

AGTECH HOLDINGS LIMITED

Incorporated in Bermuda with limited liability | Stock Code: 8279

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2024/25

Sustainable living is not just an option; it is a necessity. By adopting environmentally responsible practices, promoting green initiatives, and leveraging fintech services and innovations, we can reduce our carbon footprint and help combat climate change to protect future generations.

Characteristics of GEM

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

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FOREWORD

Macau, a city rich in world heritage and culture, stands as a testament to the resilience and ingenuity of its people. From its historic architecture to its vibrant traditions, Macau's cultural treasures are a source of pride and identity. However, the looming threat of climate change poses significant risks to these invaluable assets. Rising sea levels, extreme weather events, and shifting climate patterns could irreversibly damage the city's heritage sites and disrupt the cultural fabric of its community.

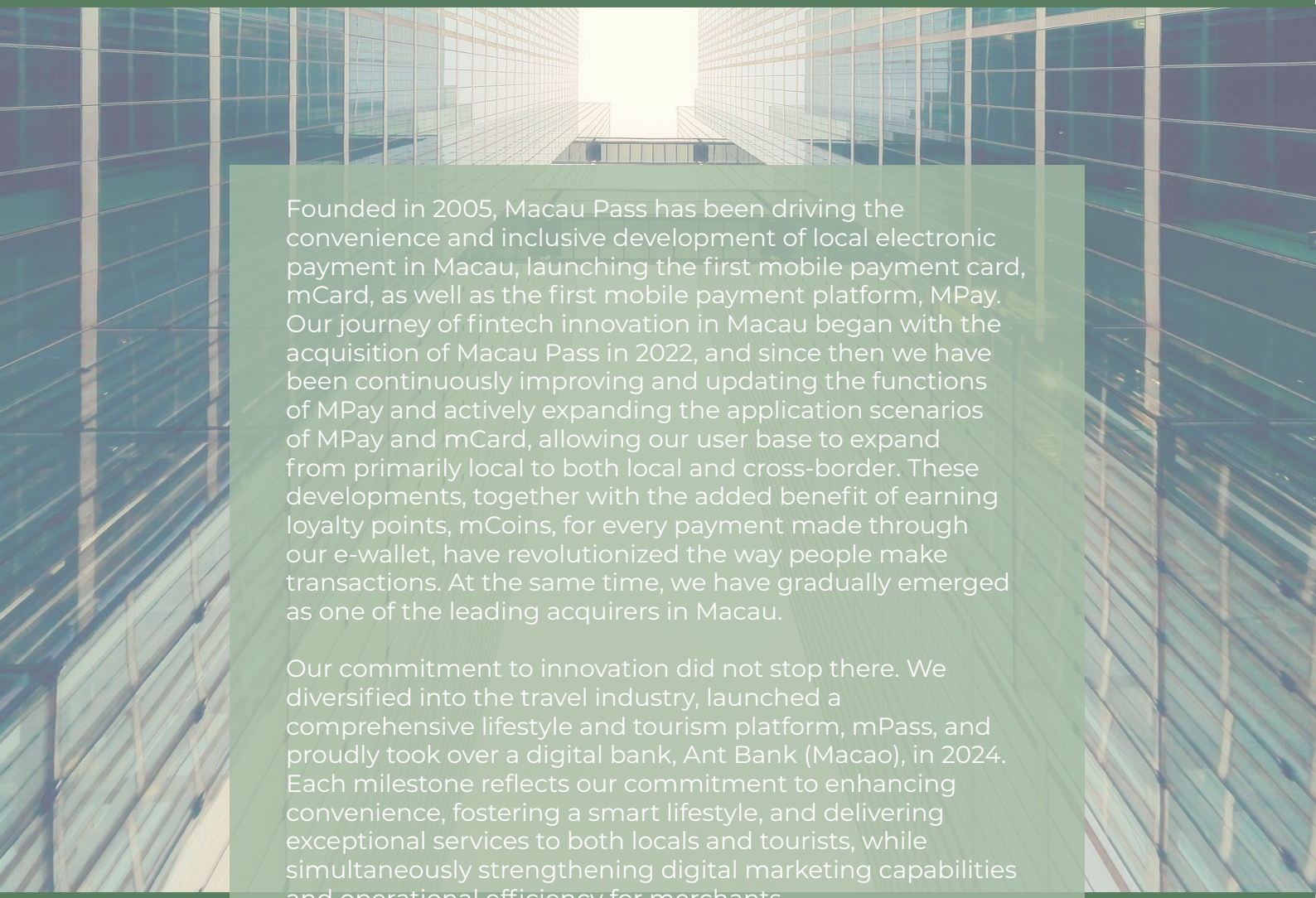
In the face of these challenges, it is imperative that we take proactive measures to preserve our planet and our world heritage. Sustainable living is not just an option; it is a necessity. By adopting environmentally responsible practices, promoting green initiatives, and leveraging fintech services and innovations, we can reduce our carbon footprint and help combat climate change to protect future generations.

This report outlines our commitment to environmental, social and governance (ESG) principles. It highlights the measures we are taking to mitigate the impacts of climate change, protect our environment, and foster a sustainable future. Together, we can ensure that Macau remains a beacon of cultural richness and environmental stewardship.



Picture: Macau's iconic world heritage site, the Ruins of St. Paul's

Corporate Profile



Founded in 2005, Macau Pass has been driving the convenience and inclusive development of local electronic payment in Macau, launching the first mobile payment card, mCard, as well as the first mobile payment platform, MPay. Our journey of fintech innovation in Macau began with the acquisition of Macau Pass in 2022, and since then we have been continuously improving and updating the functions of MPay and actively expanding the application scenarios of MPay and mCard, allowing our user base to expand from primarily local to both local and cross-border. These developments, together with the added benefit of earning loyalty points, mCoins, for every payment made through our e-wallet, have revolutionized the way people make transactions. At the same time, we have gradually emerged as one of the leading acquirers in Macau.

Our commitment to innovation did not stop there. We diversified into the travel industry, launched a comprehensive lifestyle and tourism platform, mPass, and proudly took over a digital bank, Ant Bank (Macao), in 2024. Each milestone reflects our commitment to enhancing convenience, fostering a smart lifestyle, and delivering exceptional services to both locals and tourists, while simultaneously strengthening digital marketing capabilities and operational efficiency for merchants.

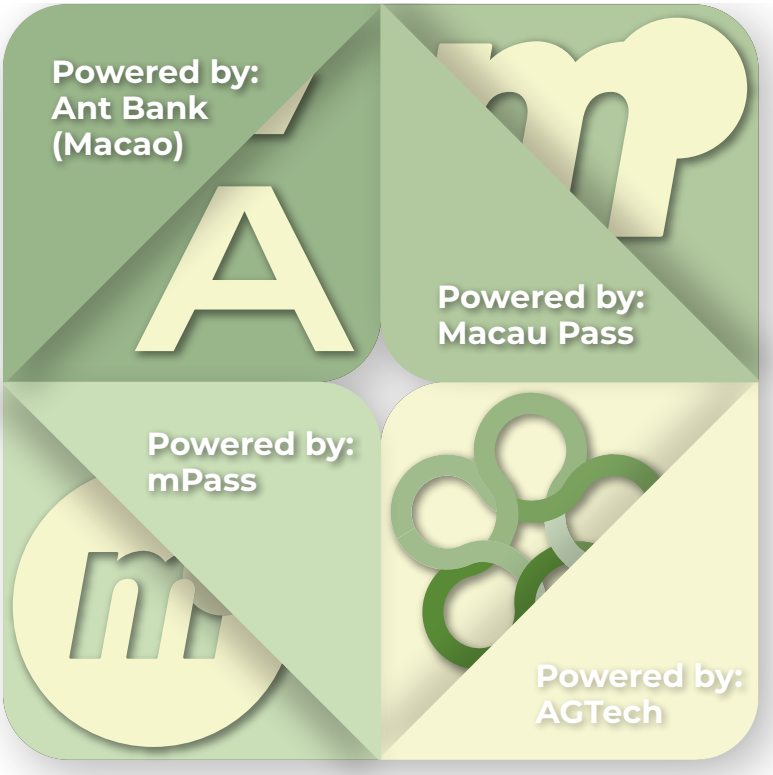
As we celebrate our 20 years in Macau in 2025, our journey is a testament to our unwavering commitment to innovation and excellence in service. We look forward to continuing this journey of growth and innovation, driving positive change in the fintech landscape of Macau and beyond.

Core Businesses of AGTech

A Comprehensive Financial Technology Group

1
Digital Banking and Financial Services[1]

2
Digital Payment and Ancillary Services[2]



3
Local Consumer Services[3]

4
Lottery Services[4]

Notes:

1. Financial services include internet securities investment and insurance agency services.
2. Ancillary services encompass payment-related hardware supply (such as payment terminals, self-service meal ordering kiosks, vending machines, and the MPark parking system).
3. Local consumer services include lifestyle, culture and entertainment services, marketing technical services for merchants, as well as e-commerce.
4. Lottery services include lottery hardware sales, offline distribution, and other integrated services.

Our Major Fintech Brands in Macau

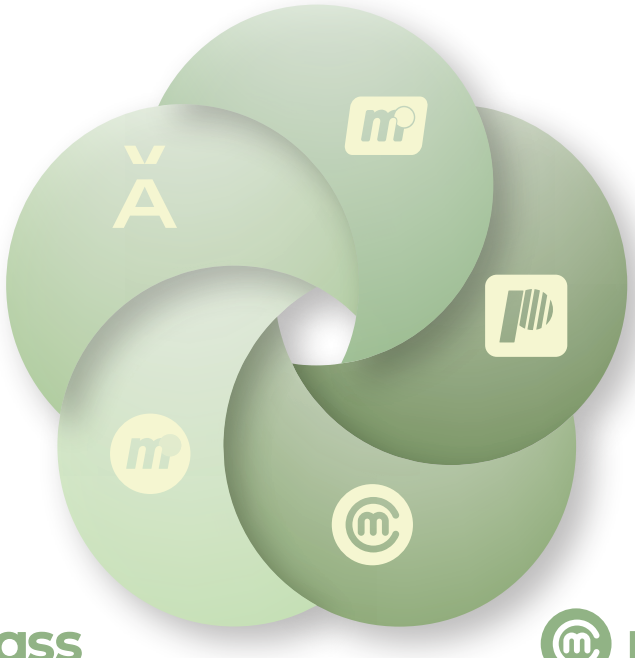
Revolutionizing Services for Consumers

mCard

Payment card and ancillary services operated by Macau Pass, which also facilitates payments for public transportation in the Chinese Mainland

ANT BANK 螞蟻銀行（澳門）

Digital banking (e.g. deposits, loans, transfers, cross-border remittances, e-commerce/supply chain financing, wealth management, etc.), internet securities investment and insurance agency services



MPay

E-wallet services in Macau, facilitating cross-border payments in about 60 countries and region (including the Chinese Mainland)

mPass

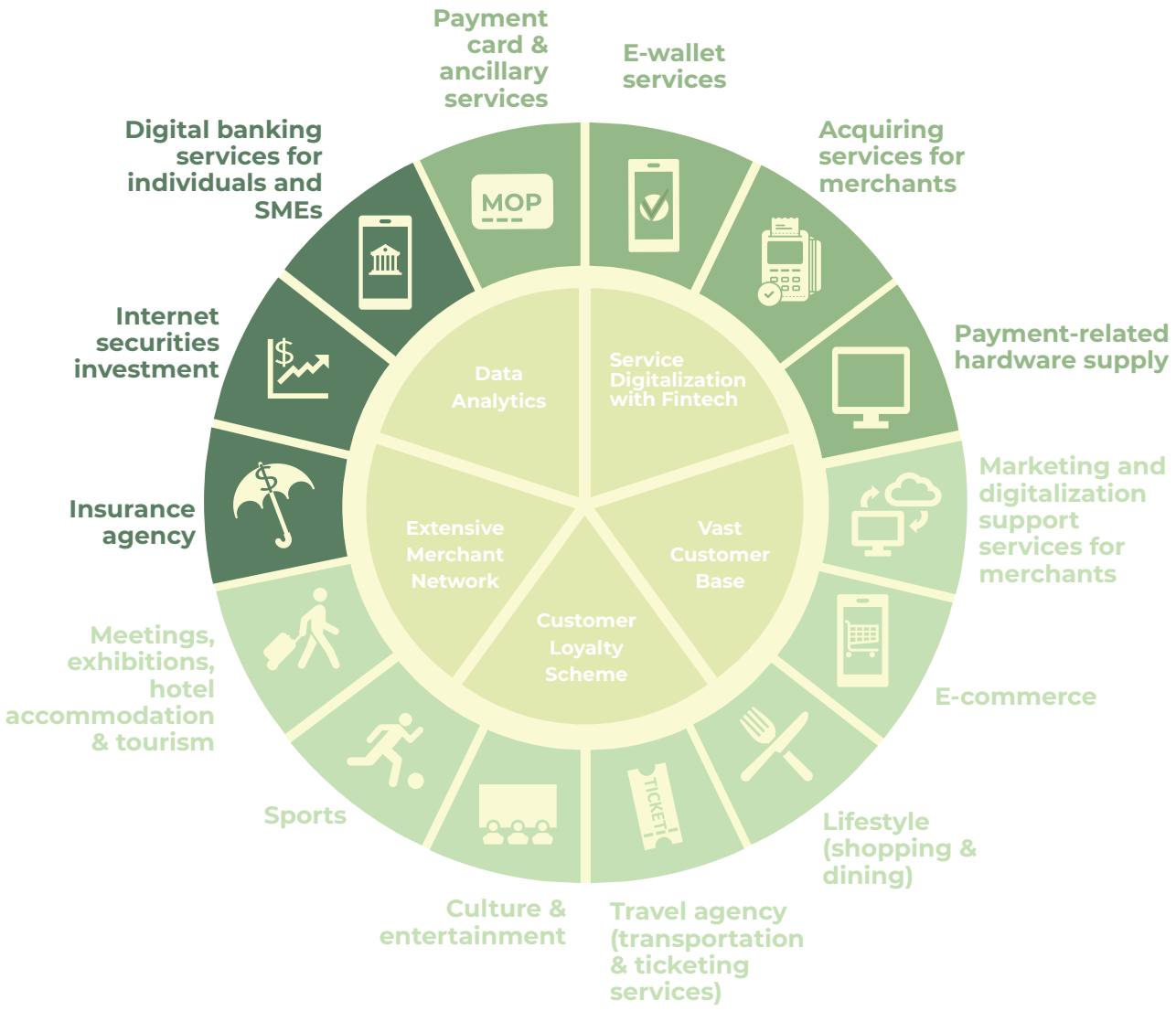
Local lifestyle and tourism platform, providing locals and tourists with updates on promotional offers related to food, accommodation, shopping and entertainment

mCoin

Loyalty program and e-commerce platform for MPay users, who are given mCoins for redemption of merchant coupons and other exclusive offers

Our Digital Ecosystem in Macau

Integrating Banking, Payment, Local Consumer Services, and Related Services



Digital Banking Services

Featuring our own brands:
Ant Bank (Macao), Alipay (Macao)

Collaborating partners:
HSBC Life, Macau Branch (starting from July 1, 2025), Longbridge Securities, YF Life

Digital Payment Services

Featuring our own brands:
mCard, MPay, Macau Pass

Collaborating partners:
Alipay+, Simple Pay

Local Consumer Services

Featuring our own brands:
MPay, mCoin, mPass

Collaborating partners:
Alipay, Alipay+, Damai, Fliggy, China Performing Arts Agency, Galaxy Entertainment, Alibaba Pictures, Amap Ride-Hailing, Alibaba's "88VIP" membership club, Sands China, etc.

Our Strengths

Top-notch Technologies

AGTech, as a member of Alibaba Group, is jointly invested by Alibaba Group and Ant Group. By leveraging their extensive resources and cutting-edge technologies, such as Alibaba's cloud computing, artificial intelligence, augmented reality and big data technologies; Ant Group's blockchain technology, Alipay's payment-related technologies, and the Alipay+ global cross-border digital payment and marketing solutions, we are able to deliver innovative products and services that meet the top standards in the industry.



Harnessing Advanced Technological Resources from Alibaba Group and Ant Group

Solid Track Record in Supporting Macau's Smart City Transformation

Following the footsteps of our parent, Alibaba Group, which previously formed a strategic partnership with the government of Macau to assist its transformation into a smart city, our digital banking, digital payment and local consumer services businesses in Macau have also been contributing to such goal with our own initiatives throughout the years:

FINTECH INNOVATIONS

1 Digital Banking Pioneer

- Online account opening
- Online loan applications and disbursements

2 Innovative Financial Services

- Remittances to Chinese Mainland and globally
- 24/7 HK and US stock trading with low costs

3 MPay E-wallet

- Facilitates easy account opening with Ant Bank (Macao)
- All MPay users can pay for bus fares using the transit QR code
- Supports cross-border payments in about 60 countries and region

4 mCard

- Multiple payment scenarios
- Dual-currency "Macau Pass – China T-Union mCard" for transport payments in RMB in Chinese Mainland and consumption in MOP in Macau

5 Acquiring Services

- Launched Alipay Tap! to streamline in-store payments with a single tap on mobile devices
- Accept local e-wallets and Alipay+ partner e-wallets from 9 countries (including Chinese Mainland) and Hong Kong SAR

6 Loyalty and Lifestyle Platforms

- mCoin e-commerce platform
- Earn mCoins (loyalty points) with payments
- mPass lifestyle and tourism platform for locals and visitors

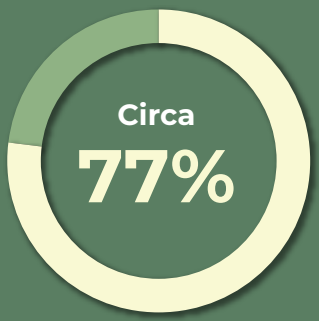
Further details of our fintech innovations supporting Macau's smart city transformation are set out in the section "SUPPORT FOR MACAU'S SMART CITY TRANSFORMATION" in this ESG report.

