evaluating the discount rate applied in the discounted cash flow projections by assessing if the parameters adopted in calculating the discount rate was within the range of relevant industry; and
- Evaluating the adequacy of disclosures in respect of the impairment of non-financial assets in the consolidated financial statements.

INDEPENDENT AUDITOR'S REPORT

OTHER INFORMATION

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

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

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

RESPONSIBILITIES OF DIRECTORS AND AUDIT COMMITTEE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with HKFRS Accounting Standards issued by the HKICPA and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors of the Company 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 of the Company 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 of the Company 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 of the Company in discharging their responsibilities for overseeing the Group's financial reporting process.

INDEPENDENT AUDITOR'S REPORT

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

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

As part of an audit in accordance with HKSAs, we exercise professional judgement and maintain professional 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 of the Company.
- Conclude on the appropriateness of the Company's 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.

INDEPENDENT AUDITOR'S REPORT

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

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and 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.

McMillan Woods (Hong Kong) CPA Limited

Certified Public Accountants

Ho Wai Kuen

Practising Certificate Number: P05966

24/F., Siu On Centre

188 Lockhart Road, Wan Chai

Hong Kong

Hong Kong, 26 June 2025

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 March 2025

	Notes	2025 HK\$'000	2024 HK\$'000
Revenue	6	27,829	80,501
Cost of sales	7	(25,280)	(62,943)
Gross profit		2,549	17,558
Selling and marketing expenses	7	(1,403)	(2,548)
Administrative expenses	7	(19,936)	(26,260)
(Impairment loss)/reversal of impairment loss of trade receivables		(5,181)	302
Reversal of impairment loss/(impairment loss) of contract assets		50	(50)
Impairment loss of other receivables		(426)	(1,210)
Impairment loss of non-financial assets		(2,736)	(6,590)
Gain on disposal of subsidiaries	30(a)	–	312
Other income	9	145	1,432
Other losses, net	9	(1,421)	(353)
Operating loss		(28,359)	(17,407)
Share of result of an associate	16	–	161
Finance costs	7	(51)	(384)
Loss before income tax		(28,410)	(17,630)
Income tax credit/(expense)	10	1,079	(2,626)
Loss for the year		(27,331)	(20,256)
Other comprehensive loss			
<i>Items that may be reclassified subsequently to profit or loss:</i>			
Exchange differences arising on translation of foreign operations		(105)	(2,498)
Share of other comprehensive loss of an associate		–	(204)
Release of exchange reserve upon disposal of subsidiaries		–	(11)
Other comprehensive loss for the year, net of income tax		(105)	(2,713)
Total comprehensive loss for the year		(27,436)	(22,969)
Loss for the year attributable to:			
– owners of the Company		(27,331)	(20,098)
– non-controlling interest		–	(158)
		(27,331)	(20,256)
Total comprehensive loss for the year attributable to:			
– owners of the Company		(27,436)	(22,801)
– non-controlling interest		–	(168)
		(27,436)	(22,969)
Loss per share			(Restated)
– Basic (HK\$)	11	(1.29)	(1.25)
– Diluted (HK\$)	11	N/A	N/A

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2025

	Notes	2025 HK\$'000	2024 HK\$'000
ASSETS			
Non-current assets			
Plant and equipment	13	–	4,149
Right-of-use assets	14	–	618
Intangible assets	15	–	3,883
Interest in an associate	16	–	–
		–	8,650
Current assets			
Trade receivables	18	13,158	10,780
Contract assets	19	–	1,654
Deposits and other receivables	20	5,324	6,060
Prepayments	21	8,985	5,812
Restricted cash	22(a)	130	687
Cash and cash equivalents	22(b)	223	14,676
		27,820	39,669
Total assets		27,820	48,319
CAPITAL AND RESERVES			
Share capital	23	809	562
Other reserves	24	85,719	79,207
Accumulated losses		(77,626)	(50,295)
Total equity		8,902	29,474

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2025

	Notes	2025 HK\$'000	2024 HK\$'000
LIABILITIES			
Non-current liabilities			
Lease liabilities	26	–	198
Deferred tax liabilities	17	–	1,582
		–	1,780
Current liabilities			
Trade payables	27	12,643	5,237
Other payables	28	5,211	3,961
Contract liabilities	29	1,064	1,102
Borrowings	25	–	4,584
Current income tax liabilities		–	1,723
Lease liabilities	26	–	458
		18,918	17,065
Total liabilities		18,918	18,845
Total equity and liabilities		27,820	48,319
Net current assets		8,902	22,604
Total assets less current liabilities		8,902	31,254

These consolidated financial statements on pages 49 to 125 were approved by the board of directors of the Company on 26 June 2025 and are signed on its behalf by:

Zeng Weijin
Director

Ye Jialing
Director

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 March 2025

	Share capital <i>HK\$'000</i> <i>(Note 23)</i>	Other reserves <i>HK\$'000</i> <i>(Note 24)</i>	Accumulated losses <i>HK\$'000</i>	Equity attributable to owners of the Company <i>HK\$'000</i>	Non- controlling interest <i>HK\$'000</i>	Total equity <i>HK\$'000</i>
Balance at 1 April 2023	375	59,759	(30,197)	29,937	(39)	29,898
Comprehensive loss						
– Loss for the year	–	–	(20,098)	(20,098)	(158)	(20,256)
– Other comprehensive loss	–	(2,703)	–	(2,703)	(10)	(2,713)
Total comprehensive loss for the year	–	(2,703)	(20,098)	(22,801)	(168)	(22,969)
Capital contribution from non-controlling shareholder of a subsidiary	–	–	–	–	404	404
Issuance of shares upon rights issue <i>(note 23(a))</i>	187	23,802	–	23,989	–	23,989
Transaction cost attributable to issuance of shares upon rights issue <i>(note 23(a))</i>	–	(1,651)	–	(1,651)	–	(1,651)
Disposal of subsidiaries <i>(note 30(a))</i>	–	–	–	–	(197)	(197)
Balance at 31 March 2024 and 1 April 2024	562	79,207	(50,295)	29,474	–	29,474
Comprehensive loss						
– Loss for the year	–	–	(27,331)	(27,331)	–	(27,331)
– Other comprehensive loss	–	(105)	–	(105)	–	(105)
Total comprehensive loss for the year	–	(105)	(27,331)	(27,436)	–	(27,436)
Issuance of shares upon placing <i>(notes 23(b) and (d))</i>	247	6,878	–	7,125	–	7,125
Transaction cost attributable to issuance of shares upon placing <i>(notes 23(b) and (d))</i>	–	(261)	–	(261)	–	(261)
Balance at 31 March 2025	809	85,719	(77,626)	8,902	–	8,902

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 March 2025

	Notes	2025 HK\$'000	2024 HK\$'000
Cash flows from operating activities			
Cash (used in)/generated from operations	30(b)	(15,612)	182
Income tax paid		(2,217)	(902)
Net cash used in operating activities		(17,829)	(720)
Cash flows from investing activities			
Interest received		27	98
Payment for acquisition of an associate		–	(4,794)
Net cash outflows from disposal of subsidiaries	30(a)	–	(18)
Withdrawal of restricted cash		557	3,136
Payment for purchases of plant and equipment		(22)	–
Net cash generated from/(used in) investing activities		562	(1,578)
Cash flows from financing activities			
Other interest paid		(32)	(188)
Repayment of borrowings		(4,584)	(600)
Repayment to a related party		–	(2,492)
Principal element of lease rental paid		(161)	(734)
Interest element of lease rental paid		(19)	(196)
Advanced from/(repayment to) a director		835	(4,572)
Capital contribution from non-controlling shareholder of a subsidiary		–	404
Proceeds from placing of new shares	23(b) & (d)	7,125	–
Transaction cost attributable to issuance of shares upon placing	23(b) & (d)	(261)	–
Proceeds from issuance of shares upon rights issue	23(a)	–	23,989
Transaction cost attributable to issuance of shares upon rights issue	23(a)	–	(1,651)
Net cash generated from financing activities		2,903	13,960
Net (decrease)/increase in cash and cash equivalents		(14,364)	11,662
Cash and cash equivalents at the beginning of the reporting period		14,676	4,301
Effect of exchange rate changes on cash and cash equivalents		(89)	(1,287)
Cash and cash equivalents at the end of the reporting period	22(b)	223	14,676

Note: **Non-cash transactions:**

- As at 31 March 2024, the consideration for the disposal of an associate amounting to approximately RMB4,200,000, equivalent to approximately HK\$4,503,000 (2024: RMB4,200,000, equivalent to approximately HK\$4,530,000) was not settled and classified under deposits and other receivables.
- During the year ended 31 March 2024, the Group entered into new lease agreements in respect of leased building and non-cash addition of right-of use assets of approximately HK\$872,000 (2025: nil) and lease liabilities of approximately HK\$872,000 (2025: nil) were recognised.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

1 GENERAL INFORMATION

Min Fu International Holding Limited (the "Company") was incorporated in the Cayman Islands on 23 June 2017 as an exempted company with limited liability. The shares of the Company were listed on GEM of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") on 20 April 2018. The address of its registered office is Offices of Conyers Trust Company (Cayman) Limited, Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands. Its principal place of business is Room 1911, Lee Garden One, 33 Hysan Avenue, Causeway Bay, Hong Kong.

The Company is an investment holding company. The Company and its subsidiaries (hereinafter collectively referred to as the "Group") are principally engaged in (i) equipment manufacturing business; and (ii) burial business in the People's Republic of China (the "PRC").

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

2 BASIS OF PREPARATION AND SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION

This note provides the material accounting policy information adopted in the preparation of these consolidated financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation

(a) *Going concern*

The Group incurred a loss of approximately HK\$27,331,000 for the year ended 31 March 2025. In addition, as at 31 March 2025, the Group had cash and cash equivalents of approximately HK\$223,000. These events or conditions indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Therefore, the Group may be unable to realise its assets and discharge its liabilities in the normal course of business.

In preparing these consolidated financial statements, the management of the Group has given careful consideration to the current and anticipated future liquidity of the Group and the ability of the Group to achieve positive cash flows from operations in immediate and long terms. The directors of the Company have reviewed the Group's cash flow projection prepared by management of the Group, which cover the period up to 30 September 2026. The directors of the Company are of the opinion that, after taking into account the plans and measures below, the Group will have sufficient working capital to finance its operations and to meet its financial obligations as and when they fall due at least in the coming twelve months from 31 March 2025:

- (i) The Company has obtained a letter of financial support from Ms. Ye Jialing, the executive director of the Company, who has agreed to (a) provide adequate financial resources as is necessary to enable the Group both to meet its financial obligations as and when they fall due and to carry on its business for at least 12 months from 31 March 2025; and (b) not to demand for repayment of the amount due to a director of approximately HK\$835,000, which is included in other payables (note 28) as at 31 March 2025;

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

2 BASIS OF PREPARATION AND SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION *(CONTINUED)*

2.1 Basis of preparation *(Continued)*

(a) Going concern *(Continued)*

- (ii) The Group will consider fund raising activities to meet the financial obligations; and
- (iii) the Group shall implement cost-saving measures to maintain adequate cash flows for the Group's operations.

Therefore, the directors of the Company are of the view that it is appropriate to adopt the going concern basis in preparing these consolidated financial statements.

Should the Group be unable to continue as a going concern in the foreseeable future, adjustments would have to be made to the consolidated financial statements to adjust the value of the Group's assets to their recoverable amounts, to provide for any further liabilities which might arise, and to reclassify non-current assets and non-current liabilities as current assets and current liabilities respectively. The effects of these potential adjustments have not been reflected in these consolidated financial statements.

(b) Compliance with HKFRS Accounting Standards, Disclosure Requirements of the Hong Kong Companies Ordinance and the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the "GEM Listing Rules")

These consolidated financial statements have been prepared in accordance with HKFRS Accounting Standards issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA") and accounting principles generally accepted in Hong Kong. HKFRS Accounting Standards comprise all applicable Hong Kong Financial Reporting Standards ("HKFRSs"), Hong Kong Accounting Standards ("HKASs") and Interpretations ("Ints") issued by the HKICPA. These consolidated financial statements also comply with applicable disclosures provisions of the GEM Listing Rules and the disclosure requirements of the Hong Kong Companies Ordinance. A summary of material accounting policy information adopted by the Group are discussed below.