High Market Penetration in Macau

5 Million+
mCards in issuance as of March 31, 2025

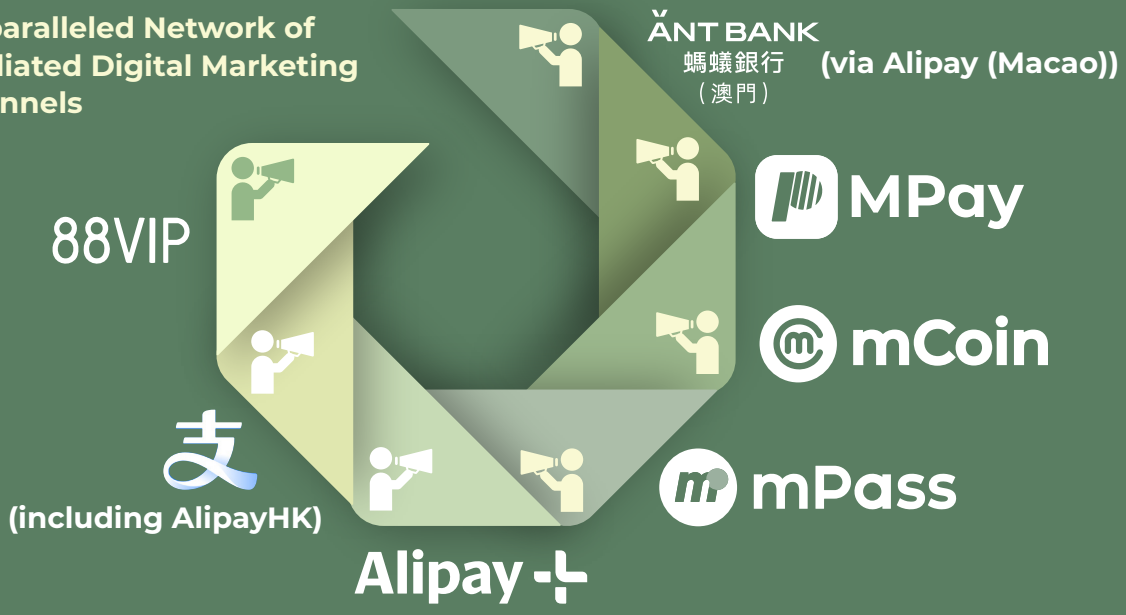
Circa 1.5 Million
registered users of MPay as at March 31, 2025

Circa 30,000
consumption points in Macau covered by our acquiring services as at March 31, 2025



of total mobile payment transactions in Macau* were processed by mCard, MPay and Alipay (Macao) for the year ended March 31, 2025

Unparalleled Network of Affiliated Digital Marketing Channels



Powered by: Alibaba Group · Ant Group · AGTech Group

* *This number of transactions includes transactions processed by Alipay (Macao) throughout the financial year ended March 31, 2025, assuming it became a subsidiary of the Company throughout the year.*

Benefiting from Chinese Mainland Policies to Support Macau's Tourism



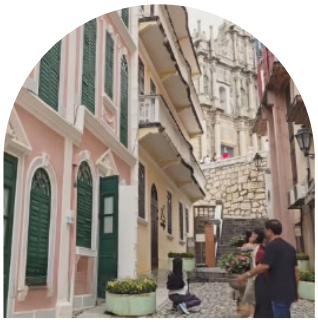
Company of Jesus Square

Expanded Individual Visit Scheme

- **10 more cities** in Chinese Mainland added
- Total cities under the scheme: **59**

Multiple-Entry Visa for Hengqin Residents

- **Unlimited trips**, each visit capped at **7 days**



Travessa da Paixão



Senado Square

New Visa for Zhuhai Residents

- **One-trip-per-week**, stay up to **7 days** per visit
- Approximately **2.5 million** Zhuhai residents eligible

Number of Tourist Arrivals in Macau

- Approximately **35 million** in 2024, a year-on-year increase of 23.8% (of which approximately **24.5 million** from the Chinese Mainland)



Portuguese Egg Tarts

Our Marketing Capabilities and Proven Track Record in Macau's Retail Market

Our proven track record in driving consumption through successful events and shopping carnivals in Macau underscores our marketing capabilities, as demonstrated by the following events and collaborations:

2025

"Macau Fortune Map" marketing campaign

By: Macau Pass, Taobao 88VIP and Sands China

Chinese Mainland tourists are invited to check in at one of the landmarks or an eatery in a citywalk map, share a picture on the social media and redeem surprise gifts.

2025

Promotion for the launch of Alipay Tap! in Macau

By: Macau Pass and Sands China

Chinese Mainland tourists using Alipay Tap! at 300 merchants across Sands China's flagship resorts could enjoy a special coupon for the first transaction and additional privileges.

2024

Join the Celebration with Sands

By: MPay and Sands China

Exclusive lucky draw for spending MOP250 or more in a single transaction via MPay at designated outlets of Sands Resorts Macao. Prizes included dining vouchers, spa vouchers, admission tickets to popular recreational attractions, free mCoins, etc.

2024

Digital Tourism Consumption Project

By: Macau Pass, Galaxy Macau and Fliggy

The Fliggy co-branded mCard was introduced at the Galaxy Macau integrated resort, launching an integrated online and offline digital tourism economic revitalization pilot project in Macau.

2023

Macau Consumption Carnival

By: Macau Pass, Galaxy Macau, AlipayHK and Alipay

Over 20,000 merchants across Macau benefited from the campaign with more than MOP8 million prizes.

2023

Summer Consumption Reward

By: Macau Pass

Attracted customers for SMEs in catering and retail businesses with over one million prizes.

2023

MGM x MPay Community Consumption Reward

By: Macau Pass and MGM

Over 6,000 merchants benefited from this activity, of which over 90% were SMEs, and the prizes drove over 60,000 secondary consumption deals for over 3,000 merchants.

2023

Rewards for Consumption in Macao

By: Macau Pass, Galaxy Macau and five major chambers of commerce and industry in Macau

Launched this electronic campaign on the AlipayHK e-wallet to attract Hong Kong tourists and increase online exposure for partner merchants.

Our Milestones and Accolades

Keep Pushing the Boundaries | Not Resting on Our Laurels



2006

- Macau Pass was the first non-bank financial institution in Macau to obtain a license from AMCM to operate a clearing and settlement financial system.

2007

- The first mCard was launched in Macau.

2018

- One of the first e-wallets in Macau, MPay, was launched.

2019

- Ant Bank (Macao) pioneered digital banking and introduced EKYC (Electronic Know Your Customer) technology in Macau for online account opening for individuals.

2020

- Macau Pass was commissioned by the Macau Government as the exclusive payment service provider for the first two phases of the Electronic Consumption Benefits Plan.
- The customer loyalty program platform for MPay users, mCoin, was launched.

2021

- Ant Bank (Macao) offered T+0 (same day) remittance services from Macau to the Chinese Mainland for individuals.

2022

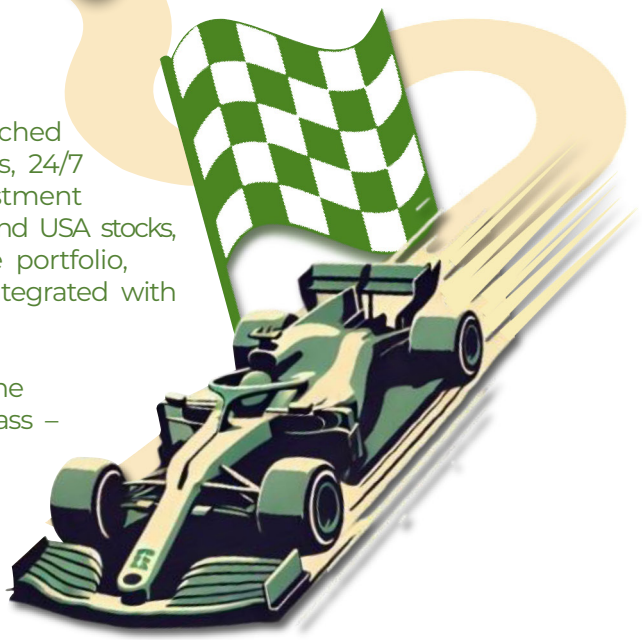
- Ant Bank (Macao) supported EKYB (Electronic Know Your Business) technology for streamlined corporate account opening.
- Ant Bank (Macao) enabled T+0 (same day) online remittance services to over 30 countries and regions.

2023

- Macau Pass was one of the first batch of technology companies certified by the Macau Economic and Technological Development Bureau for technological innovation.
- MPay and Macau Pass partnered with Alipay+ for cross-border payments in Chinese Mainland, Hong Kong SAR and over 40 overseas countries, and for accepting overseas e-wallets from 8 countries and Hong Kong SAR in Macau.
- AGTech was admitted as a constituent stock in the MSCI World Micro Cap Index.

2024

- Ant Bank (Macao) launched fully online loan services, 24/7 Internet securities investment services for Hong Kong and USA stocks, an innovative insurance portfolio, and financial services integrated with payment service.
- Macau Pass launched the dual-currency "Macau Pass – China T-Union mCard" for convenient public transportation in over 300 cities across the Chinese Mainland, and for payments in Macau.
- Macau Pass won the "Best Cash Management Solution" award at The Asset Triple A Treasurise Awards 2024 in collaboration with HSBC.
- mPass platform was launched.



2025

- Macau Pass was the first acquirer to roll out Alipay Tap! outside of the Chinese Mainland, enabling seamless in-store payments without QR code scanning, and (since May) online meal ordering.
- MPay was among the first three cross-border e-wallets integrated with various Huawei watch models, and launched a version compatible with Huawei's HarmonyOS operating system.
- Macau Pass received the Outstanding Ecosystem Partner Award 2025 from Huawei.
- Since April, MPay has been connected to Guangzhou Metro's transit QR code.

SUSTAINABILITY MANAGEMENT

ENVIRONMENTAL



SOCIAL

GOVERNANCE

Our Sustainability Management Approach

At AGTech, sustainability management means addressing the environmental and social matters that impact our Group, while actively managing the impacts of our operations on the environment and society. It plays a vital role in shaping our corporate strategies, policies, and business practices.

As global trends increasingly call for greater transparency and accountability from businesses regarding their sustainability efforts, and with more stringent ESG requirements, such as the New Climate Requirements under the GEM Listing Rules, robust sustainability management and thorough ESG disclosure are crucial. These efforts will not only strengthen trust among stakeholders and investors, but also ensure compliance with the GEM Listing Rules, laws, and regulations in the jurisdictions in which our Group operates, and play a key role in combating climate change.

Objectives

The Group's sustainability management aims to drive business growth and generate revenues for meaningful causes, while effectively managing the environmental and social impacts of our operations to ensure their sustainability.

A core sustainability goal of the Group is to reduce its carbon footprint by targeting both Scope 1 and Scope 2 emissions through practical initiatives:

Scope 2: Transitioning the lighting system of our Hong Kong office to energy-efficient LED solutions **by FY2029/30**, contributing to lower indirect emissions from purchased electricity; and

Scope 1: Shifting one-third of corporate-use vehicles to electric vehicles (EVs) or plug-in hybrid electric vehicles (PHEVs) **by FY2034/35** (or earlier when existing vehicles are due for replacement), thereby reducing direct emissions from fuel combustion in company-owned vehicles.

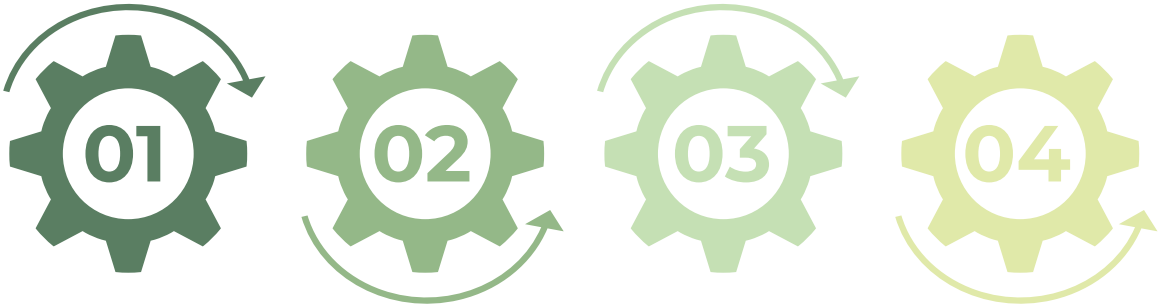
This targeted approach reflects our commitment to transparency and progressive climate action. By focusing on measurable improvements in our operational footprint, the Group is building a sustainable and environmentally responsible business model.



Sustainability Management Flowchart

Formulation of ESG Strategies, Policies, and Practices
Develop and implement ESG strategies, policies and practices to address the ESG aspects impacted by the Group's operations

Monitoring of Sustainability Targets Achievement
Continuously track, measure, and evaluate progress toward achieving key sustainability targets (including carbon reduction goals)



Stakeholder Engagement
Actively collaborate with stakeholders to identify, understand, and address their concerns and expectations

Compliance with Laws and Regulations
Ensure compliance with relevant legal and regulatory requirements to maintain accountability and transparency

By adhering to our ESG strategies and implementing essential ESG policies and business practices, we believe our sustainability management will ensure compliance with relevant laws and regulations, safeguarding our Shareholders' interests. Furthermore, it enables effective monitoring of sustainability targets achievement, while enhancing transparency and accountability to Shareholders, as demonstrated through this ESG report.

Further details on our ESG governance structure are outlined in the paragraph titled "ESG Governance Structure" in "Appendix 3: CLIMATE-RELATED DISCLOSURES AND SUSTAINABILITY PERFORMANCE INDICATORS" to this ESG report.

Stakeholder Engagement

We believe stakeholder engagement is fundamental to successful sustainability management. The success of our operations depends significantly on maintaining long-term relationships with our stakeholders. Engaging regularly with key stakeholders, including Shareholders, business partners, employees, suppliers/subcontractors, customers, regulators and/or relevant government authorities, and the community, provides us with opportunities to address their concerns, align on common goals, and drive our business development initiatives in the right direction.

When we formulate our ESG strategies, we take these relationships into account to ensure that our operations remain sustainable and align with stakeholders' expectations. Further details about our key stakeholder relationships can be found in the paragraph titled "(h) Relationships with our stakeholders" within the "BUSINESS REVIEW" section of the Directors' Report in the Company's annual report for the year ended March 31, 2025.

The table below outlines the communication channels we employ with our key stakeholders and highlights our common concerns or shared goals.

Stakeholders	Communication Channels	Common Concerns or Shared Goals
Shareholders	▪ annual and special general meetings ▪ announcements, circulars, this ESG Report, interim and annual reports ▪ the Company's official website	▪ business development and financial performance of the Group ▪ information on environmental and social matters, and climate-related disclosures ▪ corporate governance matters

Stakeholders	Communication Channels	Common Concerns or Shared Goals
Business partners	■ emails ■ meetings ■ conference calls ■ negotiations of business cooperation agreements	■ compliance of products and services with applicable laws and regulations ■ promotion of the development of tourism, and the cultural and entertainment industries in Macau ■ expansion of the scope of digital banking, digital payment and local consumer services provided by the Group ■ responsible lottery
Employees	■ online communication tools, emails, meetings and conference calls ■ discussions with superiors	■ remuneration packages ■ professional development ■ career advancement ■ training
Suppliers/ subcontractors	■ meetings ■ conference calls ■ negotiations of commercial agreements	■ compliance of products with applicable law and regulations ■ competitiveness in pricing ■ sustainable green and carbon reduction measures

Stakeholders	Communication Channels	Common Concerns or Shared Goals
Customers (including but not limited to governmental lottery authorities or operators authorized by such authorities, merchants, corporate and individual users of digital banking, digital payment or local consumer services)	▪ emails ▪ meetings ▪ conference calls ▪ negotiations of commercial agreements ▪ written submissions of tender documents for the supply of lottery hardware ▪ mobile apps, official websites or social media for digital banking, digital payment or local consumer service businesses ▪ customer service centers and hotlines	▪ reliability of our products and services ▪ enhancement of customers' experience in digital banking, digital payment and local consumer services ▪ encouraging merchants to adopt green and carbon reduction measures ▪ fees charged by the Group for its products and services ▪ responsible lottery
Regulators/ Government (including but not limited to AMCM and Transport Bureau of Macau, and Ministry of Transport of the PRC)	▪ meetings ▪ conference calls ▪ regular filing of documents to AMCM	▪ enhanced connectivity across the Greater Bay Area, China ▪ initiatives for Macau's smart city transformation and smart tourism ▪ AML/CFT measures ▪ smooth operation of digital banking and payment clearing and settlement systems

Stakeholders	Communication Channels	Common Concerns or Shared Goals
Community	■ promoting Macau's small businesses in the community ■ supporting social welfare campaign in Macau ■ participating in charitable activities ■ supporting Chinese Mainland's lottery development for public welfare funding ■ staff recruitment	■ digitalization support services for SME merchants in Macau ■ enhancement of the well-being of Macau's community ■ support for donation activities for good causes ■ promotion of health through sports ■ job creation

After thoroughly considering the common concerns and shared goals identified through our stakeholder engagement process, we have prioritized six material focus areas for our sustainability management strategies (referred to below as our "**ESG Strategies**"), including Support for Macau's Smart City Transformation, Corporate Social Responsibility, Reliable Products and Services, Sustainable Green and Carbon Reduction Measures, Staff Development, and Trust Building. These focus areas address crucial environmental ("**E**"), social ("**S**"), and governance ("**G**") concerns, while aligning with 13 specific goals out of the 17 United Nations Sustainable Development Goals ("**UNSDGs**") as detailed below.





We enable users to conveniently donate to charitable organizations through MPay, supporting underprivileged groups in Macau. Additionally, we encourage our employees to dedicate at least three hours annually to participating in charitable activities outside of work.



Our innovative fintech services foster the well-being of Macau's community, improving residents' quality of life, the visitor experience, and merchants' operational efficiency and digital marketing. We ensure a safe working environment, provide refreshment areas and fitness equipment in some offices, and offer medical insurance to employees.



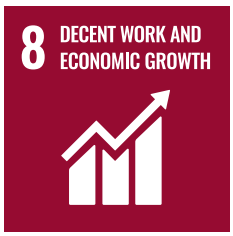
We promote inclusive lifelong learning and skill development by offering training programs tailored to employees at various levels.



We maintain a healthy mix and diversity of employees in terms of gender. Gender diversity is also evident on the Company's Board, where 3 out of 7 Directors are female.



Our green supply chain initiatives include collaborating with transportation service providers that use electric new-energy vehicles in certain cities across the Chinese Mainland. Our travel agency business employs plug-in hybrid electric vehicles for tourist transportation, which are particularly suitable for short journeys. Additionally, our principal office in Beijing, China is located in a building powered by renewable energy.



We actively support the local economy and sustainable growth of Macau through diverse initiatives, including promoting small businesses in local districts, encouraging local spending (particularly on weekends) and organizing tourism and entertainment events to attract visitors.



Our fintech innovations have advanced Macau's smart city transformation and strengthened its connectivity to China's Greater Bay Area, fostering a reliable, sustainable, and resilient digital ecosystem that supports economic growth and enhances community well-being.



Our digital banking and payment services provide inclusive financial solutions to underserved populations within our society. We also empower SMEs in their digital transformation journeys, enhancing their competitiveness. Within our workplace, we advocate for diversity, equal opportunity and inclusiveness, prohibiting discrimination based on age, gender, pregnancy, sexual orientation, nationality, etc.



Through our digital ecosystem and fintech services in Macau, we reduce the use of paper, physical banknotes and coins, thereby lowering the city's carbon footprint.



We ensure responsible production through stringent environmental label certifications for our lottery hardware products. We select subcontractors/suppliers with ISO environmental management system certifications, while our lottery hardware supply arm receives consistent ISO certifications for environmental and occupational health management. Our hardware products are packaged in recyclable paper boxes to enhance resource recycling.



We integrate eco-friendly practices into our services to support Macau's smart city transformation, reducing paper and energy usage across society. Our offices, customer service centers and data centers maintain a low-carbon environment, while our green supply chain fosters sustainability. Additionally, we empower merchants to adopt carbon reduction measures in their digital transformation journeys.