(c) Historical cost convention

These consolidated financial statements have been prepared under the historical cost convention. Historical cost is generally based on fair value of the consideration given in exchange for goods and services.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

2 BASIS OF PREPARATION AND SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.1 Basis of preparation (Continued)

(d) New and amendments to HKFRS Accounting Standards adopted by the Group

The Group has applied the following new and amendments to HKFRS Accounting Standards and interpretation issued by the HKICPA for the first time, which are mandatorily effective for the annual period beginning on or after 1 April 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 HKFRS 16	Lease Liability in a Sale and Leaseback
Hong Kong Interpretation 5 ("HK Int 5") (Revised)	Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause
Amendments to HKAS 7 and HKFRS 7	Supplier Finance Arrangements

None of these new and amendments to HKFRS Accounting Standards and interpretation had a material effect on the Group's financial performance and financial positions for the current or prior years and/or on the disclosures set out in these consolidated financial statements.

(e) New standard and amendments to standards and interpretation not yet adopted

The Group has not applied any new standard and amendments to standards and interpretation that have been issued but are not yet effective for the financial year beginning from 1 April 2024. The new standard and amendments to standards and interpretation include the followings 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 – Classification and Measurement of Financial Instruments	1 January 2026
Annual Improvements to HKFRS Accounting Standards – Volume 11	1 January 2026
Amendments to HKFRS 9 and HKFRS 7 – Contracts Referencing Nature-dependent Electricity	1 January 2026
HKFRS 18 – Presentation and Disclosure in Financial Statements	1 January 2027
Amendments to HK Int 5 – 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	To be determined by the HKICPA

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

2 BASIS OF PREPARATION AND SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.1 Basis of preparation (Continued)

(e) **New standard and amendments to standards and interpretation not yet adopted** (Continued)

The Group has already commenced an assessment of the impact of these new standard and amendments to standards and interpretation. According to the preliminary assessment made by the Group, no significant impact on the financial performance and position of the Group is expected when they become effective, except for HKFRS 18 – Presentation and Disclosure in Financial Statements, which is detailed as follows:

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 consolidated financial statements, with a focus on information about financial performance present in the consolidated statement of profit or loss, which will affect how the Group presents and discloses financial performance in the consolidated financial statements. The key changes introduced in HKFRS 18 relate to (i) the structure of the consolidated 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 Company are currently assessing the impact of applying HKFRS 18 on the presentation and the disclosures of the consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

2 BASIS OF PREPARATION AND SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION *(CONTINUED)*

2.2 Consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries made up to 31 March. 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, if any; and (ii) the Company's share of the net assets of that subsidiary plus any remaining goodwill, if any, and any accumulated exchange 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.

Non-controlling interests represent the equity in subsidiaries not attributable, directly or indirectly, to the Company. Non-controlling interests are presented in the consolidated statement of financial position and consolidated statement of changes in equity within equity. Non-controlling interests are presented in the consolidated statement of comprehensive income as an allocation of profit or loss and total comprehensive income for the year between the non-controlling shareholders and owners of the Company.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling shareholders even if this results in the non-controlling interests having a deficit balance.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

2 BASIS OF PREPARATION AND SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION *(CONTINUED)*

2.3 Separate financial statements

In the Company's statement of financial position, an investment in a subsidiary is stated at cost less impairment loss, unless the investment is classified as held for sale (or included in a disposal group that is classified as held for sale). Cost includes direct attributable costs of investments. The results of subsidiaries are accounted for by the Company on the basis of dividend received or receivable.

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

2.4 Segment reporting

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

2.5 Foreign currency translation

(a) Functional and presentation currency

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

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

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

All foreign exchange gains and losses are presented in the consolidated statement of comprehensive income within other losses, net.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

2 BASIS OF PREPARATION AND SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION *(CONTINUED)*

2.5 Foreign currency translation *(Continued)*

(c) Group companies

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

- assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;
- income and expenses for each statement of comprehensive income are translated at average exchange rates for the period (unless this average rate 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 rate on the dates of the transactions); and
- all resulting exchange differences are recognised in other comprehensive income and accumulated in the exchange reserve.

On consolidation, exchange differences arising from the translation of the net investment in foreign operations are taken to the equity. On the disposal of a foreign operation, all of the currency translation differences accumulated in equity in respect of that operation attributable to the owners of the Company are reclassified to profit or loss.

2.6 Plant and equipment

Plant and equipment is stated at historical cost less accumulated depreciation and impairment, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the any component accounted for as a separated asset is derecognised when replaced. All other repairs and maintenance are charged to the consolidated statement of comprehensive income during the financial period in which they are incurred.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

2 BASIS OF PREPARATION AND SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.6 Plant and equipment (Continued)

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

Furniture and office equipment	4 – 5 years
Machinery and equipment	3 – 10 years

The assets' 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 estimates accounted for on a prospective basis.

An asset's carrying amount is impaired to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (note 2.8).

2.7 Intangible assets

Patent and software

Separately acquired computer software and patent are shown at historical cost and are carried at cost less accumulated amortisation and impairment (note 2.8), if any.

Amortisation is calculated using the straight-line method to allocate the cost over its estimated useful lives, as follows:

Patent	10 years
Software	5 years

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset are measured at the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in profit or loss in the period when the asset is derecognised.

2.8 Impairment of non-financial assets

The carrying amounts of the non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. Whenever the asset does not generate cash inflows that are largely independent of those from other assets or group of assets, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). The recoverable amount is determined for the cash-generating unit 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 cash-generating unit.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

2 BASIS OF PREPARATION AND SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION *(CONTINUED)*

2.8 Impairment of non-financial assets *(Continued)*

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

Impairment losses for cash-generating units are allocated first against the goodwill of the unit, if any, and then pro rata amongst the other assets of the cash-generating unit. 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.

2.9 Financial assets

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

(a) Classification

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

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

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

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

(b) Recognition and derecognition

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

(c) Measurement

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

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset as mentioned in note (a) above.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

2 BASIS OF PREPARATION AND SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION *(CONTINUED)*

2.9 Financial assets *(Continued)*

(c) Measurement (Continued)

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

2.10 Trade and other receivables

Trade receivables are amounts due from customers for merchandise sold or services performed in the ordinary course of business. If collection of trade and other receivables is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less accumulated impairment. See Note 2.9 for further information about the Group's accounting policy for trade receivables.

2.11 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 impairment losses.

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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

2 BASIS OF PREPARATION AND SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION *(CONTINUED)*

2.12 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks. Bank deposits which are restricted for use are included in "restricted cash". Restricted cash are excluded from cash and cash equivalents.

2.13 Share capital

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

2.14 Trade and other payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade payables are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

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

2.15 Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

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

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

2.16 Borrowing costs

All borrowing costs are expensed in the period in which they are incurred.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

2 BASIS OF PREPARATION AND SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION *(CONTINUED)*

2.17 Current and deferred income tax

The income tax expense for the period comprises current and deferred tax. Income tax is recognised in the consolidated statement of comprehensive income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case the tax is also recognised in other comprehensive income or directly in equity, respectively.

(a) Current income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

(b) Deferred income tax

Deferred tax is recognised on temporary 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. Deferred tax assets generally are recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences, unused tax losses or unused tax credits can be utilised. Such deferred tax 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.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, 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 liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

2 BASIS OF PREPARATION AND SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION *(CONTINUED)*

2.18 Employee benefits

(a) Pension obligations

In accordance with the rules and regulations in the PRC, the PRC based employees of the Group participate in defined contribution retirement benefit plans organised by the relevant municipal and provincial governments in the PRC under which the Group and the PRC based employees are required to make monthly contributions to these plans calculated as a percentage of the employees' salaries, subject to certain ceiling.

The municipal and provincial governments undertake to assume the retirement benefit obligations of all existing and future retired PRC based employees payable under the plans described above. Other than the monthly contributions, the Group has no further obligation for the payment of retirement and other post-retirement benefits of its employees. The Group's contributions to these plans are expensed as incurred.

The Group has arranged for its Hong Kong employees to join the Mandatory Provident Fund Scheme (the "MPF Scheme"), a defined contribution scheme managed by an independent trustee. Under the MPF Scheme, the group company in Hong Kong (the employer) and its employees make monthly contributions to the scheme at 5% of the employees' earnings as defined under the Mandatory Provident Fund legislation. The monthly contributions of each of the group company and its employees are subject to a cap of HK\$1,500 and thereafter contributions are voluntary.

(b) Housing funds, medical insurances and other social insurances

Employees of the group companies in the PRC are entitled to participate in various government-supervised housing funds, medical insurance and other employee social insurance plan. The Group contributes on a monthly basis to these funds based on certain percentages of the salaries of the employees, subject to certain ceiling. The Group's liability in respect of these funds is limited to the contributions payable in each period. Contributions to these funds are expensed of as incurred.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

2 BASIS OF PREPARATION AND SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION *(CONTINUED)*

2.19 Revenue recognition

Revenues are recognised when or as the control of the asset is transferred to the customer. Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances, rebates and amounts collected on behalf of third parties. The Group recognises revenue when specific criteria have been met for each of the Group's activities, as described below.

(a) Sales of goods

Sales of goods are recognised at a point in time when control of the products has been transferred to the customers and the collectability of the related receivables is reasonably assured.

(b) Rendering of services

The Group provided technical services to external parties. Service fee is recognised as revenue over time when services are rendered.

(c) Agency service on burial business

The Group provided agency services for sale of burial plots and columbarium to external parties. The service income is recognised at a point in time when services are rendered.

2.20 Impairment of financial assets and contract assets

The Group recognises a loss allowance for expected credit losses (the "ECLs") on investments in debt instruments that are measured at amortised cost, contract assets, trade receivables, deposits and other receivables, restricted cash and cash and cash equivalents. The amount of the ECL is updated at the end of the reporting period 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. 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 end of the reporting period, 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 end of the reporting period.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

2 BASIS OF PREPARATION AND SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION *(CONTINUED)*

2.20 Impairment of financial assets and contract assets *(Continued)*

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 end of the reporting period 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; and
- 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

2 BASIS OF PREPARATION AND SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION *(CONTINUED)*

2.20 Impairment of financial assets and contract assets *(Continued)*

Significant increase in credit risk *(Continued)*

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 end of the reporting period. A financial instrument is determined to have low credit risk if:

- (i) the financial instrument has a low risk of default;
- (ii) the debtor has a strong capacity to meet its contractual cash flow obligations in the near term; and
- (iii) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

The Group considers a financial asset to have low credit risk when the asset has external credit rating of "investment grade" in accordance with the globally understood definition or if an external rating is not available, the asset has an internal rating of "performing". Performing means that the counterparty has a strong financial position and there are 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

2 BASIS OF PREPARATION AND SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION *(CONTINUED)*

2.20 Impairment of financial assets and contract assets *(Continued)*

Credit-impaired financial assets

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

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

Write-off policy

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

Measurement and recognition of the ECL

The measurement of the 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 for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the end of the reporting period. Estimation of the ECL reflects an unbiased and probability-weighted amount that is determined with the respective risks of default occurring as the weights.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

2 BASIS OF PREPARATION AND SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION *(CONTINUED)*

2.20 Impairment of financial assets and contract assets *(Continued)*

Measurement and recognition of the ECL (Continued)

For financial assets, trade receivables and contract 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.

2.21 Interest income

Interest income is recognised using the effective interest method.

2.22 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.

(a) The Group as a lessee

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 and leases of low-value assets which, for the Group are primarily laptops and office furniture. 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

2 BASIS OF PREPARATION AND SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION *(CONTINUED)*

2.22 Leases *(Continued)*

(a) The Group as a lessee (Continued)

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. Lease payments to be made under reasonably certain extension options are also included in the measurement of the lease liability. After initial recognition, the lease liability is measured at amortised cost and interest expense is calculated using the effective interest method.