We uphold strong corporate governance through a sound risk management system, strict adherence to business ethics, and a focus on user privacy and transaction security. We actively combat illegal and unethical transactions with robust AML/CFT measures and anti-corruption policies, provide a whistleblowing mechanism, and maintain strict internal controls to ensure integrity and accountability.



We foster partnerships for sustainable development by adopting green supply chains and collaborating with subcontractors and suppliers holding environmental management certifications. Additionally, we work closely with government authorities in Macau and the Chinese Mainland to introduce fintech services that contribute to Macau's smart city transformation, smart tourism, and enhanced connectivity within the Greater Bay Area, China.

Our ESG Strategies

The Door to a Greener and Sustainable Future

Six Material Focus Areas



The table below highlights the relevant paragraphs of this ESG report that outline the Group's policies and business practices in relation to our six ESG Strategies, as well as their related ESG aspects and alignment with UNSDGs.

Our ESG Strategies	Relevant Paragraphs in This ESG Report	Related ESG Aspects	UNSDGs Aligned
Support for Macau's Smart City Transformation	Smart City Transformation: Innovating for a Greener and More Convenient Lifestyle Benefits Brought by Our Fintech Innovations to Macau Services Enhancing Convenience for Locals and Tourists Services Empowering Merchants in Macau	E, S	
Corporate Social Responsibility	Community Engagement Services for the Well-being of the Community Philanthropy	S	
Reliable Products and Services	Service Security and Efficiency Reliable Hardware Products and Supply Chain Management Product Responsibility Ethical Marketing	S	

Legends:

E: Environment and Climate Change

S: Social Responsibility and Community Engagement

G: Governance and Ethical Practices

Our ESG Strategies	Relevant Paragraphs in This ESG Report	Related ESG Aspects	UNSDGs Aligned
Sustainable Green and Carbon Reduction Measures	Eco-friendly Practices of Our Services Carbon Reduction Measures for Merchants Electronic Waste Management for Our End-of-life Products Green Offices and Customer Service Centers Energy-efficient Data Centers Green Supply Chain	E	
Staff Development	Diversity, Equity and Inclusion Employment Policies, Remuneration and Benefits Career Development and Training Opportunities Staff Appreciation Workplace Safety and Employee Well-being	S	
Trust Building	Building Corporate Trust: ■ Governance Framework ■ Risk Management and Internal Control System ■ Business Ethics and Anti-corruption ■ Observing and Protecting Intellectual Property Rights Building Social Trust: ■ Privacy Protection and Data Security ■ Fighting Against Illegal and Unethical Transactions (AML/CFT Measures)	G	

Each of the ESG Strategies listed above will be discussed in detail in the subsequent sections of this ESG report.

Our Sustainability Performance at a Glance (for FY2024/25)

Environmental Performance

Energy Efficiency:

Electricity consumption intensity

1,270 kWh per million HK$ of revenue

Renewable energy

adopted in Beijing office, China

Fleet transition to electric vehicles (EVs) or plug-in hybrid electric vehicles (PHEVs)

Our travel agency's fleet:
100% PHEVs adopted

Corporate-use vehicles:
100% gasoline-powered (as of now)(transition of one-third of such fleet to EVs or PHEVs targeted by FY2034/35 (or earlier when existing vehicles are due for replacement))

Checkout efficiency

over **1,000** Alipay Tap! terminals launched in Macau as of March 31, 2025, enhancing checkout efficiency for merchants

Green transit solutions

Our acquiring service facilitates QR code transit payments in Macau to encourage greater public transport use by tourists.

over **9.6 Million** QR code transit payments made with Chinese Mainland and Hong Kong e-wallets

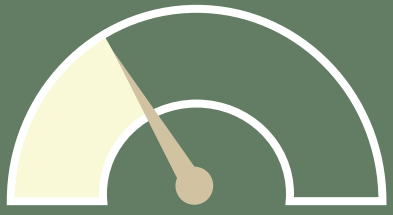
Our Sustainability Targets:

Carbon reduction for Scope 2 emissions



100%
lighting in Hong Kong office upgraded to LED by FY2029/30

Carbon reduction for Scope 1 emissions



33.3%
corporate-use vehicles transitioned to EVs or PHEVs by FY2034/35

GHG Emissions Intensity (Scopes 1 and 2):

0.79 metric ton of CO_2 equivalent per million HK$ of revenue

Paper Usage Reduction through Digital Innovations:

Cashless transactions

powered by our digital banking, payment and local consumer services, fostering a low-impact digital financial ecosystem

QR code meal ordering

empowering eateries to cut paper waste from order slips and printed menus

Digital marketing initiatives for merchants

e-coupon promotions and digital lucky draws through our MPay, mCoin and/or mPass platforms, replacing traditional paper-based posters, coupons and lucky draw tickets in merchant promotions

58 Million electronic coupons distributed via MPay, mCoin and mPass.

28 Million digital lucky draw entries conducted via MPay and mPass.

Cashless cross-border payments for tourists and locals

28 e-wallets from over **10** countries and regions (including the Chinese Mainland, Hong Kong and Macau) now accepted in Macau via our acquiring service.

MPay users can make cross-border payments in about **60** countries and region. Number of users utilizing this service grew by **~148%**.

Cashless transit payments

across **300+** cities in the Chinese Mainland and the Hong Kong MTR are enabled through "Macau Pass – China T-Union mCard", and in Guangzhou and Foshan, China via MPay's connectivity to Guangzhou Metro's transit QR code system.

Direct MPay top-ups

allowing users to reload NFC-enabled mCards using MPay (no physical cash or change needed).

~385,000 reload transactions via MPay

Social Performance

Inclusive Finance and MSME Support:

Customer deposits
surged by about
298% to
over **MOP2 Billion***

Loans
grew by approximately
278% to
about **MOP299 Million***

** As per audited accounts of Ant Bank (Macao) as at December 31, 2024.*

Programme Sirius: an Asia-Pacific sustainability initiative backed by 13 fintech firms (including **MPay**), empowering Micro, Small, and Medium-Sized Enterprises (MSMEs) with digital ESG tools, simplified sustainability reporting, and access to sustainable finance and supply chain opportunities.

Green Supply Chain:

Our major lottery hardware (C8 and M5 series):



passed **Environmental Label Product Certification** of the Ministry of Ecology and Environment of the PRC.

All of our top 10 subcontractors:



ISO 14001 (environmental management system) certified.

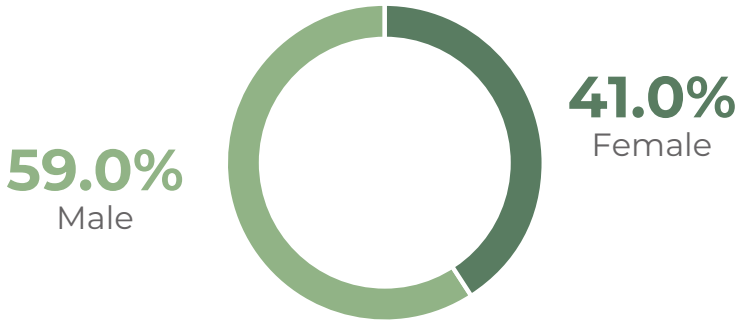
Philanthropy:

~MOP7 Million donated to Macau charities by users via MPay

Workforce Diversity, Safety and Development:

Total employees as at March 31, 2025: **368**

Total employees by gender



Work-related fatalities:

Nil

Average training hours (including anti-corruption training) provided to employees:

4.87

Governance Performance

Climate-related Disclosures:

First year adopting climate-related disclosures under New Climate Requirements

ESG Task Force established (responsible for tracking carbon reduction progress)

Anti-corruption Training:

Total training hours on anti-corruption and/or AML/CFT: **2.5**

Board Diversity: **43%** Female Directors

43% Independent Non-executive Directors

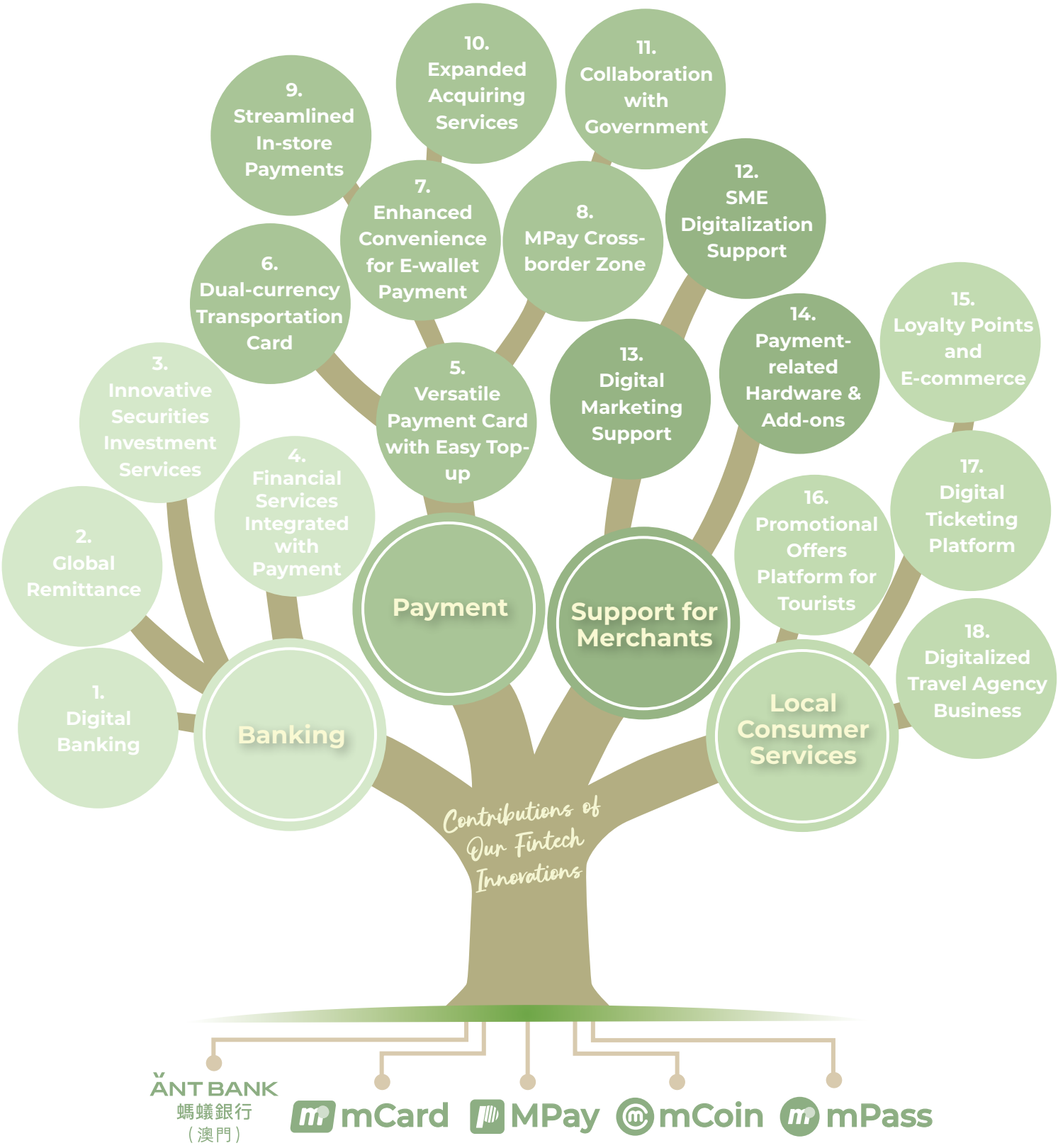
Support for Macau's Smart City Transformation



In today's Macau, many aspects of our lifestyle can be transformed into smart living simply by utilizing a smartphone. With just a few taps, we can manage our banking, transfer funds, make cross-border remittances, buy stocks in the USA or Hong Kong 24/7, purchase insurance products, and make payments for utility bills, car parking fees, property management fees, shopping, groceries, movie or concert tickets, transportation services, food delivery, or even order meals at eateries. All of this convenience and smart living can be seamlessly integrated into our daily lives through the comprehensive and green suite of digital and financial services provided by our fintech business segment in Macau.

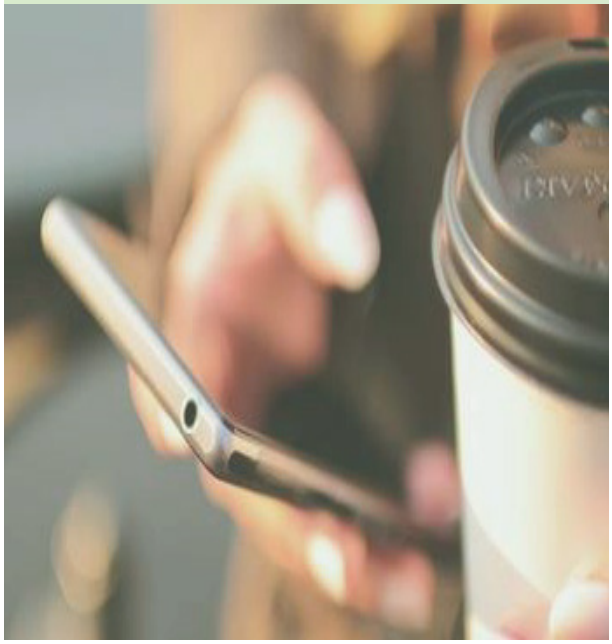
Smart City Transformation

Innovating for a Greener and More Convenient Lifestyle



Our fintech business segment has been a key player in Macau's smart city transformation, making significant strides in digital innovation and customer convenience. Set out below are some of the notable contributions of our fintech innovations in the areas of banking, payment, support for merchants and local consumer services:

Fintech Innovations in Banking



1| Digital Banking

- Online account opening for individual and corporate customers by Ant Bank (Macao), using EKYC (Electronic Know Your Customer) and EKYB (Electronic Know Your Business) technologies respectively[AB]
- Online loan application and disbursement for Macau residents[A]

2| Global Remittance

Remittances through Alipay (Macao) and Ant Bank (Macao) to the Chinese Mainland and worldwide[AB]

3| Innovative Securities Investment Services

- Securities investment in Hong Kong and United States stocks 24/7[A]
- Trading of odd lots of stocks online without human assistance[A]

4| Financial Services Integrated with Payment

- Streamlined account opening with Ant Bank (Macao) through MPay[A]
- Binding the bank account to MPay to earn mCoins for payments made[A]

Notes: A: Further details are set out in the paragraph titled "Services Enhancing Convenience for Locals and Tourists" below in this section.

B: Further details are set out in the paragraph titled "Services Empowering Merchants in Macau" below in this section.

Fintech Innovations in Payment

MPay has established itself as the preferred digital payment platform for Macau residents, evolving into a super app that seamlessly integrates a diverse range of scenarios, including local and cross-border transportation and payments, retail, dining, food delivery, meal ordering, culture, entertainment, leisure, and tourism, providing users with highly convenient local and cross-border services.



5| Versatile Payment Card with Easy Top-up

- mCard supports multiple payment scenarios.[A]
- New NFC-enabled mCard enables top-ups via MPay, and vice versa.[A]

6| Dual-currency Transportation Card

- "Macau Pass – China T-Union mCard" facilitates fare payments in RMB for public transportation in the Chinese Mainland and Mass Transit Railway (MTR) rides in Hong Kong, and consumption in MOP in Macau.[A]
- Topping up RMB wallet of the card via MPay with MOP[A]

7| Enhanced Convenience for E-wallet Payment

- Cross-border payments via MPay in approximately 60 countries and region[A]
- Online shopping on Taobao (Macao, China) using MOP[A]
- All annual transaction and transfer limits removed for MPay's 3B-level users[A]
- Integration of MPay app with select Huawei watch models, enabling "raise your wrist and pay" functionality in Macau[A]
- Interconnection of cross-border payment networks between MPay and UnionPay credit cards issued in Macau and Hong Kong to facilitate online MPay top-ups[A]

Our POS terminals now accept over **20** different payment tools from over **10** countries and regions, including (in no particular order):

Macau:

mCard MPay

支付寶（澳門） 聚易用

Chinese Mainland:

WeChat Pay

Hong Kong:

AlipayHK 八達通 Octopus

Other overseas Alipay+ partner e-wallets:

Italy:

tinaba

Kazakhstan:

Kaspi.kz

Malaysia:

MyPB Touch 'n GO eWallet

Malaysia, Singapore & Thailand:

bigpay

Mongolia:

The Philippines:

GCash

Singapore:

CHANGI Pay OCBC Digital

South Korea:

kakaopay NAVER pay toss pay

Thailand:

8| MPay Cross-border Zone

"Cross-border Zone" page on MPay offers Macau residents one-stop digital services when visiting the Chinese Mainland, including connectivity to Guangzhou Metro's transit QR code (starting from April 2, 2025).[A]

9| Streamlined In-store Payments

Launch of the Alipay Tap! function for Macau merchants, enabling Chinese Mainland tourists to pay with a single tap of their phones, and improving checkout efficiency for merchants[AB]

10| Expanded Acquiring Service

- Our point-of-sale (POS) terminals accept various payment tools under AMCM's "Simple Pay" system and from Macau Pass' partners, as well as over 10 overseas partners' e-wallets of Alipay+.[AB]
- Tourists can use Alipay, AlipayHK, WeChat Pay and UnionPay to pay for bus fares in Macau using the transit QR code.[A]

11| Collaboration with Government

- Macau Pass served as the exclusive payment service provider for the first two phases of the Electronic Consumption Benefits Plan introduced by the Macau government as part of its COVID-19 relief measures.
- Macau Pass assisted in distributing the living subsidy granted by the Macau government to eligible residents in 2022.

Fintech Innovations in Support for Merchants



12| SME Digitalization Support

Digitalization support services for SMEs, including technical support and mini-program development, such as self-service QR code meal ordering at eateries. Starting from May 2025, Chinese Mainland tourists can also use Alipay Tap! to place meal orders.[B]

13| Digital Marketing Support

- Comprehensive marketing and advertising support for partner merchants in Macau, including SMEs and luxury integrated resort operators such as Sands China, Galaxy Macau, MGM, Wynn, Melco and STDM[B]
- Enhancing partner merchants' digital marketing capabilities and market reach through[B]:
  - ❖ MPay, mCoin, mPass and Alipay (Macao) platforms;
  - ❖ Cross-border online platforms like Alibaba's 88VIP membership club, Alipay, AlipayHK, Alipay+ and WeChat;
  - ❖ Sales promotion events and shopping carnivals; and
  - ❖ Digitalization of discount coupons

14| Payment-related Hardware and Add-ons

We provide innovative hardware solutions to merchants, helping them improve operational efficiency and deliver a seamless customer experience:

- POS terminals that accept over 20 payment tools from over 10 countries and regions[B];
- Self-service meal-ordering kiosks for eateries[B]; and
- NFC tag (a USB add-on) for the cash register of merchants to launch the Alipay Tap! function[A].

Fintech Innovations in Local Consumer Services



15| Loyalty Points and E-commerce

- Users of MPay can earn loyalty points, called mCoins, when they make payments.[A]
- mCoins can be redeemed on the mCoin e-commerce platform on MPay for discount coupons and a variety of lifestyle products and services.[A]

16| Promotional Offers Platform for Tourists

We offer another e-commerce platform, mPass (where mCoins do not apply), for locals and tourists to get updated promotional offers related to food, accommodation, shopping, entertainment, etc.[A]

17| Digital Ticketing Platform

- Our digital ticketing platform, accessible via MPay, mCoin and mPass, offers tickets for concerts, operas, movies, sports events, and more. It also serves as a channel for advertising and promoting events or shows on sale[A].
- The platform aligns with the Macau government's strategic policies of developing Macau as a "City of Performing Arts" and a "City of Sports" by providing a seamless ticketing experience and improving accessibility for tourists.

18| Digitalized Travel Agency Business

- Our travel agency business[A] offers:
  - ❖ sightseeing tours;
  - ❖ customized travel and transportation services; and
  - ❖ ticketing service for shows, events, theme parks and tourist attractions in Macau and the neighboring cities such as Zhuhai, China
- Through the mPass online platform, we have digitalized our travel agency business, providing locals and tourists with access to various lifestyle and discount travel products, enhancing convenience and connectivity for tourists visiting Macau.

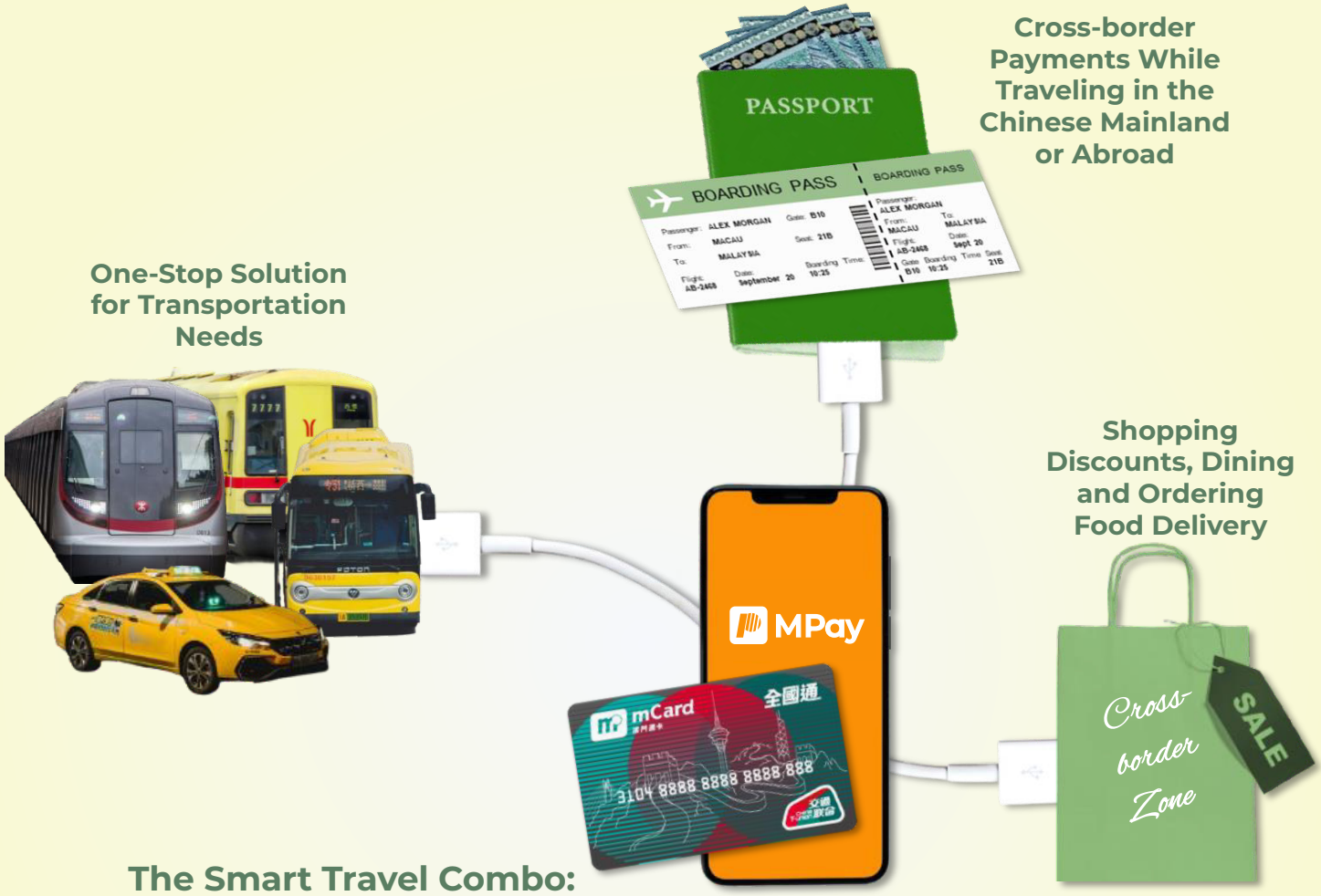
Benefits Brought by Our Fintech Innovations to Macau

Through our fintech advancements, we continue to play a pivotal role in Macau's smart city transformation. We drive innovations, enhance the quality of life for both locals and visitors, improve marketing capabilities and operational efficiency for merchants, and, if required, assist the government of Macau in handling public welfare matters and promoting strategic policies. The smart city transformation not only brings about the aforesaid benefits, but also helps reduce the use of banknotes, coins, paper, and plastic in the community, thereby contributing to environmental stewardship. Further details of how our services have helped Macau reduce its carbon footprint are set out in the paragraph titled "Eco-friendly Practices of Our Services" in the section "SUSTAINABLE GREEN AND CARBON REDUCTION MEASURES" of this report.



Below is a summary of how our fintech and other thoughtful services enhance convenience for both locals and tourists, while also improving marketing capabilities and operational efficiency for merchants, including SMEs and luxury integrated resort operators.

SMART TOURISM



Cross-border Payments While Traveling in the Chinese Mainland or Abroad

One-Stop Solution for Transportation Needs

Shopping Discounts, Dining and Ordering Food Delivery

The Smart Travel Combo:

The **Macau Pass – China T-Union mCard** and **MPay** make travel in the Chinese Mainland and Hong Kong effortless and convenient. MPay allows users to make cross-border payments, pay fares for Guangzhou Metro, buses and ferries in Guangzhou and Foshan Metro using the transit QR code generated via the "cross-border zone" page on the app, access approximately 70 mini-programs for taxi-hailing, dining, and food delivery (in the Mainland), as well as shopping discounts.

The Macau Pass – China T-Union mCard facilitates seamless fare payments for public transportation across over 300 cities in the Mainland and MTR rides in Hong Kong. Users can also easily top up the RMB wallet of this mCard via MPay, eliminating the hassle of finding physical top-up locations during trips.

SMART LIVING

We strive to foster "Smart Living" by integrating convenience, efficiency, and innovation into every aspect of our customers' lifestyle. From local shopping and digital banking to food delivery, entertainment tickets and more, we empower them to enjoy a more connected and modern way of living.



Digital Banking



Cashless and Cardless Local Payments

Purchasing Concert Tickets



Ordering Food Delivery





01 **Smart Tourism (Inbound) Features:**

Convenience Features for Tourists Visiting Macau

02 **Smart Tourism (Outbound) Features:**

Convenience Features for Locals Traveling to the Chinese Mainland or Abroad

03 **Smart Living Features:**

Other Convenience Features for Locals

01 Smart Tourism (Inbound) Features

"Tap-and-Pay" Functionality:

As of March 31, 2025, Macau Pass, the first payment service provider to launch the Alipay Tap! function outside of China, has introduced this feature at over 1,000 Macau merchants, enabling Chinese Mainland tourists to make seamless payments with just a single tap of their phones using Alipay, without the need to scan any QR codes. Starting from May 2025, Chinese Mainland tourists can also use Alipay Tap! to place meal orders at designated eateries.



"Raise-Your-Wrist-and-Pay" Functionality:

MPay is now integrated with various Huawei watch models, offering both tourists from the Chinese Mainland and locals the convenience of "raise-your-wrist-and-pay" functionality in Macau.

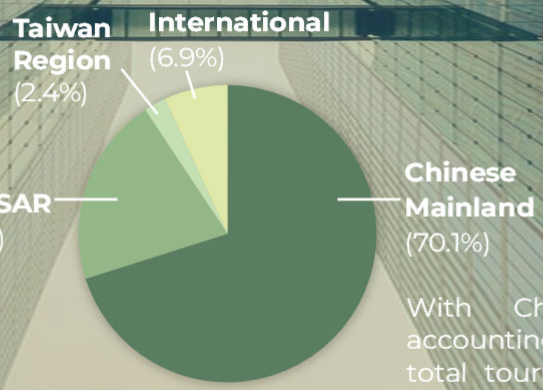


Expanded Acquiring Service for Cross-border E-wallets:

Through our acquiring service, tourists can use over 10 overseas Alipay+ partner e-wallets in Macau, and users of Alipay, AlipayHK, WeChat Pay, and UnionPay (linked to non-local UnionPay cards) can pay bus fares across all public routes in Macau using the transit QR code.



MACAU
Source of Visitors
2024



Tourist Arrivals:

Circa 35 million

With Chinese Mainland tourists accounting for approximately 70.1% of total tourist arrivals in 2024, we are dedicated to continuously upgrading our services to enhance their travel experience in Macau.

Source of Information:
Statistics and Census Service (DSEC), Macau

01 Smart Tourism (Inbound) Features

E-commerce Platform – mPass:

mPass offers locals and tourists up-to-date promotional deals on food, accommodation, shopping and entertainment. It has established several service stations in popular tourist spots, including a self-service station at the Taipa Ferry Terminal, to make it more convenient for visitors to purchase mCards and their accessories upon arrival.



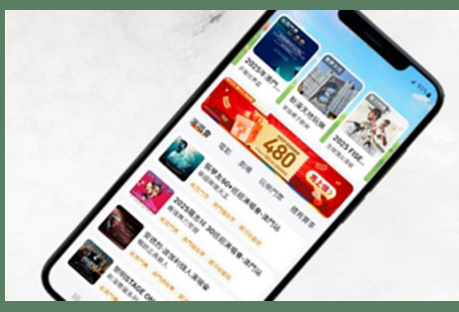
Customized Travel and Sightseeing Services:

Our travel agency offers a diverse range of sightseeing tours, along with customized travel and transportation services, ensuring visitors can enjoy a personalized and memorable travel experience while exploring Macau.



Digital Ticketing Platform:

Our digital ticketing platform on mCoin and mPass offers online ticketing services for concerts, operas, sports events, etc., enhancing accessibility for tourists planning to attend shows and events in Macau.



Binding UnionPay Credit Cards for MPay Top-ups:

Users can bind UnionPay credit cards issued in Macau or Hong Kong to top up their MPay accounts, eliminating the need for offline top-ups. This collaboration highlights the interconnection of cross-border payment networks within the Greater Bay Area, enhancing convenience for tourists from Hong Kong and frequent travelers between Hong Kong and Macau.



Geographical Coverage of MPay's Cross-border Payments



Europe:
Austria, Belgium, Bulgaria, Croatia, Republic of Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden, Iceland, Liechtenstein, Norway, Switzerland, United Kingdom

East Asia:
Chinese Mainland, Hong Kong SAR, Japan, Mongolia, South Korea

South Asia:
Maldives, Nepal, Sri Lanka

Southeast Asia:
Brunei, Cambodia, Laos, Malaysia, Philippines, Singapore, Thailand

Middle East:
Qatar, Turkey, United Arab Emirates

Africa:
Mauritius

Oceania:
Australia, New Zealand

North America:
Mexico, United States of America

South America:
Chile, Colombia, Peru

02 Smart Tourism (Outbound) Features



Cross-border Payments in circa 60 Countries and Region:

MPay facilitates cross-border payments in circa 60 countries and region (including the Chinese Mainland and the Hong Kong Special Administrative Region), helping to reduce the amount of cash Macau residents would normally need to carry when traveling abroad.

02 Smart Tourism (Outbound) Features



Dual-currency Transportation Card for Traveling in the Chinese Mainland and Hong Kong:

The dual-currency “Macau Pass – China T-Union mCard” facilitates fare payments in RMB for major public transportation across over 300 cities in the Chinese Mainland, as well as MTR rides in Hong Kong. It also supports consumption in Macau using MOP. Users can top up the card’s RMB wallet via MPay with MOP.



“Cross-border Zone” page on MPay:

The “Cross-border Zone” page on MPay provides access to approximately 70 popular mini-programs from the Chinese Mainland, offering one-stop digital services for Macau residents traveling there. These services include a single transit QR code for fare payments in MOP across **Guangzhou Metro**, buses and ferries in Guangzhou, and **Foshan Metro**; dining and beverages; online food delivery; taxi-hailing; power bank rentals, etc. Additionally, discount coupons are available for Macau residents visiting the Chinese Mainland, Hong Kong and South Korea.



Convenient and Accessible Digital Banking Services:

Ant Bank (Macao) enables online loan applications, fund disbursement and account opening without management fees for Macau residents. Customers can open their bank accounts via MPay within minutes and enjoy high interest rates on their funds. They can also bind the bank account to MPay to earn mCoins.

Versatile Fund Transfer Services:

We facilitate seamless fund transfers for individuals through:

(a) **SWIFT (via Ant Bank (Macao)):** Enables individuals to transfer funds worldwide;

(b) **Easy Transfer (via Ant Bank (Macao)):** Supports real-time local interbank transfers in MOP within Macau, free of charge, and subject to a daily transfer limit of MOP/HKD20,000; or

(c) **Macau-Mainland Remit (via Alipay (Macao)):** Offers same day (T+0) remittance in MOP to the individuals' accounts with Alipay, registered under the same name, in the Chinese Mainland. This service is free-of-charge and subject to a daily transfer limit of MOP30,000.

Innovative Securities Investment Services:

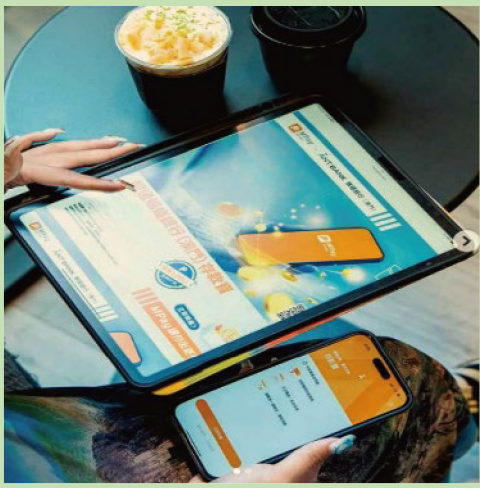
Customers can buy Hong Kong and United States stocks through the Ant Bank (Macao) app 24/7, with low transaction costs and thresholds. Orders are executed when the next trading day opens, with no price limit or validity period for orders placed. Additionally, odd lots of stocks can be traded online without human assistance.

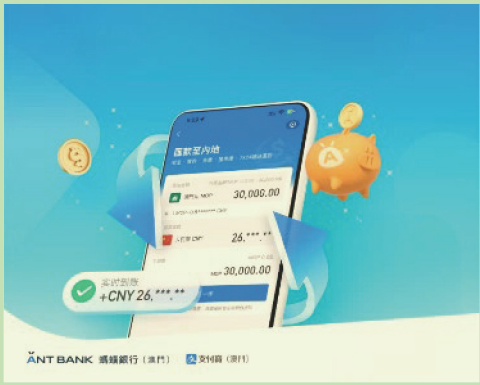
Versatile Payment Card with Easy Top-up:

Our versatile payment card, mCard, enables payments across various scenarios, including public transportation, shopping, dining, entertainment, etc.

The NFC-enabled mCard allows customers to load funds using MPay or vice versa, saving both time and effort. This feature benefits individuals such as the elderly, people with disabilities, and children. Their family members can use MPay to assist with topping up their mCards.

03 Smart Living Features







NFC mutual top-up icon

Enhanced Convenience for E-wallet Payment:

Macau Residents and other eligible Chinese Mainland and non-Chinese Mainland registered users of MPay and Alipay (Macao) can make payments in MOP directly when shopping online on Taobao (Macao, China).

Transaction and transfer limits for MPay users at the 3A, 3B and JR levels have been significantly increased. 3B-level users now enjoy unlimited annual transaction and transfer limits, along with a daily limit of MOP50,000. Similarly, 3A-level users benefit from an increased daily transaction and transfer limit of MOP20,000, as well as annual limits of MOP500,000. JR-level users can enjoy annual transaction and transfer limits of MOP50,000.

MPay supports online and offline payments, person-to-person money transfers (including the option to give digital red packets for Chinese New Year), utility bill and property management fee payments, online ticket purchases, MPark parking self-service payments, and more. Additionally, MPay users at all levels can pay bus fares on all public routes in Macau using the transit QR code. Starting from June 13, 2025, MPay integrates Amap's ride-hailing service in its app (with no additional downloads required) to deliver a one-stop solution for hailing and paying for taxis, offering seamless travel across Macau and the Chinese Mainland.

Customers can bind select Huawei watches to MPay and make payments with a simple wrist gesture, eliminating the need to carry a mobile phone. This functionality is especially useful for outdoor sports and fitness scenarios. MPay also employs advanced payment code encryption technology, ensuring secure payment processes.

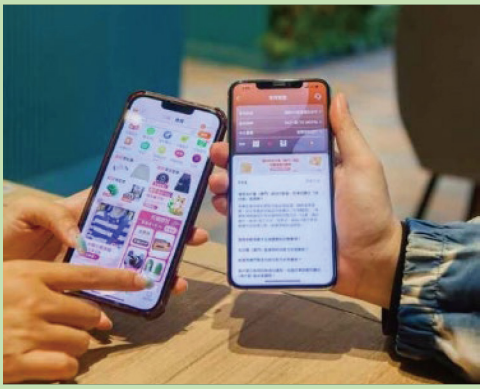
Acceptance of All Local Digital Payment Methods at Vast Merchant Network:

Macau Pass' POS terminals support approximately 30,000 consumption points in Macau, enabling acceptance of all local digital payment methods under AMCM's "Simple Pay" system to cater to the different preferences of Macau residents.

Loyalty Rewards and Lifestyle E-commerce Platforms:

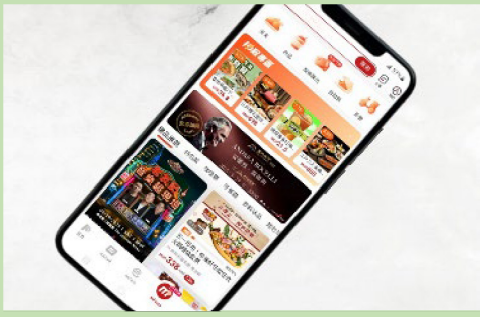
MPay users earn loyalty points, mCoins, which can be conveniently redeemed for discount coupons, Asia Miles of Cathay Pacific and offers on the mCoin e-commerce platform. These cover a range of options, including shopping, dining, entertainment, and food delivery. Additionally, users can stay updated on the latest special offers through the mPass lifestyle and tourism platform.

03 Smart Living Features









Services Empowering Merchants in Macau

01 **Inclusive Digital Banking Solutions for SMEs**

02 **Comprehensive Solutions for Merchant Digital Transformation**

01 Inclusive Digital Banking Solutions for SMEs



Tailored banking solutions designed to support SMEs and merchants, driving success through inclusive financial services.