To determine the incremental borrowing rate, the Group:

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

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

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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

2 BASIS OF PREPARATION AND SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION *(CONTINUED)*

2.23 Research and development

Research expenditures are recognised as expenses as incurred. Costs incurred on development projects (relating to the design and developing of new or improved utility models and utility patents) are recognised as intangible assets if, and only if, the Group can demonstrate all of the following:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- its intention to complete the intangible asset and use or sell it;
- its ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- its ability to measure reliably the expenditure attributable to the intangible asset during its development.

Other development expenditures that do not meet these criteria are recognised as expenses when incurred. Development costs previously recognised as expenses are not recognised as an asset in a subsequent period.

3 FINANCIAL RISK MANAGEMENT

3.1 Financial risk factors

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

3.1.1 Market risk

(a) Foreign exchange risk

The Group is exposed to foreign exchange risk primarily through its transactions that are denominated in a foreign currency, i.e. a currency other than the functional currency of the operations to which the transactions relate. The currencies giving rise to this risk are primarily United States dollars ("US\$") and Swiss Franc ("CHF"). The Group currently does not have a foreign currency hedging policy in respect of foreign currency transactions, assets and liabilities. The Group monitors its foreign currency exposure closely and will consider hedging significant foreign currency exposure should the need arise.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

3 FINANCIAL RISK MANAGEMENT (CONTINUED)

3.1 Financial risk factors (Continued)

3.1.1 Market risk (Continued)

(a) Foreign exchange risk (Continued)

As at 31 March 2025 and 2024, the carrying amounts of the Group's monetary assets which are denominated in US\$ and CHF are as follows:

	2025 HK\$'000	2024 HK\$'000
Assets		
Cash and cash equivalents	174	7,797
Trade receivables	–	7,485
Deposits and other receivables	–	184
	174	15,466
Liabilities		
Trade payables	924	2,310

The following table demonstrates the sensitivity at the end of the reporting period to a reasonably possible change in the exchange rate of US\$ and CHF, with all other variables held constant, of the Group's loss before income tax:

	Year ended 31 March 2025	
	Increase/ (decrease) in foreign exchange rate %	Increase/ (decrease) in loss before income tax HK\$'000
US\$	5	38
US\$	(5)	(38)
	Year ended 31 March 2024	
	Increase/ (decrease) in foreign exchange rate %	(Decrease)/ increase in loss before income tax HK\$'000
US\$	5	(259)
US\$	(5)	259
CHF	5	(399)
CHF	(5)	399

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

3 FINANCIAL RISK MANAGEMENT *(CONTINUED)*

3.1 Financial risk factors *(Continued)*

3.1.1 Market risk *(Continued)*

(b) Interest rate risk

The Group's interest-bearing assets and liabilities are borrowings, restricted cash and cash at banks. Borrowings bores at fixed rates expose the Group to fair value interest rate risk. The Group's exposure to cash flow interest rate risks arises from its restricted cash and cash at banks and therefore bear interest at variable rates varied with the then prevailing market condition. The directors of the Company consider the cash flow interest rate risk with respect to restricted cash and cash at banks to be insignificant to the Group.

During the years ended 31 March 2025 and 2024, the Group did not hedge its interest rate risk.

Except as stated above, the Group does not have other significant interest-bearing assets and liabilities at the end of the reporting period, its income and operating cash flows are substantially independent of changes in market interest rates.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

3 FINANCIAL RISK MANAGEMENT (CONTINUED)

3.1 Financial risk factors (Continued)

3.1.2 Credit risk

Credit risk mainly arises from cash at banks, restricted cash, contract assets and trade and other receivables. The carrying amount of these balances in the consolidated statement of financial position represents the Group's maximum exposure to credit risk in relation to its financial assets. Management has a credit policy in place and the exposure to these credit risks are monitored on an ongoing basis.

Majority of the Group's bank balances and restricted cash are placed in reputable banks and financial institution. Management does not expect any credit losses from non-performance by these banks and financial institutions as they have no default history in the past.

Trade receivables and contract assets

For trade receivables and contract assets, periodical credit evaluations are performed on all customers taking into account the market conditions, customers' reputation, financial capacity, payment history, and other factors. The Group generally requires customers to settle billings in accordance with contracted terms of the agreements. Normally, the Group does not obtain collateral from customers.

The Group has concentration of credit risk in certain individual customers. As at 31 March 2025, approximately 74.4% (2024: 34.3%) of total trade receivables and contract assets were concentrated in largest customer of the Group, and approximately 100% (2024: 98.9%) of the total trade receivables and contract assets were concentrated in largest five customers of the Group. The Group seeks to minimise its risk by dealing with counterparties which have good credit history.

In order to minimise the credit risk, the management of the Group has delegated a team responsible for determination of credit limits and credit approvals. The level of credit granted must not exceed a predetermined level set by the management. Credit evaluation is performed on a regular basis. Other monitoring procedures are in place to ensure that follow-up action is taken to recover overdue debts. In this regard, the directors of the Company consider that the Group's credit risk is significantly reduced.

The Group applies HKFRS 9 and measures the impairment based on the lifetime ECL for all trade receivables and contract assets. To measure lifetime ECL, the trade receivables and contract assets have been grouped on shared credit characteristic and the days past due.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

3 FINANCIAL RISK MANAGEMENT (CONTINUED)

3.1 Financial risk factors (Continued)

3.1.2 Credit risk (Continued)

Trade receivables and contract assets (Continued)

Expected loss 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. It considers available reasonable and supportive forwarding-looking information.

On that basis, the loss allowance for trade receivables and contract assets as at 31 March 2025 and 2024 was determined as follows:

Trade receivables

	Expected loss rate	Gross carrying amount HK\$'000	Loss allowance HK\$'000	Net carrying amount HK\$'000
As at 31 March 2025				
Current not past due	19.7%	13,419	(2,640)	10,779
Past due:				
– Over 180 days	62.7%	6,375	(3,996)	2,379
		19,794	(6,636)	13,158
As at 31 March 2024				
Current not past due	4.4%	11,129	(485)	10,644
Past due:				
– 0 – 180 days	19.5%	169	(33)	136
– Over 180 days	100%	959	(959)	–
		12,257	(1,477)	10,780

The following significant changes in the gross carrying amount of trade receivables contributed to the increase in the loss allowance:

- increase in current not past due resulted in an increase in loss allowance of approximately HK\$2,155,000; and
- increase in past due over 180 days resulted in an increase in loss allowance of approximately HK\$3,037,000.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

3 FINANCIAL RISK MANAGEMENT (CONTINUED)

3.1 Financial risk factors (Continued)

3.1.2 Credit risk (Continued)

Trade receivables and contract assets (Continued)

Trade receivables (Continued)

The movement in accumulated impairment losses of trade receivables during the years ended 31 March 2025 and 2024 are as follows:

	2025 HK\$'000	2024 HK\$'000
At the beginning of the year	1,477	1,863
Impairment loss/(reversal of impairment loss) during the year	5,181	(302)
Currency translation differences	(22)	(84)
At the end of the year	6,636	1,477

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

3 FINANCIAL RISK MANAGEMENT (CONTINUED)

3.1 Financial risk factors (Continued)

3.1.2 Credit risk (Continued)

Trade receivables and contract assets (Continued)

Contract assets

	Expected loss rate	Gross carrying amount <i>HK\$'000</i>	Loss allowance <i>HK\$'000</i>	Net carrying amount <i>HK\$'000</i>
As at 31 March 2025				
Current not past due	N/A	–	–	–
As at 31 March 2024				
Current not past due	2.9%	1,704	(50)	1,654

The accumulated impairment losses of contract assets during the years ended 31 March 2025 and 2024 are as follows:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
At the beginning of the year	50	–
(Reversal of impairment loss)/impairment loss during the year	(50)	50
Currency translation differences	–*	–*
At the end of the year	–	50

* Amount less than HK\$1,000

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

3 FINANCIAL RISK MANAGEMENT (CONTINUED)

3.1 Financial risk factors (Continued)

3.1.2 Credit risk (Continued)

Other receivables

For other receivables, the management makes periodic individual assessment on the recoverability of other receivables based on historical settlement records, the likelihood of recovery, and also quantitative and qualitative information that is reasonable and supportive forward-looking information.

For financial assets whose impairment losses are measured using the ECL model under general approach, the Group assesses whether their credit risk has increased significantly since their initial recognition, and applies a three-stage impairment model to calculate their impairment allowance and recognise their ECL, as follows:

Stage 1: If the credit risk has not increased significantly since its initial recognition, the financial asset is included in stage 1 (12m ECL).

Stage 2: If the credit risk has increased significantly since its initial recognition but not yet deemed to be credit-impaired, the financial instrument is included in stage 2 (lifetime ECL, not credit-impaired).

Stage 3: If the financial instrument is credit-impaired, the financial instrument is included in stage 3 (lifetime ECL, credit-impaired).

	2025 HK\$'000	2024 HK\$'000
Other receivables, gross	6,942	7,259
Less: Loss allowance	(1,618)	(1,199)
Other receivables, net	5,324	6,060

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

3 FINANCIAL RISK MANAGEMENT (CONTINUED)

3.1 Financial risk factors (Continued)

3.1.2 Credit risk (Continued)

Other receivables (Continued)

The movement in the accumulated impairment losses of other receivables according to the stage of ECL during the years ended 31 March 2025 and 2024 are as follows:

	Stage 1 12m ECL HK\$'000	Stage 2 Lifetime ECL (not credit impaired) HK\$'000	Stage 3 Lifetime ECL (credit impaired) HK\$'000	Loss allowance HK\$'000
As at 1 April 2023	–	–	–	–
Charged to profit or loss	1,210	–	–	1,210
Currency translation differences	(11)	–	–	(11)
As at 31 March 2024 and 1 April 2024	1,199	–	–	1,199
Changes in the ECL:				
– Transfer to Stage 2	(798)	798	–	–
– Charged to profit or loss	31	395	–	426
Currency translation differences	(2)	(5)	–	(7)
As at 31 March 2025	430	1,188	–	1,618

The increase in loss allowance on other receivables during the year ended 31 March 2025 was mainly due to increase in expected loss rate as a result of significant increase in credit risk for certain receivables.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

3 FINANCIAL RISK MANAGEMENT (CONTINUED)

3.1 Financial risk factors (Continued)

3.1.3 Liquidity risk

To manage the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows.

The Group is exposed to liquidity risk as the Group incurred loss of approximately HK\$27,331,000 for the year ended 31 March 2025. In addition, as at 31 March 2025, the Group had cash and cash equivalents of approximately HK\$223,000. The directors of the Company are of the opinion that the Group will have sufficient working capital to meet its financial obligations and the details of which are set out in note 2.1(a).

The table below analyses the Group's non-derivative financial liabilities into relevant maturity groupings based on the remaining period at the end of the reporting period to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

Specifically, for bank borrowings which contain a repayment on demand clause which can be exercised at the bank's sole discretion, the analysis shows the cash outflows based on the earliest period in which the Group can be required to pay, that is if the lenders were to invoke their unconditional rights to call the loans with immediate effect.

	Interest rate	Less than 1 year or on demand HK\$'000	Between 1 and 2 years HK\$'000	Total HK\$'000
As at 31 March 2025				
Not subject to a repayment on demand clause				
Trade payables	N/A	12,643	–	12,643
Other payables	N/A	5,168	–	5,168
		17,811	–	17,811
As at 31 March 2024				
Subject to a repayment on demand clause				
Borrowings	4.1%	4,584	–	4,584
Not subject to a repayment on demand clause				
Trade payables	N/A	5,237	–	5,237
Other payables	N/A	3,885	–	3,885
Lease liabilities	4.2%	480	200	680
		14,186	200	14,386

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

3 FINANCIAL RISK MANAGEMENT (CONTINUED)

3.1 Financial risk factors (Continued)

3.1.3 Liquidity risk (Continued)

The table below summarises the maturity analysis of borrowings with a repayment on demand clause based on agreed scheduled repayments. The amounts include interest payments computed using contractual rates. As a result, these amounts are greater than the amounts disclosed in the “on demand” time band in the maturity analysis above. Taking into account the Group’s consolidated financial position, the directors of the Company do not consider that it is probable that the bank will exercise its discretion to demand immediate repayment. The directors of the Company believe that such borrowings will be repaid in accordance with the scheduled repayment dates.

	Within 1 year HK\$'000	Between 1 and 2 years HK\$'000	Total HK\$'000
As at 31 March 2024			
Borrowings	4,657	–	4,657

There were no borrowings with a repayment on demand clause as at 31 March 2025.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

3 FINANCIAL RISK MANAGEMENT (CONTINUED)

3.2 Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to enhance shareholders' value in the long term.

The management reviews the capital structure on a regular basis. As part of this review, the management considers the cost of capital and the risks associated with each class of capital. In order to maintain the capital structure, the Group will balance its overall capital structure through the new shares issues as well as the issue of new debt or the redemption of existing debt. No change was made in the objectives, policies or processes for managing capital during the years ended 31 March 2025 and 2024.

The externally imposed capital requirements for the Group are: (i) in order to maintain its listing on the Stock Exchange it has to have a public float of at least 25% of the shares; and (ii) to meet financial covenants attached to the interest-bearing borrowings.

The Group has maintained a sufficient public float to comply with the GEM Listing Rules during the years ended 31 March 2025 and 2024.

Breaches to fulfill the financial covenants would permit the bank to immediately call borrowings. There have been no breaches in the financial covenants of any bank borrowings for the years ended 31 March 2025 and 2024.

The Group monitors capital on the basis of the net gearing ratio. Net gearing ratio represents the ratio of net debts (total borrowings, amount due to a director net of cash and cash equivalents and restricted cash) divided by total equity as of the end of the respective year.

	2025 HK\$'000	2024 HK\$'000
Total borrowings	–	4,584
Amount due to a director	835	–
Less: cash and cash equivalents	(223)	(14,676)
Restricted cash	(130)	(687)
Net cash deficit/(surplus)	482	(10,779)
Total equity	8,902	29,474
Net gearing ratio	5.4%	N/A

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

3 FINANCIAL RISK MANAGEMENT (CONTINUED)

3.3 Financial instruments by category

	2025 HK\$'000	2024 HK\$'000
Financial assets		
Financial assets at amortised cost		
Trade receivables	13,158	10,780
Deposits and other receivables	5,324	6,060
Restricted cash	130	687
Cash and cash equivalents	223	14,676
Total	18,835	32,203
Financial liabilities		
Financial liabilities at amortised cost		
Trade payables	12,643	5,237
Other payables	5,168	3,885
Borrowings	–	4,584
Total	17,811	13,706

3.4 Fair value estimation

As at 31 March 2025 and 2024, the carrying amounts of the Group's financial assets and financial liabilities as reflected in the consolidated statement of financial position approximate their fair value due to their short maturities.

4 CRITICAL JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In applying the Group's accounting policies, the directors of the Company are required to make judgements (other than those involving estimations) that have a significant impact on the amounts recognised and to make estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

4 CRITICAL JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

(CONTINUED)

Critical judgements in applying accounting policies

In the process of applying the accounting policies, the directors of the Company have made the following judgements that have the most significant effect on the amounts recognised in the consolidated financial statements (apart from those involving estimations, which are dealt with below).

Principal versus agent consideration for income from equipment manufacturing business

The Group concluded that the Group acts as the principal for the sales of equipment as it controls the specified good before it is transferred to the customer after taking into consideration indicators such as the Group is primarily responsible for fulfilling the promise to provide and install of equipment in the customers' specified location. The Group has discretion in establishing the price for the sales of equipment with the customers. The Group also bears the loss if the customers are not satisfied the quality of the equipment. When the Group satisfies the performance obligation, the Group recognises revenue in the gross amount of consideration to which the Group expects to be entitled as specified in the contracts.

Significant increase in credit risk

As explained in note 2.20, ECL under general approach are measured as an allowance equal to 12-month ECL for stage 1 assets, or lifetime ECL for stage 2 or stage 3 assets. An asset moves to stage 2 when its credit risk has increased significantly since initial recognition. HKFRS 9 does not define what constitutes a significant increase in credit risk. In assessing whether the credit risk of an asset has significantly increased, the Group takes into account qualitative and quantitative reasonable and supportable forward-looking information.

Going concern basis

These consolidated financial statements have been prepared on a going concern basis, the validity of which depends upon the the successful outcomes of the Group's plans and measures to finance the working capital requirements of the Group. Details are explained in note 2.1(a).

Key sources of estimation uncertainty

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

Impairment assessment on trade and other receivables

The management of the Group estimates the amount of impairment losses for ECL on trade and other receivables based on the credit risk of trade and other receivables. The amount of the impairment losses 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 losses may arise.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

4 CRITICAL JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

(CONTINUED)

Key sources of estimation uncertainty (Continued)

Impairment assessment on trade and other receivables (Continued)

As at 31 March 2025, the carrying amount of trade and other receivables are approximately HK\$13,158,000 (net of accumulated impairment losses of approximately HK\$6,636,000) and HK\$5,324,000 (net of accumulated impairment losses of approximately HK\$1,618,000) (2024: approximately HK\$10,780,000 (net of accumulated impairment losses of approximately HK\$1,477,000) and HK\$6,060,000 (net of accumulated impairment losses of approximately HK\$1,199,000)).

Impairment assessment on non-financial assets

In determining whether an asset is impaired, the Group has to exercise judgement and make estimation, particularly in assessing: (1) whether an event has occurred or any indicators that may affect the asset value; (2) whether the carrying value of an asset can be supported by the recoverable amount, in the case of value in use, the net present value of future cash flows which are estimated based upon the continued use of the asset; and (3) the appropriate key assumptions to be applied in estimating the recoverable 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 cash-generating unit 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.

As at 31 March 2025, the carrying amounts of the Group's plant and equipment, intangible assets and prepayments are approximately HK\$Nil (2024: HK\$4,149,000), HK\$Nil (2024: HK\$3,883,000) and HK\$8,985,000 (2024: HK\$5,812,000) respectively. Impairment loss on plant and equipment and intangible assets of approximately HK\$3,134,000 (2024: HK\$3,197,000) and HK\$968,000 (2024: HK\$3,011,000) and reversal of impairment loss on prepayments of approximately HK\$1,366,000 (2024: impairment loss of approximately HK\$382,000) were recognised for the year ended 31 March 2025 respectively.

5 SEGMENT INFORMATION

The Group manages its businesses by business operations in a manner consistent with the way in which information is reported internally to the CODM, being the executive directors of the Company, for the purposes of resource allocation and performance assessment. The Group's reportable and operating segments are as follows:

- Equipment Manufacturing Business: (i) sales of equipment relating to smart manufacturing solution services focusing on precision 3D testing solutions and precision machining solutions; and (ii) provision of digital smart worship ancestors service and relevant technical service in the PRC; and
- Burial Business: agency services for sale of burial plots and columbarium units and other burial-related service in the PRC.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

5 SEGMENT INFORMATION (CONTINUED)

Segment results

Segment results represent the loss before income tax from each segment except for the unallocated corporate expenses, being central administrative expenses. Segment assets and liabilities are not presented in the consolidated financial statements as they are not regularly reviewed by the CODM.

Information regarding the Group's reportable segments as provided to the CODM for the purposes of resource allocation and assessment of segment performance is set out below:

	For the year ended 31 March 2025		
	Equipment Manufacturing Business HK\$'000	Burial Business HK\$'000	Total HK\$'000
Reportable segment revenue	26,309	1,520	27,829
Reportable segment loss	(21,267)	(2,550)	(23,817)
Central administrative expenses			(4,593)
Loss before income tax			(28,410)

	For the year ended 31 March 2025		
	Equipment Manufacturing Business HK\$'000	Burial Business HK\$'000	Total HK\$'000

Amounts included in the
measure of segment loss:

Depreciation of:

– Plant and equipment	1,038	–	1,038
– Right-of-use assets	–	163	163
Amortisation of intangible assets	1,506	–	1,506
Gain on termination of leases	–	(32)	(32)
Impairment loss of trade receivables	5,181	–	5,181
Impairment loss/(reversal of impairment loss) of other receivables	544	(118)	426
Reversal of impairment loss of contract assets	(50)	–	(50)
Impairment loss/(reversal of impairment loss) of:			
– Plant and equipment	3,134	–	3,134
– Intangible assets	968	–	968
– Prepayments	(1,366)	–	(1,366)
Finance costs	32	19	51
Interest income from bank deposits	(27)	–	(27)
Additions of non-current assets	22	–	22

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

5 SEGMENT INFORMATION (CONTINUED)

	For the year ended 31 March 2024		
	Equipment Manufacturing Business HK\$'000	Burial Business HK\$'000	Total HK\$'000
Reportable segment revenue	78,450	2,051	80,501
Reportable segment loss	(10,119)	(1,739)	(11,858)
Central administrative expenses			(5,772)
Loss before income tax			(17,630)

	For the year ended 31 March 2024		
	Equipment Manufacturing Business HK\$'000	Burial Business HK\$'000	Total HK\$'000
Amounts included in the measure of segment loss:			
Depreciation of:			
– Plant and equipment	1,859	–	1,859
– Right-of-use assets	507	437	944
Amortisation of intangible assets	1,285	–	1,285
Gain on termination of leases	(243)	–	(243)
Reversal of impairment loss of trade receivables	(302)	–	(302)
Impairment loss of other receivables	1,039	171	1,210
Impairment loss of contract assets	50	–	50
Impairment loss of:			
– Plant and equipment	3,197	–	3,197
– Intangible assets	3,011	–	3,011
– Prepayments	382	–	382
Gain on waiver of other payables	(602)	–	(602)
Finance costs	339	45	384
Interest income from bank deposits	(97)	(1)	(98)
Additions of non-current assets	4,794	872	5,666

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

5 SEGMENT INFORMATION (CONTINUED)

All of the Group's revenue was derived in the PRC during the years ended 31 March 2025 and 2024.

All of the Group's non-current assets were located in the PRC as at 31 March 2025 and 2024.

Revenue from major customers

Revenue from external customers amounted to 10% or more of the Group's revenue are as follows:

	2025 HK\$'000	2024 HK\$'000
Customer A [#]	10,263	Not applicable*
Customer B [#]	Not applicable*	11,161
Customer C [#]	13,159	44,822

*: The revenue from each customer is less than 10% of the Group's revenue for the respective year.

[#]: Revenue from Equipment Manufacturing Business.

6 REVENUE

Revenue from contracts with customers within the scope of HKFRS 15:

	2025 HK\$'000	2024 HK\$'000
Equipment Manufacturing Business		
– Sales of equipment	26,309	75,981
– Technical services	–	2,469
	26,309	78,450
Burial Business		
– Agency services for sale of burial plots and columbarium units and other burial-related service	1,520	2,051
Total	27,829	80,501

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

6 REVENUE (CONTINUED)

The Group does not disclose information about remaining unsatisfied performance obligations for the year as permitted under the practical expedient in accordance with HKFRS 15 as their original expected duration is less than one year.