Inclusive Financial Services:

Ant Bank (Macao) provides inclusive banking solutions designed specifically to meet the needs of merchants, with a strong emphasis on SMEs.

Convenient Online Account Opening:

We offer seamless and secure online account opening for corporate customers through EKYB (Electronic Know Your Business) technology.

Versatile Remittance Services:

We facilitate seamless fund transfers for merchants via:

(a) **SWIFT**: Enables merchants to connect with partners and markets worldwide;

(b) **速匯達 (Fast Remit) platform:** Offers same-day (T+0) remittance to over 30 countries and regions, providing businesses with a faster cross-border payment solution compared to SWIFT; or

(c) **Easy Transfer:** Supports real-time local interbank transfers in MOP within Macau, free of charge, and subject to a daily transfer limit of MOP/HKD20,000.

02 Comprehensive Solutions for Merchant Digital Transformation



A Digital Payment Services



Payment Settlement:

In collaboration with HSBC, our award-winning cross-bank automated merchant fund settlement system ensures swift and seamless payment processing. This innovative solution enhances real-time fund flow monitoring and reconciliation, and enables efficient daily settlements for merchants.

Acquiring Service:

We provide one-stop acquiring service with our POS terminals supporting mCard, MPay, Alipay (Macao), other Macau e-wallets under the “Simple Pay” system, Alipay, WeChat Pay, UnionPay, AlipayHK, Octopus (Hong Kong) and over 10 Alipay+ partner e-wallets from overseas countries.

“Alipay Tap!” feature enables seamless in-store payments with a single tap, boosting operational efficiency particularly during peak hours. Looking ahead, we aim to combine payment terminals with exclusive benefits and seamless membership recruitment, enabling merchants to strengthen customer relationships.

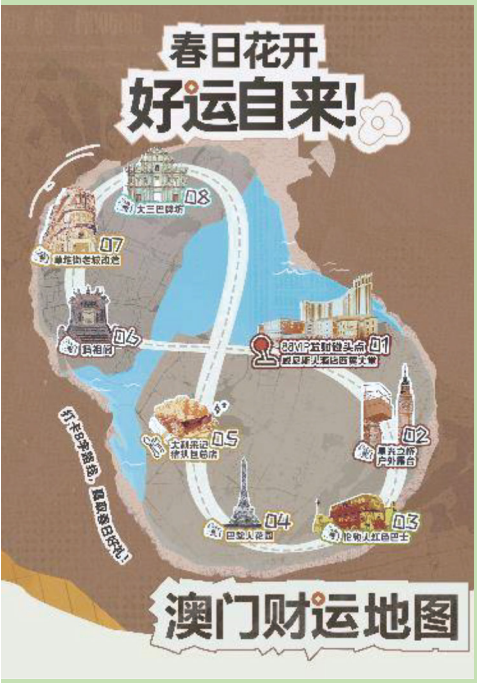
B Merchant Digital Solutions



Business Data and Trend Analysis:

Merchants can leverage our smart POS terminals to track settlement and transaction data from the past 30 days, as well as monitor and analyze transaction trends, enabling strategic operational decisions.

Digital Marketing



"Macau Fortune Map" Marketing Campaign



"Street Signs Mini mCards" Promotion



Air Macau x Macau Pass Co-branded mCards

Unparalleled Digital Marketing Network for Merchants:

MPay: One of the most popular e-wallets in Macau with high daily traffic.

mCoin: A points reward platform for promoting discount coupons and exclusive offers.

mPass: A marketing platform which also allows simultaneous advertisement placements on MPay, Alipay, and WeChat for maximum market reach, especially among Chinese Mainland tourists.

Other affiliated platforms: **Ant Bank (Macao) (via Alipay (Macao)), Alipay (including AlipayHK), Alipay+, 88VIP**

Showcase: *In March 2025, Sands China, Taobao 88VIP and Macau Pass launched the "Macau Fortune Map" marketing campaign. Chinese Mainland tourists are invited to explore the 8-shaped citywalk map, check in at one of seven designated landmarks or an eatery, and share a picture on Xiaohongshu (or "RedNote", a popular Chinese social networking platform) with the hashtag#88VIP一路發 ("Good Fortune All the Way"). Participants can redeem surprise gifts such as free afternoon tea, tickets to attractions, 88VIP x NBA co-branded dolls, and enjoy significant discounts when paying with the Alipay Tap! function.*

Marketing Efforts through mCards:

(a) Social Media:

Despite being an offline payment card, mCard effectively utilizes Macau Pass' social media to drive marketing efforts. In November 2024, it launched a short video campaign to introduce its "Street Signs Mini mCards", collaborating with several SME shops located on the featured streets to jointly promote both the mini mCards and the participating shops, showcasing its innovative marketing capabilities through social media.

(b) Co-branded mCards:

Merchants can boost their brand image with co-branded mCards linked to memberships, discounts, and loyalty benefits.

Empowering Merchants with E-commerce Platforms:

MPay's open-platform infrastructure allows merchants to quickly set up their online stores.

Merchants can also select additional services from Macau Pass to enhance their digital transformation:

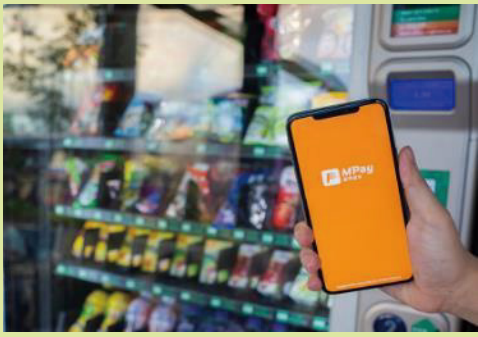
D | Additional Services



Mini Programs Developed for Eateries: Facilitate online self-service QR code meal ordering by customers at eateries through MPay or (starting from May 2025) Alipay Tap!.



Self-service Ordering Kiosks: Support various mobile payment methods, streamlining meal ordering, speeding up order processing, and improving frontline operations.



Vending Machines: Enable cashless payments with the Macau Pass system, increasing customer convenience, boosting sales, and encouraging an eco-friendly, green lifestyle.



MPark Parking System: Automates parking fee collection. Vehicles are recognized via registered plate numbers, and fees are automatically deducted from users' MPay accounts for a seamless parking experience. Our MPark parking system is available at all 63 public parking lots under the Macao Transport Bureau.



Personalized mCard: mCard is customizable to serve as a door access card, staff badge, or membership card with additional benefits like payment functionality and points-earning features. Users can also add personal designs, photos or information.

Hard Connectivity	Soft Connectivity	Heart Connectivity
via Joining China T-Union Card System	via MPay's "Cross-border Zone" and Its Connectivity to Transit QR Code of Guangzhou Metro	among GBA Residents



In summary, our diverse range of innovative services not only enriches the everyday experiences of locals and tourists by delivering unmatched convenience but also underscores our dedicated efforts in empowering Macau's merchants to thrive in a competitive landscape – from supporting SMEs to collaborating with luxury integrated resort operators. Together, we build a dynamic digital ecosystem that benefits individuals, businesses, and the region as a whole.

Looking ahead, with the successful milestones exemplified by our Macau Pass – China T-Union mCard and MPay's connectivity to the transit QR code of Guangzhou Metro, we will continue to enhance interconnectivity across the Guangdong–Hong Kong–Macao Greater Bay Area (GBA). By harnessing the transformative power of fintech, we aim to drive greater regional collaboration and integration within the fintech landscape.

Corporate Social Responsibility

Community Engagement
Connect with Care

Services
Deliver with Thoughtfulness

Philanthropy
Give with Compassion

Picture:
Creative art illustration of a Portuguese cobblestone pavement, a walk of urban art adorning the community of Macau

April 2024 – March 2025

COMMUNITY NEWS

Updates on our community engagement, services enhancing community well-being and charitable activities

Integrating CSR (Charity, Services and Reciprocity) into the Core of Our Values

At AGTech, Corporate Social Responsibility (CSR) is more than just a commitment – it's an integral part of our ethos. CSR for us also stands for Charity, Services and Reciprocity, reflecting our dedication to supporting charitable initiatives, providing convenient and thoughtful services for the well-being of the community, and giving back to society. These principles guide our actions, shaping our policies and practices to create a positive and lasting impact.

Community Engagement

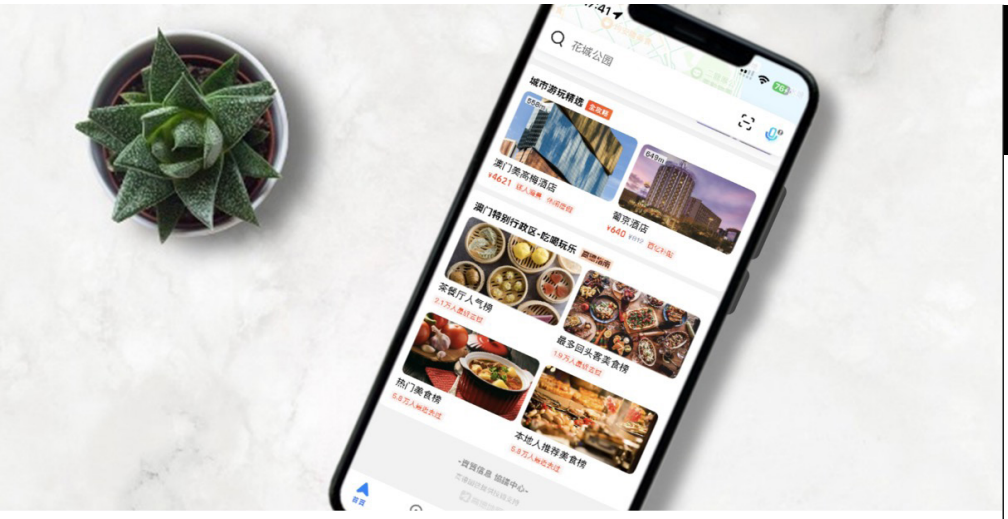
Promoting Small Businesses in the Community



Macau Short Film Shooting Project: Driving Online Traffic to Fuel Macau's Offline Economy

The "2024 Macau Short Film Shooting Project to Drive Online Traffic" (2024澳門線上引流系列拍攝項目), launched in April 2024 by the Industry and Commerce Association of Macau（ICAMO）(澳門工商聯會) with support from the Government of the Macao Special Administrative Region – Economic and Technological Development Bureau (the "Economic and Technological Development Bureau"), produced a total of eight short films divided into four series. Featuring narration by star guests, this project aimed to attract both locals and tourists to explore the small shops in Macau's community. Macau Pass provided its payment service to support this initiative.

These engaging films encouraged viewers to take photos, shop, and support local businesses. By promoting small businesses and fostering community engagement, the project sought to stimulate the growth and development of neighborhood businesses, enhancing the vibrancy of Macau's community and showcasing its vitality to the world.



Amap Teams Up with Macau Pass and ICAMO to Drive Tourism and Revitalize Northern Macau

In April 2024, the "ICAMO X Macau Pass X Amap 2024 to Support Digitalization Development" (工商聯 X 澳門通 X 高德地圖 2024年助力數字化發展) campaign was launched as a collaboration between ICAMO, Macau Pass, and Amap, with the Economic and Technological Development Bureau as the official supporting unit. The initiative aimed to promote catering businesses in two key areas: (a) Border Gate to La Cité (關閘至寰宇天下) and (b) Fai Chi Kei (Bacia Norte do Patane) to The Waterfront Duet Macau (筷子基北灣至東方海岸), by increasing their visibility on the Amap platform. This effort sought to attract both locals and tourists to explore these eateries, boosting consumer traffic and fostering the growth of neighborhood businesses, while enhancing the vitality of Macau's community.

Running from May 2024 to the end of March 2025, the campaign leveraged Amap, a leading digital map provider in the Chinese Mainland, to expand the exposure of northern Macau's catering businesses to a broader customer base of Amap. Additionally, the northern district introduced photo-worthy installations and organized promotional activities to further energize the community and draw visitors.

Supporting Social Welfare Campaign in Macau

"2025 Community Consumption Grand Prize": Stimulating Both Weekday and Weekend Spending

In March 2025, to support the elderly and encourage spending during the post-Chinese New Year low season for local businesses, the Economic and Technological Development Bureau, in collaboration with the Macau Chamber of Commerce, launched a new round of the "Community Consumption Grand Prize" campaign (2025年社區消費大獎賞).

The campaign, which ran from March 24 to June 1, 2025, was divided into two initiatives: "Mobile Payment Electronic Discounts" and "Instant Discounts for Elderly Consumption." During the campaign period, Macau residents who made a single mobile payment transaction of at least MOP50 on weekdays had three chances to draw electronic vouchers worth between MOP10 and MOP200, which were redeemable only on the weekends immediately following the draw. Additionally, Macau residents aged 65 and above could use the new version of the Senior Citizen Macau Pass Card to receive the MOP300 instant discounts at over 100 designated service points across Macau.



Free Lottery Retail Channel Location and Drawing Inquiry Services

We provide lottery buyers with free and convenient services such as nearby lottery retail channel location inquiries and lottery drawing inquiries through Alipay and Taobao lottery resources channels to facilitate lottery buyers to go to the nearby lottery shops to purchase lottery tickets or redeem lottery prizes.

Supporting Social Welfare through Assisting Lottery Development for Public Welfare Funding in the Chinese Mainland

Supporting Lottery Development for Public Welfare Funding and Increasing Income of Store Owners

The Group's offline lottery distribution business enables retail store owners to legally operate lotteries without increasing their store costs. This business model promotes the development of lotteries for public welfare funding while allowing store owners to earn additional income through lottery distribution. Notably, the proceeds from the Sports Lottery in China significantly contribute to sports development by funding the construction of sports facilities, supporting national fitness initiatives, and promoting major sporting events.

Offering Job Opportunities

The footprint of our business primarily spans across the Chinese Mainland and Macau. We employ 368 employees (as at March 31, 2025), contributing not only to the growth of AGTech Group, but also to the economic vitality of these regions. By providing stable employment opportunities, we help sustain livelihoods and foster community development in the areas where we operate.







Services for the Well-being of the Community

We approach service design with thoughtfulness and care, keeping our customers' needs and the well-being of the community in mind. We strive to enhance the quality of life for locals, promote tourism, improve operational efficiency and digital marketing for merchants, and contribute to Macau's development through innovative, convenient, and user-friendly services.

Services Empowering SMEs in Macau



Sirius Shines Bright: Pioneering Programme Illuminates Path to Sustainable MSME Growth

Programme Sirius (Sustainability Innovation for Regenerative & Inclusive Purpose) was launched in the first half of 2024 with the backing of 13 Asia-Pacific leading fintech firms including MPay, with the goal of promoting sustainability and inclusion for Micro, Small, and Medium-Sized Enterprises (MSMEs). The programme, in alignment with the United Nations Sustainable Development Goals, aims to create a knowledge-sharing platform that fosters the exchange of innovative sustainability ideas. It aids MSMEs in their journey towards sustainability by incorporating digital solutions, encouraging environmental and social responsibility, enabling access to sustainable finance, and providing opportunities for growth in a low-carbon economy. It aims to build a thriving community for MSMEs, overcoming challenges like intricate ESG reporting requirements and high operational costs, while also striving to reduce the carbon footprint throughout supply chains.

To support MSMEs in commencing their sustainability journeys, Gprnt (pronounced "Greenprint"), an initiative by the Monetary Authority of Singapore, will collaborate with Ant International to provide a technology-enabled reporting solution for MSMEs to embark on simplified sustainability disclosures against basic ESG metrics. Gprnt will further augment Programme Sirius by sharing how MSMEs can better harness data and technology to gain access to sustainable business, finance, and supply chain opportunities.

The 13 leading fintech firms from 11 economies participating in this programme include MPay (Macau), AlipayHK (Hong Kong), ANEXT Bank (Singapore), Bigpay (Malaysia), bKash (Bangladesh), DANA (Indonesia), GCash (Philippines), Hipay (Mongolia), Kakao Pay (South Korea), TNG Digital (Malaysia), TossPay (South Korea), TrueMoney (Thailand), and Zalopay (Vietnam).



Macau Pass Introduces Comprehensive Digital Tools to Eateries Exploring Transformation at Sharing Session

The "Smart Solutions Upgrade Sharing Session for Macau Catering Industry" (澳門餐飲業智能升級方案分享會), held in October 2024, aimed to explore opportunities for SMEs in the digital economy. Co-organized by the Macau Productivity and Technology Transfer Center (澳門生產力暨科技轉移中心) and the Macao Catering Industry Association (澳門餐飲行業協會), and supported by the Economic and Technological Development Bureau, the event focused on integrating digital technologies into traditional business operations, including procurement, marketing and management. Key challenges highlighted included cost, technology selection, and organizational change in digital adoption.

The session emphasized the importance of holistic transformation, from business models and customer experience to operating processes, corporate culture, and organizational structures. Macau Pass positioned itself as a key partner, offering user-friendly digital solutions to drive SME digital transformation.

Macau Pass' extensive digital support services encompass payment systems, merchant digital solutions, digital marketing, and other features, aiming to facilitate SMEs' digital transformation. Further details are set out in the paragraph titled "Comprehensive Solutions for Merchant Digital Transformation" in the section "SUPPORT FOR MACAU'S SMART CITY TRANSFORMATION" of this report.

Services Enhancing Convenience for Locals and Tourists

Our fintech businesses offer an extensive range of digital solutions and services designed to enhance convenience for both locals and tourists. These include seamless payment options through mobile wallets and wearables, cross-border payment capabilities, digital platforms for e-commerce, ticketing, and loyalty rewards, as well as support for financial services and smart tourism solutions for both inbound and outbound travelers. By integrating cutting-edge technology and eco-friendly initiatives, we foster a streamlined and accessible digital ecosystem in Macau that caters to diverse needs, promoting both local engagement and the city's appeal as a "World Center of Tourism and Leisure". Further details are set out in the paragraph titled "Services Enhancing Convenience for Locals and Tourists" in the section "SUPPORT FOR MACAU'S SMART CITY TRANSFORMATION" of this report.



Philanthropy

Support for the Rehabilitation of Inmates and Juvenile Delinquents

In July 2024, the "Inmates and Juvenile Delinquents' Handicraft Exhibition" showcased the remarkable talents and resilience of inmates and juvenile delinquents by featuring over 8,000 handcrafted items made by them. From intricately hand-crocheted flowers to festive paper-cut decorations, oil paintings, clothing, and handmade notebooks, these creations stood as a testament to their commitment to rehabilitation and personal growth. Organized by the Correctional Services Bureau of Macau, the event aimed to foster public understanding and support for the reintegration of these individuals into society. In a gesture of philanthropy and corporate social responsibility, Macau Pass supported this meaningful initiative by waiving all transaction fees for the handicrafts sold through our payment tools.

Encouraging Employees to Participate in Charitable Activities

As a member of Alibaba Group, we encourage employees to actively participate in charitable initiatives, including Alibaba's "Three Hours for a Better World" program. Employees are encouraged to dedicate three hours annually to engage in charitable activities outside of work. These hours can be accumulated through activities such as charity donations, walking fundraisers, or shopping for a good cause.