	2025 HK\$'000	2024 HK\$'000
Timing of revenue recognition:		
– Service income recognised over time	1,520	2,051
– Service income recognised at a point in time	–	2,469
– Sales of goods recognised at a point in time	26,309	75,981
	27,829	80,501

7 EXPENSES BY NATURE

	2025 HK\$'000	2024 HK\$'000
Cost of inventories recognised as expenses	25,280	62,943
Outsourced research and development expenses	1,028	5,022
Staff costs (including directors' emoluments) (Note 8)	8,528	10,034
Professional fees	5,372	1,740
Entertainment expenses	724	2,503
Depreciation and amortisation, included in administrative expenses:		
– plant and equipment (Note 13)	1,038	1,859
– right-of-use assets (Note 14)	163	944
– intangible assets (Note 15)	1,506	1,285
Travelling expenses	290	710
Short-term lease expenses	372	509
Auditor's remuneration		
– Audit service	850	900
– Non-audit service	–	180
Other expenses	1,468	3,122
Total cost of sales, selling and marketing expenses and administrative expenses	46,619	91,751
Interest expense on borrowings	32	188
Interest expense on lease liabilities	19	196
Finance costs	51	384

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

8 STAFF COSTS (INCLUDING DIRECTORS' EMOLUMENTS)

	2025 HK\$'000	2024 HK\$'000
Salaries, wages and other benefits	7,688	9,037
Contribution to pension scheme	840	997
	8,528	10,034

(a) Directors' emoluments

Directors' emoluments paid or payable disclosed pursuant to the GEM Listing Rules and section 383 of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation are as follows:

For the year ended 31 March 2025

	Fees HK\$'000	Salaries, and other benefits HK\$'000	Contribution to pension scheme HK\$'000	Total HK\$'000
Executive directors				
Mr. Zeng Weijin	–	480	18	498
Ms. Ye Jialing	–	720	18	738
Mr. Huang Minzhi (Note (i))	–	600	9	609
Non-executive directors				
Ms. Zhang Xiaoling	50	–	–	50
Ms. Li Xiaoxuan	50	–	–	50
Ms. Li Chunling (Note (ii))	7	–	–	7
Ms. Zhu Minchun (Note (iii))	7	–	–	7
Mr. Zhou Ruizhao (Note (iv))	180	–	–	180
Independent non-executive directors				
Dr. Zhou Wenming	50	–	–	50
Mr. Lu Shengwei (Note (v))	30	–	–	30
Ms. Chen Meng (Note (vi))	27	–	–	27
	401	1,800	45	2,246

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

8 STAFF COSTS (INCLUDING DIRECTORS' EMOLUMENTS) (CONTINUED)

(a) Directors' emoluments (Continued)

For the year ended 31 March 2024

	Fees HK\$'000	Salaries, and other benefits HK\$'000	Contribution to pension scheme HK\$'000	Total HK\$'000
Executive directors				
Mr. Zeng Weijin	–	630	18	648
Ms. Ye Jialing	–	450	18	468
Mr. Huang Minzhi (Note (i))	–	1,200	20	1,220
Non-executive directors				
Ms. Zhang Xiaoling	50	–	–	50
Ms. Li Xiaoxuan	50	–	–	50
Mr. Zhou Ruizhao (Note (iv))	360	–	–	360
Independent non-executive directors				
Dr. Zhou Wenming	50	–	–	50
Mr. Lu Shengwei (Note (v))	21	–	–	21
Ms. Du Li (Note (vii))	15	–	–	15
Mr. Leung Gavin L. (Note (viii))	8	–	–	8
Mr. Ning Jie (Note (ix))	17	–	–	17
	571	2,280	56	2,907

Note:

- (i) Mr. Huang Minzhi resigned as executive director of the Company with effect from 9 October 2024.
- (ii) Ms. Li Chunling was appointed as non-executive director of the Company with effective from 21 February 2025.
- (iii) Ms. Zhu Minchun was appointed as non-executive director of the Company with effective from 21 February 2025.
- (iv) Mr. Zhou Ruizhao resigned as non-executive director of the Company with effective from 9 October 2024.
- (v) Mr. Lu Shengwei was appointed as independent non-executive director of the Company with effect from 20 July 2023.
- (vi) Ms. Chen Meng was appointed as independent non-executive director of the Company with effect from 2 May 2024.
- (vii) Ms. Du Li was appointed and resigned as independent non-executive director of the Company with effect from 1 August 2023 and 2 February 2024.
- (viii) Mr. Leung Gavin L. resigned as independent non-executive directors of the Company with effect from 24 April 2023.
- (ix) Mr. Ning Jie resigned as independent non-executive director of the Company with effect from 1 August 2023.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

8 STAFF COSTS (INCLUDING DIRECTORS' EMOLUMENTS) (CONTINUED)

(a) Directors' emoluments (Continued)

Fees, salaries and other benefits in kind paid to the executive directors of the Company are generally emoluments paid or payable in respect of the executive directors' services in connection with the management of the affairs of the Company and the Group. The non-executive directors' emoluments shown above were for their services as directors of the Company.

(b) Five highest paid individuals

For the year ended 31 March 2025, the five individuals whose emoluments were the highest in the Group included three directors (2024: four directors) of the Company whose emoluments is reflected in the analysis presented above. The emoluments paid to the remaining individuals during the year are as follows:

	2025 HK\$'000	2024 HK\$'000
Salaries, wages and other benefits	1,561	1,105
Contribution to pension scheme	36	18
	1,597	1,123

The number of the five highest paid individuals who are not the directors of the Company who's remuneration fell within the following bands:

	Number of individuals	
	2025	2024
Nil-HK\$1,000,000	1	–
HK\$1,000,001-HK\$1,500,000	1	1

(c) Benefits and interests of directors

During the year ended 31 March 2025, none of the directors of the Company or the five highest paid individuals waived or agreed to waive any emoluments (2024: Nil) and no emoluments were paid by the Group to any of the directors of the Company or the five highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office (2024: Nil).

Save for disclosed in note 32, no directors of the Company and their connected entities had a material interest, directly or indirectly, in any significant transactions, arrangements and contracts in relation to the Group's business to which the Company was a party that subsisted at the end of the year or at any time during the year (2024: Nil).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

9 OTHER INCOME AND OTHER LOSSES, NET

	2025 HK\$'000	2024 HK\$'000
Other income		
– Gain on termination of leases	32	243
– Interest income from bank deposits	27	98
– Gain on waiver of other payables	–	602
– Others	86	489
	145	1,432
Other losses, net		
– Loss on disposal of an associate (<i>note 16</i>)	–	(157)
– Loss on write-off of intangible assets	(1,409)	–
– Others	(12)	(196)
	(1,421)	(353)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

10 INCOME TAX (CREDIT)/EXPENSE

	2025 HK\$'000	2024 HK\$'000
Current income tax		
– PRC Corporate Income Tax	494	2,231
Under-provision in respect of prior years		
– PRC Corporate Income Tax	–	4
	494	2,235
Deferred tax (Note 17(b))	(1,573)	391
	(1,079)	2,626

The reconciliation between the income tax (credit)/expense and loss before income tax is as followings:

	2025 HK\$'000	2024 HK\$'000
Loss before income tax	(28,410)	(17,630)
Tax calculated at applicable tax rate on loss before income tax	(5,387)	(3,382)
Tax calculated under preferential tax rate (Note (a))	(595)	(1,684)
Tax calculated on deemed profit basis (Note (b))	494	2,228
Expenses not deductible for tax purposes	1,189	3,708
Additional deduction on research and development expenses	(237)	(727)
Tax effect of tax losses not recognised	1,378	891
Tax effect of deductible temporary differences not recognised	2,079	1,875
Tax effect of utilisation of tax losses previously not recognised	–	(287)
Under-provision in prior years	–	4
	(1,079)	2,626

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

10 INCOME TAX (CREDIT)/EXPENSE (CONTINUED)

Notes:

- (a) Pursuant to the Corporate Income Tax Law of the PRC (the "CIT Law") and the Implementation Rules of the CIT Law in the PRC, the standard tax rate is 25% for the Group's subsidiaries and operations in the PRC.

In 2020, Quick Tech Corporation Ltd. ("Quick Tech"), the Group's subsidiary established in the PRC, was qualified as the High and New Technology Enterprise which commencing on 1 January 2017 and is entitled to preferential income tax rate of 15% for subsequent three years. In 2020 and 2023, Quick Tech had successfully renewed the qualification of High and New Technology Enterprise and is entitled to the preferential tax treatment of 15% for the period from 2020 to 2026. Accordingly, tax rate of 15% (2024:15%) has been applied for Quick Tech for the year ended 31 March 2025.

- (b) Hong Kong Cheng Phong Technology Limited ("Hong Kong Cheng Phong") and Bow Chak Industry (HK) Limited ("Bow Chak") are the Group's subsidiaries incorporated in Hong Kong and the British Virgin Islands (the "BVI"). However, their principal businesses for the years ended 31 March 2025 and 2024 were carried out in the PRC and the related income was subject to PRC corporate income tax. Hong Kong Cheng Phong, Bow Chak and MGW Swans were approved by the PRC tax bureau to pay PRC income tax on a "deemed profit basis", according to which their taxable income was calculated at 15% (2024:15%) of revenue for the year ended 31 March 2025.
- (c) Under the two-tiered profits tax rates regime, the first HK\$2,000,000 of assessable profits of qualifying Group's entities incorporated in Hong Kong will be taxed at 8.25% (2024: 8.25%), and assessable profits above HK\$2,000,000 will be taxed at 16.5% (2024: 16.5%). The assessable profits of the Group's entities not qualifying for the two-tiered profit tax rates regime will continue to be taxed at a rate of 16.5% (2024: 16.5%). No provision for Hong Kong Profits Tax has been made as the income of the Group's subsidiaries incorporated in Hong Kong neither arises in, nor is derived from Hong Kong during both years.
- (d) The Company was incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Law of Cayman Islands and accordingly is exempted from Cayman Islands income tax.
- (e) The Company's subsidiaries in the BVI were incorporated under the International Business Companies Act of the BVI and are exempted from the BVI income tax.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

11 LOSS PER SHARE

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

	2025 HK\$'000	2024 HK\$'000
Loss		
Loss for the year attributable to owners of the Company	(27,331)	(20,098)

	2025	2024 (Restated)
Number of shares		
Weighted average number of ordinary shares in issue	21,251,012	16,142,601

No diluted loss per share is to be presented as the Company did not have potentially dilutive ordinary shares during the years ended 31 March 2025 and 2024.

The weighted average number of ordinary shares in issue for the year ended 31 March 2024 has been adjusted retrospectively to reflect the share consolidation completed on 3 October 2024 as disclosed in note 23(c).

12 DIVIDENDS

No dividend was paid or proposed during the year ended 31 March 2025, nor has any dividend been proposed since the end of the reporting period (2024: Nil).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

13 PLANT AND EQUIPMENT

	Furniture and office equipment HK\$'000	Machinery and equipment HK\$'000	Total HK\$'000
At 1 April 2023			
Cost	544	13,630	14,174
Accumulated depreciation and impairment	(514)	(3,946)	(4,460)
Net book amount	30	9,684	9,714
Year ended 31 March 2024			
Opening net book amount	30	9,684	9,714
Depreciation charge	(19)	(1,840)	(1,859)
Impairment loss recognised	(4)	(3,193)	(3,197)
Currency translation differences	(1)	(508)	(509)
Closing net book amount	6	4,143	4,149
At 31 March 2024 and 1 April 2024			
Cost	349	12,863	13,212
Accumulated depreciation and impairment	(343)	(8,720)	(9,063)
Net book amount	6	4,143	4,149
Year ended 31 March 2025			
Opening net book amount	6	4,143	4,149
Addition	22	–	22
Depreciation charge	(4)	(1,034)	(1,038)
Impairment loss recognised	(24)	(3,110)	(3,134)
Currency translation differences	–	1	1
Closing net book amount	–	–	–
At 31 March 2025			
Cost	45	12,787	12,832
Accumulated depreciation and impairment	(45)	(12,787)	(12,832)
Net book amount	–	–	–

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

13 PLANT AND EQUIPMENT (CONTINUED)

During the years ended 31 March 2025 and 2024, due to the continuous loss incurred for the Equipment Manufacturing Business, the management of the Group concluded there was impairment indication for the Equipment Manufacturing Business and the Group's related plant and equipment, intangible assets and prepayments were allocated to the Equipment Manufacturing Business's cash-generating unit (the "Equipment CGU") for the purpose of impairment assessment. The recoverable amount of the Equipment CGU has been determined based on the value-in-use calculation which uses cash flows projection based on financial budgets approved by the directors of the Company and valued by International Valuation Limited, an independent valuation firm of the Company, covering a five-year period with pre-tax discount rate. Cash flows beyond that five-year period have been extrapolated using the estimated growth rate stated below.

Key assumptions used in the calculation are as follows:

	2025	2024
(LBITDA)/EBITDA margin (average of next five years)	(5%)	1%
Terminal growth rate	2%	2%
Discount rate	15%	16%

The above key assumptions were used in the value-in-use calculation of the Equipment CGU as at 31 March 2025 and 2024. The followings describe each key assumption on which the management of the Group has based its cash flow projection to undertake impairment testing:

Management determined the (loss)/earning before income tax, finance cost, depreciation and amortisation ("LBITDA)/EBITDA margin") based on past performance and its expectations regarding market development.