Supporting Donation Activities of Charitable Organizations through MPay

The Group places significant importance on participating in charitable activities. Over the years, we have sponsored numerous charitable and sports events. Notably, we actively support and participate in the social welfare and charitable donation initiatives of other organizations through our products and services.

Within the MPay app, the "Donation" (愛心捐款) feature allows users to donate directly to charitable organizations, such as the Macau Red Cross, Fuhong Society of Macau, Orbis, Caritas Macau, Macau Deaf Association, Oxfam, Macau Down Syndrome Association, Everyone Stray Dogs Macau Volunteer Group and so on. This feature provides a convenient way for users to show their support for public welfare.

Total donations amounted to about MOP7 million for the year ended March 31, 2025. We deeply appreciate the generosity of MPay users, whose kindness strengthens our resolve to continue supporting underprivileged individuals and animals in need within our community.

Note:

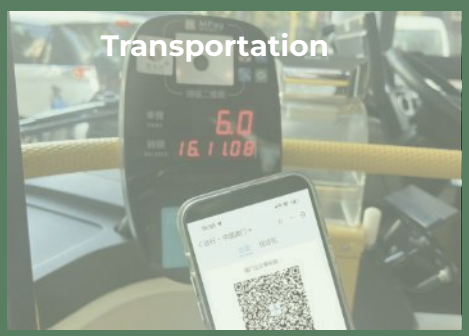
No KPI target-setting related to the Group's corporate social responsibility is considered necessary as contributions to the community are just gestures of goodwill extended by the Group as part of its social responsibility rather than business targets.



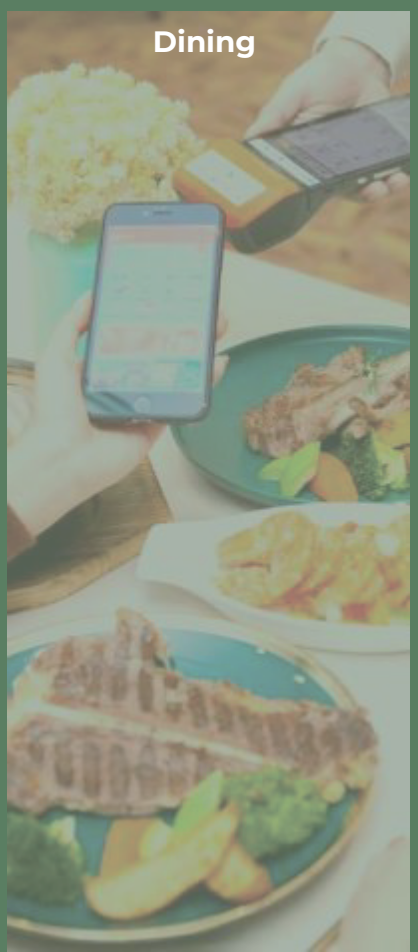


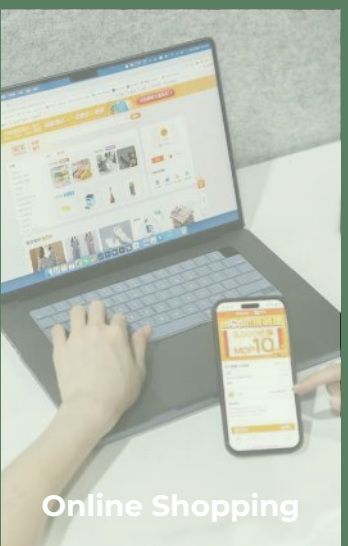












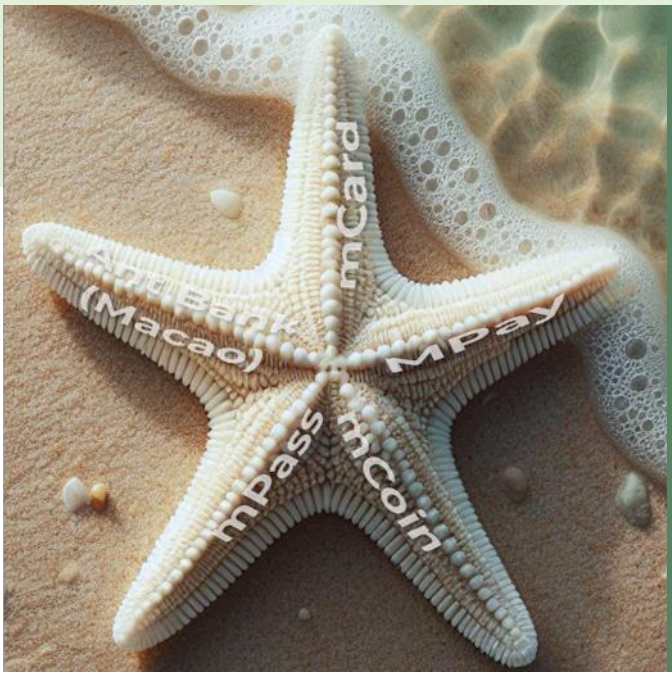
RELIABLE PRODUCTS AND SERVICES

Service Security and Efficiency

Reliable Hardware Products and Supply Chain Management

Product Responsibility

Ethical Marketing



The Group is committed to delivering secure, efficient, and high-quality products and services with a strong emphasis on reliability, customer satisfaction, operational integrity, and sustainability.

Service Security and Efficiency

We provide secure and efficient digital banking and payment services to our customers as follows:

Digital Banking

Security Measures:

Online account opening:
Implementation of **EKYC** (Electronic Know Your Customer) for individuals and **EKYB** (Electronic Know Your Business) for businesses for identity verification during online account opening.

Multiple layers of protection:

- Network security measures (e.g. firewalls, intrusion detection, and regular vulnerability scans).
- Source code reviews, penetration testing, reliable algorithms for secure data transmission and storage, and anti-tampering controls.
- Fraud prevention using two-factor authentication (2FA) and real-time monitoring to swiftly intercept abnormal transactions.

Efficient Services:

Full online loan services for individuals, including loan approval and disbursement.

T+0 (same-day) remittance services from Macau to the Chinese Mainland and over 30 countries and regions.

Digital Payment

Integrated Payment Services:
Through MPay and mCard, we offer integrated e-wallet and card payment services to Macau residents. The new **NFC-enabled mCard** supports top-ups via MPay, and vice versa.

Security Measures:

Data Protection:
End-to-end communication encryption, desensitized printing of sensitive data, and advanced data encryption.

Fraud Prevention:
Blacklists, transaction limits (daily/monthly/yearly), and frequency restrictions to block malicious theft.

MPay Identity Verification:
Use of **EKYC** technology by MPay for secure and efficient online identity verification in Macau.

Account Security:
Multiple verification steps, including authentication for device switches and password changes/retrievals.

mCard Security:
Implementation of advanced security standards and encryption algorithms for mCard protection.

ISO Certification:
Multiple ISO certifications relevant to the software development of our main digital payment products have been obtained, including quality management system certification, environmental management system certification, information security management system certification, information technology service management system certification, and occupational health and safety management system certification.

Efficient Services:

Card Bundling:
Users can link their MPay accounts with a selection of **13** debit and **7** credit cards issued in Macau and Hong Kong.

High Performance:
Our payment services feature a **high success rate and millisecond response time.**

Automatic Discounts:
Promotional discounts are automatically applied during payments, eliminating the need for manual selection and ensuring a seamless experience.

Automated Fund Settlement:
Our cross-bank automated merchant fund settlement system enables **efficient daily settlements** for merchants, **real-time fund flow monitoring** and **reconciliation**.

Reliable Hardware Products and Supply Chain Management

Lottery Hardware

Rigorous Testing and Validation:
Our lottery hardware products undergo extensive validation tests from the outset of the research and development stage. External independent laboratories conduct quality assessments to ensure reliability.

Supplier Selection and Quality Control:
We implement a strict selection and testing process for product component suppliers, supported by a dedicated quality control team. Inspection procedures cover component procurement, manufacturing, and finished product warehousing.

Environmental and Safety Certifications*:

- Our major lottery hardware products have passed the environmental label product certification of the Ministry of Ecology and Environment of the People's Republic of China, the most authoritative environmental product certification issued by the PRC government.
- The Group's lottery hardware supply subsidiary has obtained multiple ISO system certifications, including quality management system certification, environmental management system certification, occupational health and safety management system certification, information security management system certification, and information technology service management system certification.
- All selected subcontractors hold ISO environmental management system certifications.

* *More details are set out in the paragraph titled "Green Supply Chain" in the section "SUSTAINABLE GREEN AND CARBON REDUCTION MEASURES" of this ESG report.*

Product Responsibility

The Group is principally engaged in digital banking and financial services, digital payment and ancillary services, and local consumer services in Macau as well as lottery services in the Chinese Mainland. Unlike companies which supply consumer goods, food or beverages, we do not anticipate any material risks of health and safety to the public arising from our products and services, and laws and regulations relating to health and safety concerns for products and services are not considered applicable to the operations of the Group.

Nevertheless, we recognize our responsibility in ensuring service quality, transparency, and consumer protection across our services, as reflected in our commitment to customer care, compliance, and ethical business practices.



Reward Points and E-commerce:

- MPay reward points (mCoins) follow standard terms, stating Macau Pass is not responsible for the quality of redemption gifts from collaborating merchants.
- Customers must contact designated merchants directly for complaints or feedback on redeemed gifts.
- Our e-commerce platform facilitates electronic coupon redemption; merchants provide goods and services, and the Group bears no contractual or product liability.



AML/CFT Measures for Digital Banking and Payment:

- Ant Bank (Macao) and Macau Pass operate under AMCM licenses with stringent internal controls.
- Our AML/CFT measures align with responsible financial institution standards, as outlined in the paragraph titled “Fighting Against Illegal and Unethical Transactions (AML/CFT Measures)” in the section “TRUST BUILDING” of this ESG report.



Responsible Lottery Services:
Our lottery hardware is supplied exclusively to PRC governmental authorities or authorized operators to ensure compliance and preclude from involvement in any possible illegal gaming activities.



Online Help Center:
- Frequently asked questions (FAQs) are available online via official websites of Ant Bank (Macao) and Macau Pass.
- We offer handy customer services via MPay such as online transaction record inquiries and refund applications.



Customer Complaints Handling:
- No material product or service complaints were received by the Group during the year under review (15-month period ended March 31, 2024: Nil).
- Complaints, if any, are managed by the business departments of the Group via product replacement, customization, or after-sales support.
- KPI target-setting related to customer complaints is considered unnecessary, as it is inappropriate to set targets for complaint volume.



Service Hours and Customer Service:
- We provide professional after-sales return and maintenance services, with lottery hardware achieving the highest five-star certification in the PRC's "Commodity After-sales Service Rating System".
- mCard and MPay offer a 24-hour report loss hotline.
- Macau Pass has three offline **customer service centers** in Macau, providing comprehensive online and offline support. It has also set up several **service stations** in prime tourist locations, ensuring visitors can easily purchase mCards and their accessories upon arrival.

Ethical Marketing

Digital Banking Business

We comply with Law No. 13/2023 "Legal Regime of the Financial System" which stipulates that financial institutions must comply with general laws when providing information and conducting advertising to the public. They must not engage in advertising or promotional activities that contain untrue, false or misleading financial information or data, or engage in activities that may affect the normal competitive relationship between financial institutions.

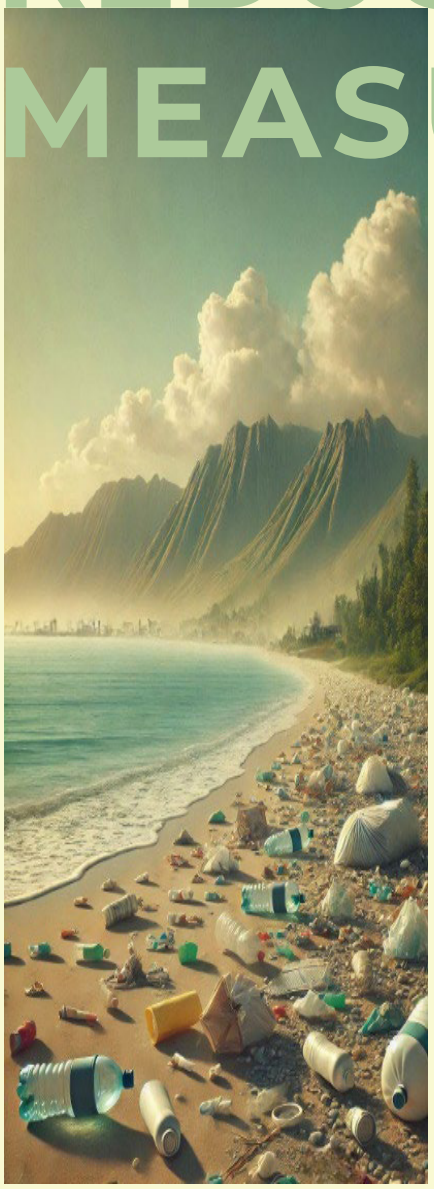
Digital Payment and Related Businesses

We conduct advertising activities in accordance with the Macao Special Administrative Region, Law No.7/89/M "Regulations Regarding Advertising Activities" to ensure that the information contained in the advertisements is legal and not detrimental to the basic values of the society, true and not misleading, and complies with the principles of safeguarding consumers' interests and free and fair competition.

Lottery Business

Generally, the lottery authorities in the PRC (being our customers) will conduct the advertising or "branding" of the lottery products to promote their sales. However, where we are engaged by our customers to provide marketing consultancy services for certain lottery products, we may participate in the marketing and advertising campaigns in order to promote the sales of such products, while advising our customers as to how to educate lottery players in order to avoid problem gaming issues.

Sustainable green and carbon REDUCTION MEASURES



Ocean Pollution



Deforestation



Global Warming

Save Our Planet: Minimize Plastic, Reduce Paper, Lower Carbon



Fintech Power: Driving a Green and Sustainable Future

Innovative financial technology is paving the way for a greener world, empowering individuals and businesses to make environmentally responsible choices.

The Group does not operate any manufacturing factories; and therefore, its operations do not pose direct or material environmental and social impacts. However, the Group acknowledges that its business activities, including the use of electricity, paper and plastic, contribute to carbon footprints that can be minimized further to protect the environment. To address this, the Group has implemented various sustainable, green and low-carbon measures. These efforts include reducing the use of paper and plastic in its businesses, fostering a green and low-carbon environment in its offices and customer service centers, adopting a green supply chain, maintaining energy-efficient data centers, and promoting carbon reduction initiatives for merchants in Macau. The details of these measures, as outlined below, demonstrate the Group's commitment to environmental sustainability and its proactive stance on tackling climate-related risks.

Eco-friendly Practices of Our Services

Our digital banking, digital payment, local consumer services, as well as marketing and digitalization support services for merchants are primarily operated through digital means, reducing the use of paper and banknotes, and the associated CO_2 emissions for producing them. This digital approach not only enhances convenience and satisfaction for customers and increases operational efficiency, but also significantly supports the Group's sustainability goals by reducing paper usage, energy waste, and helping to combat climate change.

In particular, our services have implemented the following eco-friendly practices:

Digital Banking



No paper statements are issued to customers by Ant Bank (Macao). Instead, customers can conveniently check their deposit and outstanding loan balances, as well as transaction records, anytime in the bank's app.



Ant Bank (Macao) primarily operates through digital means, **reducing electricity consumption and manpower** that would otherwise be required to maintain the branch network of traditional banks.



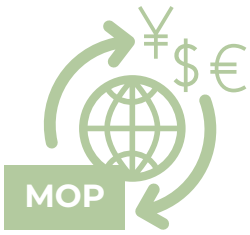
All banking transactions, including account opening, loan applications, remittances, securities investment, purchasing insurance products etc., are performed digitally and conveniently on the mobile apps of Ant Bank (Macao) and/or Alipay (Macao) 24/7 **without any physical cash**.



We support **green and sustainable finance** by integrating climate risk (posed by potential borrowers) into the credit risk management framework of Ant Bank (Macao). Specifically, we do **not provide loans to industries that have a significant negative impact on the environment**, including coal mining, oil drilling, natural gas extraction, mineral extraction, large-scale logging, palm oil production, steel and cement manufacturing, etc.

Digital Payment – E-wallet:





Our e-wallet MPay has a function, namely "Group Red Packets", to allow a personalized feature for **sending red packets electronically**, which helps reduce the use of paper red packets and banknotes in Macau.

MPay enables users to make **cross-border payments** in approximately 60 countries and region, **reducing** the **cash** Macau residents would typically need to carry **while traveling abroad**.

Digital Payment – Card:





The new mCards and personalized mCards feature NFC linkage for **two-way top-up with MPay**. Users can now directly use MPay to top up these mCards, **eliminating the need for change and physical cash**, thereby enhancing the user experience and saving time and effort.

During the COVID-19 pandemic, Macau Pass assisted the government of Macau in **distributing** the **living subsidy and electronic vouchers** under the Electronic Consumption Benefits Plan to eligible residents **in a secure, efficient and eco-friendly way** through MPay and mCards.





The dual-currency "**Macau Pass – China T-Union mCard**" supports fare payments in RMB on major public transportation in over 300 cities in the Chinese Mainland where the "China T-Union" sign is displayed and MTR rides in Hong Kong, **eliminating the need for change and physical cash**. Users can also use MPay to top up the RMB wallet of the card using Macau patacas.





Macau Pass **embeds the functionalities of the mCard into trendy accessories**, which can take the form of bag charms, key rings, etc. These multi-purpose items can also serve as physical mCards. This not only reduces the need to produce standalone plastic mCards, which serve only a single purpose of payment, but also attracts more customers to purchase these stylish and multi-functional products.

Acquiring and Local Consumer Services – Promoting Tourism:

Encouraging Tourists to Use Public Transportation:

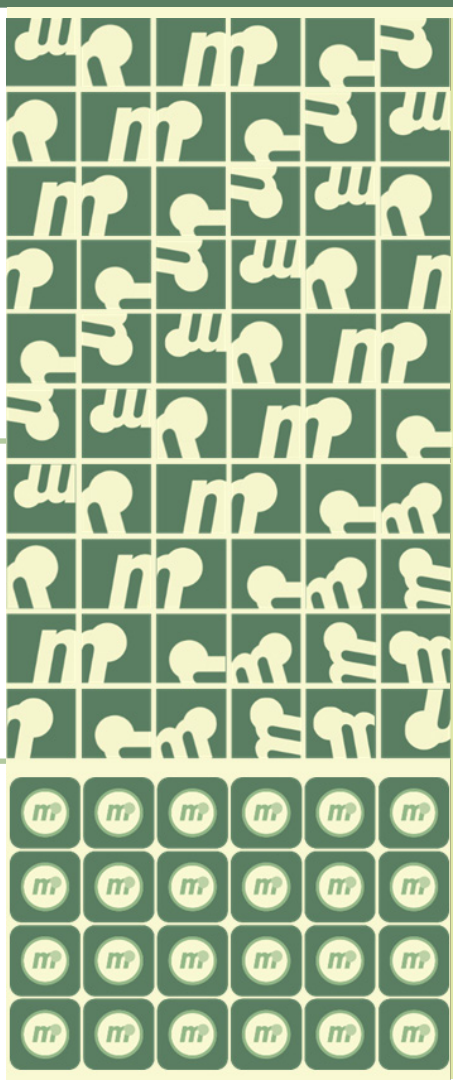
We make it easier for tourists to use **public transport** by expanding our acquiring service on buses, enabling them to use Alipay, AlipayHK, WeChat Pay and UnionPay (with a non-local UnionPay card linked to its app) to pay for fares in Macau via **transit QR codes**. This helps reduce their carbon footprint while traveling.

Cashless Payments for Tourists:

Macau Pass' acquiring service enables tourists visiting Macau to make payments using over 10 **Alipay+ partner e-wallets** from their home countries, reducing the need to carry large amounts of cash while traveling.

Eco-friendly Travel with Hybrid Vehicles:

Our **travel agency's** multi-purpose vehicles for tourist transportation booking services are **plug-in hybrid electric vehicles**, allowing them to run on electricity for short journeys and helping to reduce the business's carbon footprint.



In General:



Transactions can be **processed remotely** through digital banking and payments, reducing the carbon emissions from customers physically visiting banks or shops.



Online account opening is adopted for customers of Ant Bank (Macao) or MPay (except for non-residents of Macau who wish to upgrade their accounts to the highest 3B level), thereby eliminating the need to fill in any paper forms for registration.

Carbon Reduction Measures for Merchants

We not only ensure our services are eco-friendly, but also empower merchants to reduce their carbon footprint.

Digital Marketing Initiatives for Merchants

We provide digital marketing services to our collaborating merchants. The mCoin loyalty platform, point-of-sale terminals and merchant mobile apps are used to offer merchants e-coupon marketing promotions and in-store redemption services, and digital lucky draws can be enabled by the mPass platform, thereby reducing the paper waste from posters and paper coupons or tickets used in traditional offline marketing campaigns.

Digital Meal-ordering Solutions

Customers can place orders directly through our meal-ordering mini program or kiosks, eliminating the need for paper menus and order slips. This streamlined digital ordering process minimizes paper waste, enhances operational efficiency, reduces human error, and improves the overall customer experience.

Streamlining Checkouts for Merchants

Macau Pass supports the “Simple Pay” system by AMCM, allowing merchants to accept multiple payment methods with a single terminal, reducing reliance on multiple plastic devices. Additionally, the Alipay Tap! rollout in Macau simplifies in-store payments for tourists, minimizing energy consumption for merchants.

Promoting Paperless and Eco-friendly Receipts

We promote paperless receipts for offline transactions and optimize takeaway receipt length by adjusting font size and spacing to reduce paper use. Additionally, our Macau payment devices use degradable thermal paper certified by The Forest Stewardship Council (FSC) for sustainability.

Electronic Waste Management for Our End-of-life Products

We are committed to responsible electronic waste management. As part of our ESG Strategy "Sustainable Green and Carbon Reduction Measures", we ensure that all end-of-life lottery terminals and payment-related hardware are either recycled or disposed of in compliance with local environmental regulations.

Through our recycling arrangement, merchants in Macau can return end-of-life payment-related hardware, which are then processed by certified e-waste recyclers, ensuring environmentally safe disposal.

For our lottery terminals supplied to the lottery authorities in the Chinese Mainland, the relevant authorities will manage the waste disposal process independently. It should be noted that the major lottery hardware products (C8 and M5 series of lottery terminals) supplied by the Group have passed the Environmental Label Product Certification (HJ 2536-2014) of the Ministry of Ecology and Environment of the PRC. This certification demonstrates their compliance with stringent environmental standards aimed at reducing environmental impact in the following key areas:

Environmental Protection Design
ensuring ease of disassembly for recycling, upgradability for storage and memory, and *removability of components using standard tools*

Hazardous Substance Restrictions
prohibiting specific harmful substances or restricting them to permitted levels

Noise Control Standards
meeting defined noise limits for different computer types in both idle and operational states

Energy Efficiency Compliance
adhering to national energy efficiency standards for computers, displays, and power supplies



Production Process Requirements
eliminating the use of certain cleaning solvents and phosphorus-based degreasers or coatings in metal treatment

Sustainable Packaging Requirements
ensuring restricted use of hazardous foaming agents, limiting heavy metal content, and complying with *GB/T 18455 recycling label regulations*

Comprehensive Product Instructions
providing usage and maintenance guidelines, upgrade and replacement recommendations, *recycling and disposal guidance*, and a minimum 3-year warranty for spare parts availability



Green Offices and Customer Service Centers

The Group strives to create a green and low-carbon environment for its offices and customer service centers through a series of resource-saving policies and business practices as set out below.

Power Saving Management

We encourage our employees to turn off their computers when they are off duty and when they are not using them, and to turn off lighting and air-conditioning in vacant rooms. They can also obtain energy-saving rewards by reporting their energy-saving behavior through the office intranet.

Our principal offices in the PRC and Macau are equipped with energy-efficient LED lighting and are thoughtfully designed to allow full use of natural light rather than electricity during the day in some office areas. For the smaller support office in Hong Kong, the Company will aim to gradually replace the existing lighting with LED lighting as the old fixtures need replacement. Additionally, our principal office in Beijing, China is located in a building powered by renewable energy.

We have also installed an energy-efficient VRV (Variable Refrigerant Volume) air-conditioning system for our Macau office and one of our Macau customer service centers, which can be activated when the central system is unavailable (such as after office hours or during weekends).

Resource and Waste Recycling

We implement waste separation to separate storage and disposal of hazardous and recyclable waste in the office area, and employees' environmental protection behavior can be reported on the office intranet for corresponding energy-saving rewards.



Encouraging Low-carbon Behavior among Employees



The Group is dedicated to promoting low-carbon behavior among employees through various initiatives:

Paperless Office: Implementing electronic billing by suppliers for employees' business travel and hotel accommodation (in the Chinese Mainland), and using electronic invoice reimbursement to reduce paper usage.

Eco-friendly Practices: Purchasing eco-friendly paper and encouraging double-sided printing, with rewards for employees who adopt this practice.

Online Tools: Emphasizing the use of online office software and communication tools like Alilang and DingTalk to reduce paper consumption and non-essential travel.

Public Transportation: Encouraging employees to use public transportation (subways and buses instead of taxis) for business travel to reduce energy consumption.

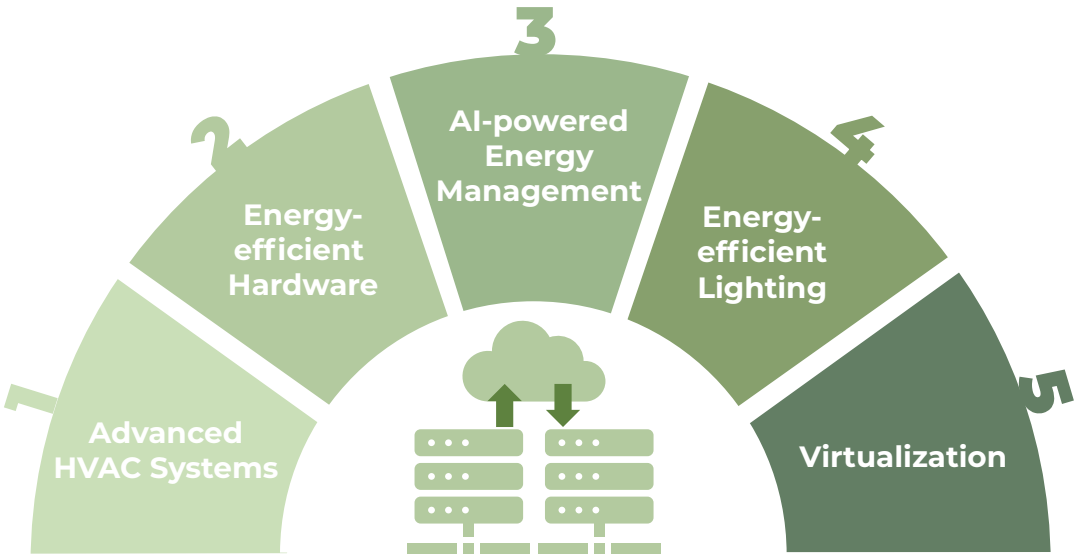
Transition to Paperless Corporate Communications



In compliance with the "Proposals to Expand the Paperless Listing Regime and Other Rule Amendments" issued by the Stock Exchange which took effect on December 31, 2023, the Company electronically disseminates its corporate communications including financial reports and circulars, and strongly recommends Shareholders to access its corporate communications through the websites of the Stock Exchange and the Company, instead of receiving their printed form. The Group believes this paperless practice can help protect the environment, as well as save costs for printing, postage and administrative charges, and reduce electricity consumption for printing.

Energy-efficient Data Centers

Across different facilities, a combination of the following five key carbon reduction measures has been in place to enhance overall energy efficiency in our data centers supporting various fintech businesses in Macau:



1 We use advanced heating, ventilation, and air conditioning (HVAC) systems designed for energy efficiency.

2 Our servers and network equipment are upgraded with higher energy efficiency ratings.

3 We use artificial intelligence to monitor and optimize energy usage in real-time.

4 We use energy-efficient LED lighting throughout the data centers.

5 We consolidate multiple operating systems (i.e., virtual machines) onto fewer physical servers to optimize resource utilization. Multiple virtual machines can coexist on a single physical server, each isolated from the others. Instead of having several underutilized servers, virtualization allows for more efficient use of the available hardware. This reduces the number of physical servers needed, lowering hardware costs and minimizing space requirements. Fewer physical servers mean reduced power consumption and cooling requirements. This translates to significant energy savings and a lower carbon footprint for our data centers.



Green Supply Chain

Provision of Eco-friendly Hardware Products

As mentioned above, the major lottery hardware products (C8 and M5 series of lottery terminals) supplied by the Group have passed the Environmental Label Product Certification of the Ministry of Ecology and Environment of the PRC, which is currently the most authoritative environmental product certification issued by the PRC government.

Green Suppliers/Subcontractors Selection

We have thoroughly considered the relevant environmental certifications as prerequisites for selecting suppliers in our subcontractor selection process. All our subcontractors hold ISO environmental management system certifications.

International Standard Recognition for Environmental and Occupational Health Management

The operating subsidiary of the Group's terminal hardware products (Beijing GOT Technology Co., Ltd.) has received ISO environmental management system certification and occupational health and safety management system certification for many consecutive years, which demonstrates that we have received international standard recognition in environmental and occupational health management.

Green Packaging

The lottery hardware products and majority of payment devices provided by the Group are packaged in recyclable paper boxes to enhance resource recycling.

Green Transportation

Transportation providers for our lottery hardware products have adopted electric new-energy vehicles for product transportation in some cities to reduce carbon emissions. The Group will continue to promote more green transportation initiatives among transportation providers.



When nature goes from thriving to struggling, make sure we are the ones turning the tide – not accelerating the decline.

The choices we make today determine the world we live in tomorrow. Businesses and individuals alike have a responsibility to step up – committing to reducing carbon emissions, restoring ecosystems, and transitioning to sustainable practices.



STAFF DEVELOPMENT

Diversity, Equity and Inclusion

Employment Policies, Remuneration and Benefits

Career Development and Training Opportunities

Staff Appreciation

Workplace Safety and Employee Well-being

Diversity, Equity and Inclusion

Equal and Respectful Workplace

The Group is committed to equal opportunity, prohibiting discrimination based on age, gender, disability, religion, marital status, pregnancy, sexual orientation and nationality. Any workplace discrimination is strictly prohibited.

Employees are encouraged to report any discriminatory behavior to their superiors or the human resources and administration department. Violations will be handled seriously under the Employee Code of Conduct.

Diverse and Inclusive Culture

The Group values diversity at all levels, including the Board of Directors. A Board Diversity Policy ensures a balanced composition, considering factors like gender, age, nationality, tenure, and directorship experience in other public companies. Details are set out in the Corporate Governance Report contained in the annual report of the Company for FY2024/25.

For employees, recruitment is based on merit, emphasizing skills, qualifications, and experience. The Group maintains a diverse workforce, fostering collaboration and inclusivity across age, gender, nationality, industry backgrounds, skill sets and years of working experience.



Employment Policies, Remuneration and Benefits

Labor-Law Compliance

The Group enters into employment contracts with employees in compliance with the law. The Group complies with labor laws in the Chinese Mainland, Macau, and Hong Kong, including the Employment Ordinance of Hong Kong, Labour Law of the PRC, The Labour Contract Law of the PRC, Implementing Regulations of the Labor Contract Law of the People's Republic of China, "Employment of Children Regulations" made under Employment Ordinance of Hong Kong, Law of the PRC on the Protection of Minors, Law of the PRC on Compulsory Education, The Provisions Prohibiting the Use of Child Labour, The Fine Standard Provisions of the Use of Child Labour, Macau's Labour Relations Law and Law for the Employment of Non-resident Workers.

The Employee Handbook contains policies on appointment, dismissal, attendance, remuneration, development, discipline, data security, and whistle-blowing.

Training is conducted regularly for employees.



Recruitment and Employment Policies

Staff recruitment must adhere to the Group's annual headcount planning. Applications for recruitment must first be submitted to the human resources and administration department and approved by designated senior management before the recruitment process can begin. Employees may refer candidates for recruitment incentives.

Dismissal applies to violations such as legal breaches, confidentiality violations, falsification, conflicts of interest, office disruptions, or misconduct under the Employee Code of Conduct.

New employees must provide valid identification to verify age, identity, and experience. We do not employ individuals under 18 years old and prohibits coercion, violence, or intimidation in the workplace.

Employees may resign freely with written notice (normally ranging from one to three months) per contract terms.

Work Hours and Leave Policies

Standard work hours are 8 hours/day or 40 hours/week, with variations for shift workers.

The length of service required for paid annual leave entitlement varies by office:

- Chinese Mainland: at least one year of service.
- Macau: at least 90 days of service.
- Hong Kong: entitlement begins upon appointment, subject to supervisor approval. Any excess leave taken before resignation must be reimbursed.

Annual leave is additional to statutory holidays. Overtime work is compensated with overtime pay or time off.

Fair and Competitive Remuneration System

The Group's remuneration policies are based on performance and experience, aligning with local market practices. Employees receive a salary along with additional fringe benefits and welfare, including year-end and discretionary bonuses, share options under the Share Option Scheme, share awards under the Share Award Scheme, contributory provident fund, social security fund, medical benefits and training opportunities.

Generous Employee Benefits

The Group offers additional parental leave beyond statutory requirements and various employee care initiatives, such as team travel expenses, birthday activities, and supplemental medical insurance for enhanced coverage.

Career Development and Training Opportunities

Career Development and Promotion

The Group supports employees' career development through promotion and job rotation, assessed by the human resources and administration department and relevant business departments based on:

- performance appraisal results
- tenure (at least one year in the current role and capability to fulfil the requirements of a higher-level position)
- availability of relevant vacancies
- existing salary level

Employee Training Programs

The Group prioritizes skills development by offering on-the-job training and sponsored programs to enhance employees' professional knowledge.

To support corporate governance, the Group provides briefing materials and **training on corporate governance and listing rules** for Directors, company secretaries, as well as employees of our new subsidiary, Ant Bank (Macao). Employees also participate in in-house and external training seminars, as well as **industry-specific conferences**. These initiatives ensure continuous professional growth and alignment with regulatory requirements.

Additionally, the following **interactive training programs** were provided to the Group's employees during the year under review. These programs aimed to establish a communication bridge between employees and senior management, strengthen team cohesion, enhance business understanding, and foster career growth, reinforcing the Group's commitment to talent development:

CTO Line Townhall
(including CTO Line Research Workshop and Team Building)





2024/25 Interactive Training Programs

Ant Bank (Macao) Business Sharing Session



The Group also provides **anti-corruption training** for Directors and staff, covering:

- policy objectives and regulatory requirements
- the Group's anti-corruption policy and related processes
- whistle-blowing channels and whistle-blower protection

Macau Pass and Ant Bank (Macao) conduct annual AML/CFT training for employees, with mandatory sessions for new staff to enhance awareness of anti-money laundering and counter-financing of terrorism. Training records are maintained by our human resources and administration department for future review.

Staff Appreciation

The Group values its employees as the cornerstone of its success and is committed to fostering a culture of appreciation and recognition. As a token of gratitude for their dedication and hard work, the Group organizes an annual dinner, providing an opportunity to celebrate achievements, strengthen team bonds, and reinforce its commitment to employee well-being.

This year's annual dinner held in February 2025 was particularly special, marking Macau Pass' 20th anniversary in Macau. The celebration was a testament to the Group's growth and accomplishments over the years, bringing employees and senior management together to commemorate this milestone. Through this event, the Group not only honored its journey but also reaffirmed its commitment to talent development and continuous collaboration.









Workplace Safety and Employee Well-being

Creating a Safe and Healthy Workplace

Policies to Prevent Occupational Hazards

The Group ensures a secure work environment, implementing policies to protect employees from occupational hazards:

- Offices are rented in well-managed commercial buildings with security measures.
- Employees must secure office doors when leaving.
- Passcodes or radio frequency cards are required for entry.
- Security guards conduct daily patrols.
- Open flames, candles, and incense are prohibited in office premises.
- Supplemental medical insurance is provided beyond statutory coverage for work-related injuries or illnesses.

Work Arrangements Under High Temperatures

- Above 40°C: No outdoor work.
- 37°C–40°C: Outdoor work limited to 6 hours, avoiding the 3 hours of highest temperature.
- 35°C–37°C: Outdoor workers should take shifts and should not work overtime.
- Pregnant employees: No outdoor work above 35°C; no indoor work above 33°C.

(Macau and Hong Kong employees are not subject to these temperature-based policies.)

Compliance with Local Laws

The Group adheres to different laws and regulations relating to the health and safety of its employees in the Chinese Mainland, Macau, and Hong Kong, including but not limited to:

- **Chinese Mainland:** Labour Law, Labour Contract Law, Occupational Disease Prevention Law, Women's Rights Protection Law, Special Provisions on Labour Protection of Female Workers, Industrial Injury Insurance Regulations, Social Insurance Law, Labour Security Supervision Regulations, Provisions on Enterprise Workers Illness or Non-work Related Injury Medical Period
- **Macau:** Labour Relations Law, Framework Law on Employment Policy and Worker's Rights, Legal Regime on Compensation for Damage Arising from Work Accidents and Occupational Diseases, Minimum Wage for Employees, Law for the Employment of Non-Resident Workers, Regulation of the Law for the Employment of Non-resident Workers
- **Hong Kong:** Employees' Compensation Ordinance

Environmental and Security Measures

The Administration Department conducts regular environmental and security checks in office areas. Cleaning and greenery services are provided to maintain a safe and pleasant workspace.

Prioritizing Physical and Mental Health

The Group values employee well-being, offering:

- refreshment areas for breaks.
- dedicated HR Generalist (HRG) for work-related or psychological support.
- fitness equipment for post-work exercise.



Additionally, the Group funds team-building activities and travel, fostering hobbies, interests, and team cohesion.

Emergency Preparedness and Protection

Employee safety is a priority in the Group's business processes, with emergency measures in place, including:

- regular emergency drills, such as fire drills.
- small emergency kits placed in office areas.
- workplace emergency measures implemented during the COVID-19 pandemic.
- training in first aid and emergency response.