Terminal growth rate – The terminal growth rate does not exceed the long-term average growth rate for the industry and the country in which the Equipment CGU currently operates.

Discount rate – The discount rate is pre-tax and reflects specific risk relating to the Equipment CGU.

Based on the assessment, the management of the Group assessed the recoverable amount of the Equipment CGU to nil (2024: approximately HK\$8,491,000), which was lower (2024: lower) than its carrying value as at 31 March 2025. Accordingly, an impairment loss of approximately HK\$3,134,000 (2024: HK\$3,197,000), HK\$968,000 (2024: HK\$3,011,000) and reversal of impairment loss of approximately HK\$1,366,000 (2024: impairment loss of approximately HK\$382,000) were recognised in the Group's consolidated statement of comprehensive income during the year ended 31 March 2025 in respect of plant and equipment, intangible assets and prepayments respectively on the basis of the Equipment CGUs' past performance, management expectations for the market development and volatility in financial markets including potential disruptions of the Equipment Manufacturing Business.

Management believes that a reasonably possible change in any of the above key assumptions would not cause the carrying amounts of the Equipment CGU to materially exceed its respective recoverable amount.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

14 RIGHT-OF-USE ASSETS

The movement of the right-of-use assets is shown in the table below:

	Leased building <i>HK\$'000</i>	Motor vehicles <i>HK\$'000</i>	Total <i>HK\$'000</i>
At 1 April 2023			
Cost	3,539	5,467	9,006
Accumulated depreciation	(588)	(1,005)	(1,593)
Net book amount	2,951	4,462	7,413
Year ended 31 March 2024			
Opening net book amount	2,951	4,462	7,413
Addition	872	–	872
Termination of leases	(2,436)	(3,934)	(6,370)
Depreciation charge	(629)	(315)	(944)
Currency translation differences	(140)	(213)	(353)
Closing net book amount	618	–	618
At 31 March 2024 and 1 April 2024			
Cost	872	–	872
Accumulated depreciation	(254)	–	(254)
Net book amount	618	–	618
Year ended 31 March 2025			
Opening net book amount	618	–	618
Termination of leases	(454)	–	(454)
Depreciation charge	(163)	–	(163)
Currency translation differences	(1)	–	(1)
Closing net book amount	–	–	–
At 31 March 2025			
Cost	–	–	–
Accumulated depreciation	–	–	–
Net book amount	–	–	–

The Group has lease contracts for various items of motor vehicles and leased properties used in its operations. Leases for motor vehicles generally have lease terms of nil years (2024: 3 to 5 years), while lease properties generally have lease terms of 1 to 2 years (2024: 2 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. Expense relating to short-term leases with lease terms end within 12 months amounted to approximately HK\$372,000 during the year ended 31 March 2025 (2024: HK\$509,000).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

15 INTANGIBLE ASSETS

	Patent HK\$'000	Software HK\$'000	Total HK\$'000
At 1 April 2023			
Cost	323	17,240	17,563
Accumulated amortisation and impairment	(234)	(9,047)	(9,281)
Net book amount	89	8,193	8,282
Year ended 31 March 2024			
Opening net book amount	89	8,193	8,282
Amortisation charge	(25)	(1,260)	(1,285)
Impairment loss recognised	(26)	(2,985)	(3,011)
Currency translation differences	(5)	(98)	(103)
Closing net book amount	33	3,850	3,883
At 31 March 2024 and 1 April 2024			
Cost	305	16,139	16,444
Accumulated amortisation and impairment	(272)	(12,289)	(12,561)
Net book amount	33	3,850	3,883
Year ended 31 March 2025			
Opening net book amount	33	3,850	3,883
Amortisation charge	(6)	(1,500)	(1,506)
Written off	–	(1,409)	(1,409)
Impairment loss recognised	(27)	(941)	(968)
Closing net book amount	–	–	–
At 31 March 2025			
Cost	305	10,609	10,914
Accumulated amortisation and impairment	(305)	(10,609)	(10,914)
Net book amount	–	–	–

During the years ended 31 March 2025 and 2024, intangible assets, together with the related plant and equipment and prepayments, are allocated to the Equipment CGU for impairment assessment. Details of impairment assessment are set out in note 13.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

16 INTEREST IN AN ASSOCIATE

	2025 HK\$'000	2024 HK\$'000
At the beginning of the reporting period	–	–
Acquisition of an associate	–	4,794
Share of result of an associate	–	161
Disposal of an associate	–	(4,751)
Share of other comprehensive loss of an associate	–	(204)
At the end of the reporting period	–	–

Details of the Group's associate as at 31 March 2025 and 2024 are as follows:

Name of entity	Type of legal entity	Place of establishment/ business	Particulars of authorised shares	Proportion of ownership interest held by a subsidiary	Group's effective interest	Principal activities
黃岡市福圖文化發展有限公司 ("黃岡市福圖")*	Limited liability company	The PRC	RMB100,000,000	–	–	Provision of burial services and funeral services

* Registered as domestic owned enterprise under the PRC law.

Note: On 13 April 2023, the Group acquired 20% equity interest in 黃岡市福圖 at a consideration of approximately HK\$4,794,000 (equivalent to approximately RMB4,195,000). On 7 February 2024, the Group disposed 20% equity interest in 黃岡市福圖 at a consideration of approximately HK\$4,594,000 (equivalent to approximately RMB4,200,000) and loss on disposal of approximately HK\$157,000 was recognised during the year ended 31 March 2024.

Loss on disposal

	2024 HK\$'000
Consideration	4,594
Carrying amount of the interest in an associate at date of disposal	(4,751)
Loss on disposal	(157)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

17 DEFERRED TAX LIABILITIES

- (a) The analysis of deferred tax liabilities, after setting-off certain deferred tax assets against deferred tax liabilities of the same taxable entity, is as follows:

	2025 HK\$'000	2024 HK\$'000
Deferred tax liabilities	–	(1,582)

- (b) The movements in deferred tax (liabilities)/assets during the years are as follows:

	Provisions for credit losses on trade receivables HK\$'000	Expense in excess of allowance HK\$'000	Depreciation allowance in excess of related depreciation HK\$'000	Total HK\$'000
At 1 April 2023	44	76	(1,387)	(1,267)
Charged to the profit or loss (Note 10)	178	–	(569)	(391)
Currency translation differences	(4)	(3)	83	76
At 31 March 2024 and 1 April 2024	218	73	(1,873)	(1,582)
Credited to the profit or loss (Note 10)	(218)	(73)	1,864	1,573
Currency translation differences	–	–	9	9
At 31 March 2025	–	–	–	–

At the end of the reporting period, the Group has estimated unused tax losses of approximately HK\$24,156,000 (2024: HK\$15,062,000) and will expire in five to ten years (2024: five to ten years). No deferred tax asset has been recognised due to the unpredictability of future profit streams.

- (c) For presentation purposes, certain deferred tax assets and liabilities have been offset in the consolidated statement of financial position. The following is an analysis of the deferred tax balances of the Group for financial reporting purposes:

	2025 HK\$'000	2024 HK\$'000
Net deferred tax assets recognised in the consolidated statement of financial position	–	–
Net deferred tax liabilities recognised in the consolidated statement of financial position	–	(1,582)
	–	(1,582)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

18 TRADE RECEIVABLES

	2025 HK\$'000	2024 HK\$'000
Trade receivables	19,794	12,257
Less: Accumulated impairment losses	(6,636)	(1,477)
Trade receivables, net	13,158	10,780

- (a) As at 31 March 2025 and 2024, ageing analysis of gross trade receivables based on invoice date is as follows:

	2025 HK\$'000	2024 HK\$'000
Within 30 days	–	5,408
1 to 6 months	13,419	5,721
6 months to 1 year	–	169
Over 1 year	6,375	959
	19,794	12,257

The credit period of trade receivables is 90 – 180 days (2024: 90 – 180 days).

- (b) The carrying amount of the trade receivables was denominated in:

	2025 HK\$'000	2024 HK\$'000
– RMB	13,158	3,295
– US\$	–	3,222
– CHF	–	4,263
	13,158	10,780

Details of the impairment assessment of trade receivables are set out in note 3.1.2.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

19 CONTRACT ASSETS

	2025 HK\$'000	2024 HK\$'000
Arising from performance obligation under the Equipment Manufacturing Business	–	1,704
Less: Accumulated impairment losses	–	(50)
Contract assets, net	–	1,654

As at 31 March 2025 and 2024, the contract assets were denominated in RMB.

Contract assets arising from the Equipment Manufacturing Business are retention monies held by customers which will be repaid upon expiry of defect liability period, in accordance with sales contracts.

All contract assets is expected to be recovered less than one year.

Details of the impairment assessment of contract assets are set out in note 3.1.2.

20 DEPOSITS AND OTHER RECEIVABLES

	2025 HK\$'000	2024 HK\$'000
Advances to employees	964	966
Tendering deposits	83	243
Consideration receivable for the disposal of an associate (<i>note</i>)	4,503	4,530
Others	1,392	1,520
	6,942	7,259
Less: Accumulated impairment losses	(1,618)	(1,199)
Other receivables, net	5,324	6,060

Note: During the year ended 31 March 2024, the Group disposed an associate, 黃岡市福圓 (as disclosed in note 16) to an independent third party with the consideration of approximately HK\$4,530,000 (equivalent to RMB4,200,000). The balance is unsecured, interest-free and repayable within one year.

During the year ended 31 March 2025, the Group entered into an extension agreement with the independent third party in which the repayment date of the consideration receivable for the disposal of an associate of approximately HK\$4,503,000 (equivalent to RMB4,200,000) was extended to 31 December 2025.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

20 DEPOSITS AND OTHER RECEIVABLES (CONTINUED)

The carrying amount of deposits and other receivable was denominated in:

	2025 HK\$'000	2024 HK\$'000
– HK\$	–	155
– RMB	5,324	5,721
– US\$	–	184
	5,324	6,060

Details of the impairment assessment of deposits and other receivables are set out in note 3.1.2.

21 PREPAYMENTS

	2025 HK\$'000	2024 HK\$'000
Prepayments	11,308	9,512
Less: Accumulated impairment losses (note (e))	(2,323)	(3,700)
	8,985	5,812
Included in current assets:		
– Prepayments for developing software (note (a))	–	138
– Prepayments for purchasing equipment (note (b))	8,985	5,536
– Prepaid research and development expenses (note (c))	–	138
Total prepayments	8,985	5,812

Notes:

- As at 31 March 2024, prepayments for developing software of approximately HK\$138,000 (2025: Nil) represent prepayment to independent software developers for developing software for the Group's self-use.
- Prepayments for purchasing equipment as at 31 March 2025 of approximately HK\$8,985,000 (2024: HK\$5,536,000) represent prepayment to independent equipment manufacturers for purchasing equipment for sales to the Group's customers.
- As at 31 March 2024, the Group prepaid outsourced research and development expenses of approximately HK\$138,000 (2025: Nil) to independent software developers for the provision of technological solutions service relating to the specific requirements on the equipment ordered by its customers.
- During the years ended 31 March 2025 and 2024, prepayments for developing software and prepaid outsourced research and development expenses, together with the related plant and equipment and intangible assets, are allocated to the Equipment CGU for impairment assessment. Details are set out in note 13.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

21 PREPAYMENTS (CONTINUED)

Notes: (Continued)

- (e) The movement in the accumulated impairment loss of prepayments during the years ended 31 March 2025 and 2024 are as follows:

	2025 HK\$'000	2024 HK\$'000
At the beginning of the year	3,700	3,114
Impairment loss (reversed)/recognised	(1,366)	382
Currency translation differences	(11)	204
At the end of the year	2,323	3,700

22 RESTRICTED CASH AND CASH AND CASH EQUIVALENTS

- (a) Restricted cash was denominated in:

	2025 HK\$'000	2024 HK\$'000
– US\$	79	636
– HK\$	51	51
	130	687

Restricted cash represents bank deposits pledged as security for issuance of letter of guarantees. Restricted cash carried interest at the prevailing market interest rates as at 31 March 2025 and 2024.

- (b) Cash and cash equivalents were denominated in:

	2025 HK\$'000	2024 HK\$'000
– RMB	119	6,953
– US\$	95	3,445
– HK\$	9	560
– Euro	–	2
– CHF	–	3,716
	223	14,676

As at 31 March 2025, there was approximately HK\$119,000 (2024: HK\$6,953,000) denominated in RMB and deposited with banks in the PRC that the conversion of these balances into foreign currencies and the remittance of such foreign currencies denominated bank balances and cash out of the PRC are subject to relevant rules and regulation of foreign exchange control promulgated by the PRC government.

The cash at bank carried interest at the prevailing market interest rates as at 31 March 2025 and 2024.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

23 SHARE CAPITAL

	Notes	Number of shares	Share capital US\$	Share capital HK\$'000
Authorised:				
Ordinary shares of US\$0.0001 each as at 1 April 2023, 31 March 2024 and 1 April 2024		5,000,000,000	500,000	3,905
Share consolidation	(c)	(4,875,000,000)	–	–
Ordinary shares of US\$0.004 each as at 31 March 2025		125,000,000	500,000	3,905
Issued and fully paid:				
Ordinary shares of US\$0.0001 each as at 1 April 2023		480,000,000	48,000	375
Issuance of shares upon rights issue	(a)	239,893,183	23,989	187
Ordinary shares of US\$0.0001 each as at 31 March 2024 and 1 April 2024		719,893,183	71,989	562
Issuance of shares upon placing	(b)	143,960,000	14,396	112
Share consolidation	(c)	(842,256,854)	–	–
Ordinary shares of US\$0.004 each as at 3 October 2024		21,596,329	86,385	674
Issuance of shares upon placing	(d)	4,318,000	17,272	135
Ordinary shares of US\$0.004 each as at 31 March 2025		25,914,329	103,657	809

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

23 SHARE CAPITAL (CONTINUED)

- (a) On 30 May 2023, the board of directors of the Company proposed to conduct the rights issue (the "Rights Issue") on the basis of one rights share (the "Rights Shares") for every two issued shares of the Company (the "Shares") held at the subscription price of HK\$0.1 per Rights Share, to raise up to approximately HK\$24 million before expenses by way of issuing up to 240,000,000 Rights Shares. The Rights Issue was completed on 2 August 2023 pursuant to which the Company has allotted and issued 239,893,183 Rights Shares. The net proceeds derived from the Rights Issue amounting to approximately HK\$22,338,000 and resulted in the increase in share capital of approximately HK\$187,000 and share premium of approximately HK\$22,151,000, net of transaction costs of approximately HK\$1,651,000.
- (b) On 13 August 2024, the Company and a placing agent entered into a placing agreement pursuant to which the Company has conditionally agreed to place a maximum of 143,978,636 placing shares to independent investors at a price of HK\$0.024 per share. The placing was completed on 28 August 2024 pursuant to which the Company has allotted and issued 143,960,000 placing shares. The net proceeds derived from the placing amounted to approximately HK\$3,292,000 and resulted in the increase in share capital of approximately HK\$112,000 and share premium of approximately HK\$3,180,000, net of transaction costs of approximately HK\$163,000.
- (c) Pursuant to an ordinary resolution passed by the shareholders of the Company at an annual general meeting on 30 September 2024, every forty issued and unissued shares of US\$0.0001 each in share capital of the Company be consolidated into one share of US\$0.004 each with effect from 3 October 2024 (the "Share Consolidation").

Prior to the Share Consolidation, the authorised share capital of the Company was US\$500,000 divided into 5,000,000,000 shares of par value of US\$0.0001 each, of which 863,853,183 shares of par value of US\$0.0001 each were in issue and were fully paid or credited as fully paid. Immediately following the completion of the Share Consolidation, the Company's authorised share capital becomes US\$500,000 divided into 125,000,000 shares of par value of US\$0.004 each, and its issued share capital becomes US\$86,385 divided into 21,596,329 shares of par value of US\$0.004 each.

- (d) On 12 December 2024, the Company and a placing agent entered into a placing agreement pursuant to which the Company has conditionally agreed to place a maximum of 4,318,000 placing shares to independent investors at a price of HK\$0.85 per share. The placing was completed on 27 December 2024 pursuant to which the Company has allotted and issued 4,318,000 placing shares. The net proceeds derived from the placing amounted to approximately HK\$3,572,000 and resulted in the increase in share capital of approximately HK\$135,000 and share premium of approximately HK\$3,437,000, net of transaction costs of approximately HK\$98,000.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

24 OTHER RESERVES

	Share premium HK\$'000 (Note (a))	Capital reserve HK\$'000 (Note (b))	Statutory reserve HK\$'000 (Note (c))	Exchange reserve HK\$'000 (Note (d))	Total HK\$'000
Balance at 1 April 2023	56,877	163	3,067	(348)	59,759
Other comprehensive loss for the year	–	–	–	(2,703)	(2,703)
Issuance of shares upon Rights Issue (note 23(a))	23,802	–	–	–	23,802
Transaction cost attributable to issuance of shares upon Rights Issue (note 23(a))	(1,651)	–	–	–	(1,651)
Balance at 31 March 2024 and 1 April 2024	79,028	163	3,067	(3,051)	79,207
Other comprehensive loss for the year	–	–	–	(105)	(105)
Issuance of shares upon placing (notes 23(b) and (d))	6,878	–	–	–	6,878
Transaction cost attributable to issuance of shares upon placing (notes 23(b) and (d))	(261)	–	–	–	(261)
Balance at 31 March 2025	85,645	163	3,067	(3,156)	85,719

(a) Share premium

Under the Companies Law of the Cayman Islands, the funds in the share premium account of the Company are distributable to the shareholders of the Company provided that immediately following the date on which the dividend is proposed to be distributed, the Company will be in a position to pay off its debts as they fall due in the ordinary course of business.

(b) Capital reserve

Capital reserve represented the difference between (i) the then combined capital of the operating companies of the Group amounting to HK\$552,000 before the listing of the Company; and (ii) the deemed distribution to Mr. Wu Di, the former controlling shareholder and former executive director of the Company, representing the cash consideration of HK\$389,000 (equivalent to RMB331,200) paid to Mr. Wu Di for acquisition of the 97% equity interest in Quick Tech during the reorganisation for the preparation for the listing of the Company.

(c) Statutory reserve

In accordance with relevant rules and regulations in the PRC, all the Group's subsidiaries established in the PRC that operated exclusively with foreign capitals are required to transfer an amount of not less than 10% of profit after taxation calculated under the PRC accounting standards and regulations to the statutory reserve, until the statutory reserve reaches 50% of their registered capital of the respective subsidiaries. The statutory reserve can only be used, upon approval by the relevant authority, to offset accumulated losses or to increase the capital of respective subsidiaries.

(d) Exchange reserve

Exchange reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

25 BORROWINGS

	2025 HK\$'000	2024 HK\$'000
Bank borrowings	–	4,584

As at 31 March 2024, bank borrowings are repayable within one year and bear annual weighted average effective interest rates of 4.10%.

As at 31 March 2024, all the Group's bank borrowings were denominated in RMB, unsecured and were guaranteed by Mr. Wu Di, the former controlling shareholder and the former executive director of the Company.

(a) At the end of the reporting period, the borrowings were repayable as follows:

	2025 HK\$'000	2024 HK\$'000
Carrying amount of borrowings that are payable within one year and contains repayment on demand clause and classified as current liabilities	–	4,584

The Group's bank borrowings as at 31 March 2024 contained clauses which give the banks the right at their sole discretion to demand immediate repayment at any time irrespective of whether the Group has complied with the covenants and met the scheduled repayment obligations.

The Group regularly monitors its compliance with loan covenants. Its repayments up to date are in accordance with the scheduled repayments of the loans. The Group does not consider that the banks will probably exercise their discretions to demand repayments immediately so long as the Group continues to meet these requirements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

26 LEASE LIABILITIES

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

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

	2025 HK\$'000	2024 HK\$'000
Right-of-use assets (<i>note 14</i>)	–	618
Lease liabilities		
Current	–	458
Non-current	–	198
	–	656

These amounts related to the lease rental paid for the leased building and motor vehicles.

(b) Amounts recognised in the consolidated statement of comprehensive income

The consolidated statement of comprehensive income shows the following amounts relating to leases:

	2025 HK\$'000	2024 HK\$'000
Gain on termination of lease (<i>note 9</i>)	(32)	(243)
Depreciation of right-of-use assets	163	944
Short-term lease expenses	372	509
Interest expense (included in finance costs)	19	196

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

26 LEASE LIABILITIES (CONTINUED)

(c) Amounts included in the consolidated statement of cash flows

Amounts included in the consolidated statement of cash flows for leases comprise the followings:

	2025 HK\$'000	2024 HK\$'000
Within operating cash flows	372	509
Within financing cash flows	180	930
Total cash flows	552	1,439

As at 31 March 2024, incremental borrowing rates applied to lease liabilities is 4.2%.

(d) Lease payments of lease liabilities as at the end of the reporting period are shown in the table below:

	2025 HK\$'000	2024 HK\$'000
Lease payments in relation to lease liabilities are payable as follows:		
Within 1 year	–	480
Between 1 and 2 years	–	200
Minimum lease payments	–	680
Less: Future finance charges	–	(24)
Total lease liabilities	–	656

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

27 TRADE PAYABLES

	2025 HK\$'000	2024 HK\$'000
Trade payables	12,643	5,237

- (a) As at 31 March 2025 and 2024, ageing analysis of trade payables based on invoice date is as follows:

	2025 HK\$'000	2024 HK\$'000
Within 1 year	11,719	4,747
Over 1 year	924	490
	12,643	5,237

- (b) Trade payables were denominated in:

	2025 HK\$'000	2024 HK\$'000
– RMB	11,719	2,927
– US\$	924	2,310
	12,643	5,237

The credit period of trade payables is 90 – 180 days (2024: 90 – 180 days).

28 OTHER PAYABLES

	2025 HK\$'000	2024 HK\$'000
Accrued expenses	1,822	1,666
Other payables	232	532
Other tax payables	43	76
Payroll payables	2,279	1,687
Amount due to a director (note 32(c))	835	–
	5,211	3,961

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

28 OTHER PAYABLES (CONTINUED)

Other payables were denominated in:

	2025 HK\$'000	2024 HK\$'000
– HK\$	3,108	2,070
– RMB	2,103	1,891
	5,211	3,961

29 CONTRACT LIABILITIES

	2025 HK\$'000	2024 HK\$'000
Billings in advance of performance obligation		
– Equipment Manufacturing Business	598	–
– Burial Business	466	1,102
	1,064	1,102

Contract liabilities arising from the Equipment Manufacturing Business and Burial Business represent cash received from customers in advance for which the goods and services are yet to be delivered and rendered. When the Group receives a deposit before the goods and service to be delivered and rendered, this will give rise to contract liabilities at the start of a contract, until the revenue recognised on the contract exceeds the amount of the deposit.

Movement in the contract liabilities balance during the year are as follows:

	2025 HK\$'000	2024 HK\$'000
At the beginning of the year	1,102	3,352
Decrease in contract liabilities as a result of revenue recognised during the year that was included in the contract liabilities balance at the beginning of the year	(1,102)	(3,352)
Increase in contract liabilities as a result of receipts in advance from customers during the year	1,064	1,102
At the end of the year	1,064	1,102

At at 31 March 2025 and 2024, all contract liabilities is expected to be recognised as revenue within one year.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

30 CASH FLOW INFORMATION

(a) Disposal of subsidiaries

On 29 March 2024, 深圳市民富智能製造有限公司, an indirectly wholly-owned subsidiary of the Company, entered into a sales and purchase agreement with an independent third party of the Group, pursuant to which, 深圳市民富智能製造有限公司 agreed to dispose its 51% equity interest in 民富(廣東)網絡科技有限公司 at a consideration of RMB1 (equivalent to approximately HK\$1). The disposal was completed on 29 March 2024 and resulted a gain on disposal of subsidiaries amounted to approximately HK\$312,000 recognised in the Group's profit or loss for the year ended 31 March 2024. 民富(廣東)網絡科技有限公司 owns the entire equity interest in 廣州肥喜家連鎖餐飲有限公司 which is a company established in the PRC (collectively referred to as the "Disposed Group"). The Disposal Group is principally engaged in provision of internet and other related services and catering services. Details of the disposals of the Disposal Group is set out below:

	HK\$'000
Other receivables	118
Prepayments	333
Cash and cash equivalents	18
Trade payables	(145)
Other payables	(428)
Total net liabilities disposal of	(104)
Release of foreign currency translation reserve	(11)
Release of non-controlling interests	(197)
Gain on disposal of subsidiaries	312
Total consideration	—*
Net cash outflows arising on disposal:	
– Cash consideration received	—*
– Cash and cash equivalents disposal of	(18)
Net cash outflows	(18)

* Amount less than HK\$1,000

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

30 CASH FLOW INFORMATION (CONTINUED)

(b) Cash (used in)/generated from operations

Reconciliation of loss before income tax to cash (used in)/generated from operations is as follows:

	2025 HK\$'000	2024 HK\$'000
Loss before income tax	(28,410)	(17,630)
Adjustments for:		
– Depreciation of plant and equipment	1,038	1,859
– Depreciation of right-of-use assets	163	944
– Amortisation of intangible assets	1,506	1,285
– Finance costs	51	384
– Interest income from bank deposits	(27)	(98)
– Gain on termination of lease	(32)	(243)
– Loss on write-off of intangible assets	1,409	–
– Impairment loss of contract assets, trade and other receivables	5,557	958
– Impairment loss of non-financial assets	2,736	6,590
– Loss on disposal of an associate	–	157
– Gain on disposal of subsidiaries	–	(312)
– Gain on waiver of other payables	–	(602)
– Share of result of an associate	–	(161)
– Exchange losses arising from operations	9	1,150
Operating cash flows before movements in working capital	(16,000)	(5,719)
Changes in working capital		
– Trade receivables	(7,537)	889
– Prepayments	(1,797)	7,176
– Deposits and other receivables	344	(1,317)
– Contract assets	1,704	(1,720)
– Trade payables	7,328	4,741
– Contract liabilities	(38)	(2,229)
– Other payables	384	(1,639)
Cash (used in)/generated from operations	(15,612)	182

(c) Reconciliation of liabilities arising from financing activities

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

30 CASH FLOW INFORMATION (CONTINUED)

(c) Reconciliation of liabilities arising from financing activities (Continued)

	Borrowings HK\$'000 (Note 25)	Lease liabilities HK\$'000 (Note 26)	Amount due to a director, included in other payables HK\$'000 (Note 28)	Amount due to a related party HK\$'000	Total HK\$'000
At 1 April 2023	5,543	7,488	4,572	2,492	20,095
Changes from financing cash flows:					
Repayment of borrowings	(600)	–	–	–	(600)
Interest paid	(188)	–	–	–	(188)
Principal element of lease rental paid	–	(734)	–	–	(734)
Interest element of lease rental paid	–	(196)	–	–	(196)
Repayment to a related party	–	–	–	(2,492)	(2,492)
Repayment to a director	–	–	(4,572)	–	(4,572)
Total changes from financing cash flows	(788)	(930)	(4,572)	(2,492)	(8,782)
Other changes:					
Addition of lease	–	872	–	–	872
Termination of leases	–	(6,613)	–	–	(6,613)
Interest expenses (note 7)	188	196	–	–	384
Currency translation differences	(359)	(357)	–	–	(716)
Total other changes	(171)	(5,902)	–	–	(6,073)
At 31 March 2024 and 1 April 2024	4,584	656	–	–	5,240
Changes from financing cash flows:					
Repayment of borrowings	(4,584)	–	–	–	(4,584)
Interest paid	(32)	–	–	–	(32)
Principal element of lease rental paid	–	(161)	–	–	(161)
Interest element of lease rental paid	–	(19)	–	–	(19)
Advanced from a director	–	–	835	–	835
Total changes from financing cash flows	(4,616)	(180)	835	–	(3,961)
Other changes:					
Termination of leases	–	(486)	–	–	(486)
Interest expenses (note 7)	32	19	–	–	51
Currency translation differences	–	(9)	–	–	(9)
Total other changes	32	(476)	–	–	(444)
At 31 March 2025	–	–	835	–	835

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

31 SUBSIDIARIES OF THE COMPANY

Detail of the principal subsidiaries of the Company as at 31 March 2025 and 2024 are as follows:

Name of company	Place of incorporation/ establishment and kind of legal entity	Particulars of issued share capital/ registered capital	Equity interest held		Place of operations and principal activities
			31 March		
			2025	2024	
Directly held					
CPT Asia-Pacific Holding Ltd.	BVI, limited liability company	US\$1	100%	100%	BVI, Investment holding
BCI East Asia Holding Ltd.	BVI, limited liability company	US\$1	100%	100%	BVI, Investment holding
MG Pacific Holding Ltd.	BVI, limited liability company	US\$1	100%	100%	BVI, Investment holding
ZHP Orient Holding Ltd.	BVI, limited liability company	US\$1	100%	100%	BVI, Investment holding
Min Fu Investment Holding Limited	BVI, limited liability company	US\$1	100%	100%	BVI, Investment holding
Indirectly held					
Hong Kong Zhi Phong	Hong Kong, limited liability company	HK\$1	100%	100%	Hong Kong, Investment holding
Hong Kong Cheng Phong	Hong Kong, limited liability company	HK\$100	100%	100%	The PRC, Provision of smart manufacturing solutions, including sales of equipment and provision of technical services in the PRC
Bow Chak	Hong Kong, limited liability company	HK\$100	100%	100%	The PRC, Provision of smart manufacturing solutions, including sales of equipment and provision of technical services in the PRC
Quick Tech <i>(note)</i>	The PRC, limited liability company	RMB10,750,000	100%	100%	The PRC, Provision of smart manufacturing solutions, including sales of equipment and provision of technical services in the PRC
Min Fu Technology (Hong Kong) Limited	Hong Kong, limited liability company	HK\$1	100%	100%	Hong Kong, Investment holding
Min Fu Investment (Nanjing) Limited <i>(note)</i>	The PRC, limited liability company	US\$5,000,000	100%	100%	The PRC, Investment holding
Min Fu Holding (Shenzhen) Limited <i>(note)</i>	The PRC, limited liability company	RMB10,000,000	100%	100%	The PRC, Provision of burial business, agency services for sale of burial plots and columbarium units

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

31 SUBSIDIARIES OF THE COMPANY (CONTINUED)

Name of company	Place of incorporation/ establishment and kind of legal entity	Particulars of issued share capital/ registered capital	Equity interest held		Place of operations and principal activities
			31 March		
			2025	2024	
Min Fu Technology Trading Limited	Hong Kong, limited liability company	HK\$1	100%	100%	Hong Kong, Dormant
深圳市民富智能製造有限公司 (note)	The PRC, limited liability company	RMB10,000,000	100%	100%	The PRC, Provision of digital smart worship ancestors services

Note: Registered as wholly foreign owned enterprise under the PRC law.

None of the subsidiaries had issued any debt securities at the end of the reporting period.

The above table lists the subsidiaries of the Company which, in the opinion of the directors of the Company, principally affected the results for the year or formed a substantial portion of the net assets of the Group. To give details of other subsidiaries would, in the opinion of the directors, result in particulars of excessive length.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

32 RELATED PARTY TRANSACTIONS

(a) Name and relationship with related parties

Name	Relationship
Ms. Ye Jialing	Executive director of the Company

(b) Key management compensation

The remuneration of the key management during the year was as follows:

	2025 HK\$'000	2024 HK\$'000
Fees, salaries and other benefits	3,243	3,476
Contribution to pension scheme	63	60
Total	3,306	3,536

Other than the disclosure elsewhere in these consolidated financial statements, the Group has not entered into any other related party transactions.

(c) Balance with related parties

	2025 HK\$'000	2024 HK\$'000
Amount due to a director included in other payables		
Ms. Ye Jialing	835	—

The amount due was unsecured, interest-free and repayable on demand.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

33 STATEMENT OF FINANCIAL POSITION AND RESERVE MOVEMENT OF THE COMPANY

Statement of financial position of the Company

	2025 HK\$'000	2024 HK\$'000
ASSETS		
Non-current asset		
Investments in subsidiaries	3,135	19,073
Current assets		
Prepayments	–	6
Amounts due from subsidiaries	–	272
Cash and cash equivalents	–	1
	–	279
Total assets	3,135	19,352
CAPITAL AND RESERVES		
Share capital	809	562
Other reserves	104,788	98,171
Accumulated losses	(109,041)	(85,393)
Total (deficit)/equity	(3,444)	13,340
LIABILITIES		
Current liabilities		
Other payables	2,989	2,422
Amounts due to subsidiaries	3,590	3,590
Total liabilities	6,579	6,012
Total equity and liabilities	3,135	19,352
Net current liabilities	(6,579)	(5,733)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

33 STATEMENT OF FINANCIAL POSITION AND RESERVE MOVEMENT OF THE COMPANY (CONTINUED)

Reserve movement of the Company

	Share premium <i>HK\$'000</i>	Other reserves <i>HK\$'000</i> <i>(Note)</i>	Accumulated losses <i>HK\$'000</i>	Total <i>HK\$'000</i>
Balance at 1 April 2023	56,877	19,143	(64,885)	11,135
Loss and total comprehensive loss for the year	–	–	(20,508)	(20,508)
Issuance of shares upon Rights Issue (<i>note 23(a)</i>)	23,802	–	–	23,802
Transaction cost attributable to issuance of shares upon Rights Issue (<i>note 23(a)</i>)	(1,651)	–	–	(1,651)
Balance at 31 March 2024 and 1 April 2024	79,028	19,143	(85,393)	12,778
Loss and total comprehensive loss for the year	–	–	(23,648)	(23,648)
Issuance of shares upon placing (<i>notes 23(b) and (d)</i>)	6,878	–	–	6,878
Transaction cost attributable to issuance of shares upon placing (<i>notes 23(b) and (d)</i>)	(261)	–	–	(261)
Balance at 31 March 2025	85,645	19,143	(109,041)	(4,253)

Note: Other reserves represented premium arising pursuant to the reorganisation arrangements undergone by the Company for the listing of the Company's shares on GEM of the Stock Exchange.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

34 RETIREMENT BENEFIT SCHEMES

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% (2024: 5%) of the salaries and wages subject to a monthly maximum amount of HK\$1,500 (2024: HK\$1,500) per employee and vest fully with employees when contributed into the MPF Scheme.

As stipulated under the relevant rules and regulations in the PRC, the employees of the Group’s subsidiaries established in the PRC are members of a central pension scheme operated by the local municipal government. These subsidiaries are 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 these subsidiaries. The only obligation of these subsidiaries with respect to the central pension scheme is to meet the required contributions under the scheme.

During the years ended 31 March 2025 and 2024, the Group had no forfeited contributions under the central pension scheme and the MPF Scheme and which may be used by the Group to reduce the existing level of contributions. There were also no forfeited contributions available at 31 March 2025 and 2024 under the central pension scheme and the MPF Scheme which may be used by the Group to reduce the contribution payable in future years.

FINANCIAL SUMMARY

A five-year summary of the consolidated results and the consolidated assets and liabilities of the Group, and as extracted from the Group's audited consolidated financial statements contained in published annual reports, is set out below:

	Year ended 31 March				
	2021	2022	2023	2024	2025
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Revenue	39,962	31,514	31,974	80,501	27,829
Gross profit	16,380	12,568	9,703	17,558	2,549
Loss before income tax	(6,391)	(9,355)	(26,778)	(17,630)	(28,410)
Loss for the year	(3,339)	(9,245)	(28,412)	(20,256)	(27,331)

	As at 31 March				
	2021	2022	2023	2024	2025
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Total assets	88,777	71,763	61,948	48,319	27,820
Total liabilities	(25,522)	(15,370)	(32,050)	(18,845)	(18,918)
Net assets	63,255	56,393	29,898	29,474	8,902
Current ratio	3.51	3.17	1.22	2.32	1.47

This report is published in both English and Chinese languages. Should there be any inconsistency between the Chinese and English versions, the English version shall prevail.