TRUST BUILDING



Building Corporate Trust

Board of Directors



Female Representation on the Board: ~43%

Governance Framework

- The Group maintains high governance standards with a Board comprising seven Directors (including three independent non-executive Directors, two executive Directors, and two non-executive Directors) as of March 31, 2025. Three out of the seven Directors are female.
- We emphasize professionalism, skills, gender diversity, and governance effectiveness.
- Board committees include Audit, Nomination, Remuneration, Corporate Governance, and Risk Management and Internal Control Committees.
- ESG strategies are formulated by the Board, with the support of the Risk Management and Internal Control Committee (RMICC). ESG-related matters are implemented by the ESG Task Force (as detailed in Appendix 3 to this ESG report).

Risk Management and Internal Control System

RMICC reviews the Group's risk management strategies and mechanisms, the design and operation of internal controls, anti-fraud measures and ESG performance and reporting. A **three-tier risk management defense system** is in place for the Group:

01

Business-level Risk Control: Internal management policies, approval authorizations, segregation of duties and internal supervision.

02

Professional Oversight: Finance, legal, and risk compliance teams provide expertise in decision-making.

03

Internal Audit: Independent internal audit department monitors risk controls and report findings.



Upholding integrity is not just a regulatory requirement — it is the key that unlocks long-term value and trust.

Business Ethics and Anti-corruption

Our employees are strictly prohibited from engaging in corrupt practices (including bribery, extortion, fraud and money laundering) and are committed to upholding the highest standards of ethical business conduct.

We maintain strict compliance with a range of anti-corruption regulations across the Chinese Mainland, Macau, Hong Kong, and the United States of America, including but not limited to the following:

Chinese Mainland

- Government Procurement Law
- Tendering and Bidding Law
- Criminal Law
- Anti-unfair Competition Law

Macau

- Legal Framework for the Financial System
- Regime of Expenditure on Works, Acquisition of Goods, and Services
- Prevention and Suppression of Bribery in the Private Sector
- AMCM's Regulations on Anti-Money Laundering and Combating the Financing of Terrorism
- Penal Code of Macao

Hong Kong

- Prevention of Bribery Ordinance

United States of America

- Foreign Corrupt Practices Act of 1977

Anti-corruption Policy

We have policy in place to regulate gifts, entertainment, hospitality, free travel and accommodation to government officials or business partners. Macau Pass and Ant Bank (Macao) also conduct annual AML/CFT training for all employees.

No KPI target-setting is deemed necessary in relation to anti-corruption measures, as these measures are inherently qualitative rather than quantitative.

Internal Controls

Our Accounting Department is responsible for reviewing all payments and receipts, ensuring that valid supporting documents and proper records are maintained in order to detect and prevent potential corrupt practices.

The Group has implemented *Employee Disciplinary Rules and a Whistleblowing Policy* (including an anonymous reporting channel, internalaudit@agtech.com) to encourage employees and relevant third parties to report any unethical behavior or irregularities. Reports submitted to this channel will be reviewed by the Group's Internal Audit Department and, where necessary, escalated to the Audit Committee for further investigation.

Observing and Protecting Intellectual Property Rights

To uphold and protect **intellectual property (IP) rights**:

- The Group enters into formal legal agreements (such as joint venture agreements, business cooperation agreements, or licence deeds) when licensing IP to or from third-party suppliers or partners. These documents typically cover exclusivity, applicable products or business scope, ownership of derivative IP arising from customisation (e.g. due to customer specifications), indemnity for potential claims, duration, and licence fees.
- Employment or service contracts for management personnel include provisions stating that all IP developed, discovered, or acquired during their tenure belongs exclusively to the Group. Employees are required to disclose such IP and provide any necessary support for its use, even after their employment ends.

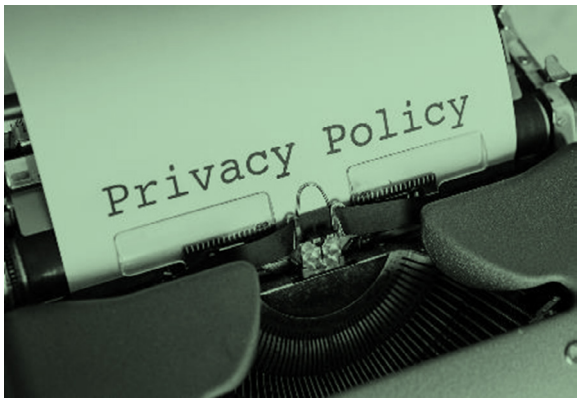
Trademarks of our fintech brands in Macau have been registered in Macau, Hong Kong and/or the PRC, and registrations have been made in respect of certain software copyrights in the PRC.

KPI target-setting is deemed unnecessary for IP rights protection, as it involves non-quantitative practices.

Building Social Trust

Privacy Protection and Data Security





- The Group strictly complies with relevant laws and regulations related to privacy protection and data security, including the PRC Personal Information Protection Law, the PRC Cybersecurity Law, the Personal Data Protection Act of Macau, and Hong Kong's Personal Data (Privacy) Ordinance.
- It has established robust user data security policies under the AGTech Data Security Management Code, covering data collection, storage, processing, cross-border transfer, and disclosure.
- All employees must complete a data security test upon joining the Group. Regular training and awareness programs on data protection are also provided.
- KPI targets are not applicable to customer data protection and privacy policies, as they are not quantitative in nature.
- Customer privacy protection is guided by the AGTech Data Security Management Code and its supporting systems, offering detailed and actionable protocols across organization, processes, and tools. The Group has implemented management policies for data acquisition, secure transmission, encrypted storage, authorized access, and timely destruction.
- User authorization is required before accessing private information, and access is strictly limited to authorized personnel under a minimum-necessary-use principle. Data classification, tiered access control, operation logging, and ongoing employee training help prevent data breaches, loss, or tampering.
- Any customer data disclosed to third parties is subject to prior written review and is limited to those authorized by the customer.

Fighting Against Illegal and Unethical Transactions (AML/CFT Measures)

The Group strictly complies with the "Regulations on Anti-Money Laundering and Combating the Financing of Terrorism" issued by AMCM and has established a series of internal control policies and practical measures, including the *Macau Pass Manual for AML/CFT, Macau Pass Continuous Monitoring Measures on AML/CFT*, *Macau Pass Management Rules on Cross-Border Payment Acquiring Services, the Ant Bank (Macao) Manual for AML/CFT and Sanctions Compliance, the Ant Bank (Macao) Operation Manual for Monitoring Transactions and the Ant Bank (Macao) Operation Manual for Enhancing Due Diligence*. A dedicated compliance team oversees implementation and monitoring.

Macau Pass and Ant Bank (Macao) submit annual AML/CFT Risk Assessment Report to AMCM. During the year under review, an internal audit (based on an independent external auditor's assessment) confirmed effective internal controls and compliance, resulting in a low AML/CFT risk level.

KPI target-setting for AML/CFT measures is not applicable, as these are not quantitative in nature.

To detect and prevent unethical or suspicious transactions, Macau Pass and Ant Bank (Macao) have implemented specific monitoring policies and procedures. Identified suspicious activity is investigated by the compliance department, either independently or in collaboration with relevant business units, to maintain a secure transaction environment.





Appendix 1

DEFINITIONS

In this report, unless the context otherwise requires, the following words and expressions shall have the following meanings when used herein:

"Alibaba Group"	Alibaba Holding and its subsidiaries
"Alibaba Holding"	Alibaba Group Holding Limited, a company incorporated in the Cayman Islands, with its American depository shares, each representing eight ordinary shares, listed on the New York Stock Exchange (Stock Symbol: BABA) and its ordinary shares listed on the Main Board of the Stock Exchange (Stock Codes: 9988 (HKD Counter) and 89988 (RMB Counter))
"Alipay"	支付寶(中國)網絡技術有限公司 (Alipay.com Co., Ltd.*), a company established in the PRC and a wholly-owned subsidiary of Ant Holdco
"Alipay+"	a suite of global cross-border digital payment and marketing solutions launched by Ant Group
"AMCM"	Autoridade Monetária de Macau (the Monetary Authority of Macao)
"AML/CFT"	Anti-Money Laundering and Combating the Financing of Terrorism
"Ant Bank (Macao)"	Ant Bank (Macao) Limited, a company incorporated under the laws of Macau with limited liability and an indirect non-wholly owned subsidiary of the Company

"Ant Group"	Ant Holdco and its subsidiaries
"Ant Holdco"	螞蟻科技集團股份有限公司 (Ant Group Co., Ltd.*), a company organized under the laws of the PRC
"Board"	the board of Directors
"Business Resilience Measures"	has the meaning ascribed to it under the paragraph titled "Implication of Flooding Risk on Our Strategy and Business Operations" in "Appendix 3: CLIMATE-RELATED DISCLOSURES AND SUSTAINABILITY PERFORMANCE INDICATORS" to this report
"CO_2"	carbon dioxide
"Company" or "AGTech"	AGTech Holdings Limited, a company incorporated in Bermuda with limited liability, the issued shares of which are listed on GEM
"Director(s)"	the director(s) of the Company
"ESG"	environmental, social and governance
"ESG Code"	the Environmental, Social and Governance Reporting Code set out in Appendix C2 to the GEM Listing Rules
"ESG Strategy(ies)"	the ESG strategy(ies) of the Group (including Support for Macau's Smart City Transformation, Corporate Social Responsibility, Reliable Products and Services, Sustainable Green and Carbon Reduction Measures, Staff Development, and Trust Building)
"FY"	the Group's financial year ended/ending March 31
"GEM"	GEM operated by the Stock Exchange
"GEM Listing Rules"	the Rules Governing the Listing of Securities on GEM of the Stock Exchange
"GHG"	greenhouse gas
"Group" or "AGTech Group"	the Company and its subsidiaries
"HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"Hong Kong" or "HK"	the Hong Kong Special Administrative Region of the PRC

"IFRS S1"	IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information published by the ISSB, which requires an entity to disclose information about all sustainability-related risks and opportunities that could reasonably be expected to affect the entity's cash flows, its access to finance or cost of capital over the short, medium or long term
"IFRS S2"	IFRS S2 Climate-related Disclosures published by the ISSB
"INEDs"	independent non-executive Directors
"ISSB"	the International Sustainability Standards Board established by the International Financial Reporting Standards Foundation in November 2021 for the development of the ISSB Climate Standard and the ISSB General Standard
"KPI"	key performance indicators
"Macao" or "Macau"	the Macao Special Administrative Region of the PRC
"Macau Pass"	Macau Pass S.A., a company incorporated under the laws of Macau and an indirect wholly-owned subsidiary of the Company
"MOP"	Macau patacas, the lawful currency of Macau
"mPass"	MPASS Digital Life Services Limited, a company incorporated under the laws of Macau and an indirect wholly-owned subsidiary of the Company
"MPay"	the e-wallet operated by Macau Pass
"New Climate Requirements"	the new climate disclosure requirements under paragraph Part D of the ESG Code
"NFC"	near field communication, a technology that enables devices to communicate with each other when they are in close proximity. It is commonly used for contactless payments by connecting devices like smartphones and payment terminals
"Paris Agreement"	the Paris Agreement, an international treaty adopted in 2015, which aims to limit global warming to well below 2° C, preferably to 1.5° C by 2100, compared to pre-industrial levels

"PRC" or "China"	the People's Republic of China which, for the purpose of this report, refers to the Chinese Mainland only
"RMB"	Renminbi, the lawful currency of the PRC
"RMICC"	risk management and internal control committee of the Company
"Share Award Scheme"	the share award scheme of the Company adopted on March 17, 2017
"Share Option Scheme"	the share option scheme of the Company adopted on September 9, 2024
"Shareholder(s)"	shareholder(s) of the Company
"SME(s)"	small and micro enterprises
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Taobao"	淘寶(中國)軟件有限公司 (Taobao (China) Software Co., Ltd.*), a company established under the laws of the PRC and a subsidiary of Alibaba Holding
"Two Upgrades"	has the meaning ascribed to it under the paragraph titled "Areas for Improvement in Our Sustainability Efforts" in "Appendix 3: CLIMATE-RELATED DISCLOSURES AND SUSTAINABILITY PERFORMANCE INDICATORS" to this report
"%"	per cent

Notes:

1. *The English translation of the Chinese company names in this report are included for reference only and should not be regarded as the official English translation of such Chinese company names.*
2. *In the event of any inconsistency, the English text of this report shall prevail over the Chinese text.*

As at the date of this report, the Board comprises (i) Mr. Sun Ho and Ms. Hu Taoye as executive Directors; (ii) Ms. Qin Yuehong and Mr. Ji Gang as non-executive Directors; and (iii) Mr. Chow Siu Lui, Mr. Chan Ka Leong and Ms. Yuen Kit Ming Fanny as independent non-executive Directors.

This report will remain on the "Latest Listed Company Information" page of the HKEXnews website operated by the Stock Exchange at www.hkexnews.hk for at least seven days from the day of its posting and will be published under the "Investors" section of the Company's website at www.agtech.com.

** For identification purposes only*



ABOUT THIS REPORT

Appendix 2

Reporting Period and Scope

This ESG report covers all the core businesses of the Group as described in the section "CORPORATE PROFILE" herein for the financial year ended March 31, 2025. It provides a summary of the business activities, ESG Strategies and measures taken by the Group across its core businesses (including digital banking and financial services, digital payment and ancillary services, local consumer services, and lottery services) in Macau and the Chinese Mainland.

The scope of this ESG report remains largely unchanged from the previous report for the 15 months ended March 31, 2024. However, it now includes information on the new banking and financial services business and its ESG related matters following the attainment of a controlling stake in Ant Bank (Macao) in September 2024. Additionally, climate-related disclosures have been added to early comply with the ESG Code. A new ESG strategy on "Support for Macau's Smart City Transformation" has been introduced to consolidate information on the Group's efforts in this area previously disclosed under different sections of our ESG report and the annual report of the Company, as well as new business initiatives of the Group that took place in the year under review. This ESG report was approved by the Board.

In compliance with the ESG Code, information on environmental and social matters as well as climate-related disclosures of the Group is disclosed on an annual basis and regarding the same period covered in its annual report. Except for provisions that the Group considers are inapplicable to its operations, for which explanations have been given below, this ESG report has complied with all the "comply or explain" provisions and other mandatory provisions set out in the ESG Code. This ESG report should be read alongside the Corporate Governance Report contained in the Company's 2024/2025 Annual Report, which focuses on other corporate governance matters of the Group.

Reporting Principles

The following reporting principles have been applied in the preparation of this ESG report:

(A) Materiality:

The Group has identified six material focus areas in its ESG Strategies, after taking into consideration the areas of common concerns or the shared goals reached through its stakeholder engagement. These six material focus areas (namely, Support for Macau's Smart City Transformation, Corporate Social Responsibility, Reliable Products and Services, Sustainable Green and Carbon Reduction Measures, Staff Development, and Trust Building) played important roles in formulating the Group's ESG Strategies, policies, and business practices. These are set out in the paragraph titled "Our ESG Strategies" in the section "SUSTAINABILITY MANAGEMENT" of this report, and each ESG strategy has its own dedicated section, titled after its specific focus, in this report. Information about material climate-related risks and opportunities that could reasonably be expected to affect the Group is also disclosed in "Appendix 3: CLIMATE-RELATED DISCLOSURES AND SUSTAINABILITY PERFORMANCE INDICATORS" of this report.

(B) Quantitative:

The Group does not run any manufacturing factories and therefore the environmental and social impacts of its operations are minimal. Nevertheless, the Group continues to support low-carbon office and encourages its staff to save on the use of electricity and paper. Data on electricity consumption, paper consumption, water consumption (for our Zhuhai and Macau offices only), our workforce and so on are collected and reviewed by the human resources and administration department, together with their comparative figures in the previous financial year (where available). The Group also sets targets for its annual paper consumption and electricity consumption per million HK$ of revenue and its timeline for carbon reduction as detailed in "Appendix 3: CLIMATE-RELATED DISCLOSURES AND SUSTAINABILITY PERFORMANCE INDICATORS" to this report. Additionally, in response to the New Climate Requirements, the Group has added more sustainability metrics and targets starting from the year under review to disclose its Scope 1 and Scope 2 carbon emissions data. The Board has delegated the ESG Task Force to review the progress toward achieving such sustainability targets at least on a semiannual basis, and report the findings to the RMICC which will in turn report to the Board via the audit committee of the Company.

(C) Balance:

This ESG report covers all the core businesses of the Group and provides a balanced view of both climate-related risks and opportunities. It highlights the sustainability achievements of the Group as well as areas where further improvement is needed to reduce its carbon footprint.

(D) Consistency:

During the year under review, the Group utilized the same methodology as the previous financial year to assess the achievement of targets set for its annual paper and electricity consumption, except for standardizing the format of data used under the climate-related disclosures. In response to the New Climate Requirements, the Group has added more sustainability metrics and targets starting from the year under review. This addition paves the way for data comparison in the next financial year, when the New Climate Requirements begin to apply to the Group.

Aspects of ESG Matters Not Applicable to the Group

Certain aspects of environmental and social matters stated in the ESG Code that are not applicable to the Group (and hence are not covered in this ESG report) are summarized in the table below:

Aspects of ESG matters	Reason(s) why the aspects are not applicable to the Group
A1: Emissions, and its related KPIs (KPI A1.1, KPI A1.3 – KPI A1.6) A2: Use of resources, and its related KPIs (KPI A2.4 and KPI A2.5) KPI A3.1 (significant impacts of activities on the environment and natural resources)	The Group does not operate any factories but instead outsources the manufacturing of lottery and payment-related hardware to, or directly sources such hardware from, external suppliers, subcontractors, and/or business partners. As a result, the Group's operations do not involve any material or direct environmental issues, hazardous or non-hazardous waste generation, or significant consumption of resources such as electricity, water, or raw materials. In response to the New Climate Requirements, the Group has disclosed its Scopes 1 and 2 GHG emissions data in "Appendix 3: CLIMATE-RELATED DISCLOSURES AND SUSTAINABILITY PERFORMANCE INDICATORS" to this report.
KPI A2.2 (water consumption)	(i) Since the Group does not operate any factories, its operations do not involve significant water consumption.

Aspects of ESG matters	Reason(s) why the aspects are not applicable to the Group
	(ii) For the Group's offices in Beijing, PRC, and Hong Kong, water usage is covered under office rental payments, and there are no separate billings or records of water consumption from the landlords. (iii) The Group pays for water consumption at its offices in Zhuhai, PRC, and Macau. However, as the water usage is solely for basic employee needs (such as in pantries, drinking taps, and lavatories), the Group considers it inappropriate to establish KPIs or cost-reduction targets for this essential consumption. Further information on the Group's water usage is set out in the paragraph titled "Water Consumption" in "Appendix 3: CLIMATE-RELATED DISCLOSURES AND SUSTAINABILITY PERFORMANCE INDICATORS" to this report.
KPI B4.2 (measures to eliminate child or forced labour when discovered)	With the Group's policies and measures relating to preventing child and forced labour in place as disclosed in the paragraph titled "Employment Policies, Remuneration and Benefits" in the section "STAFF DEVELOPMENT" of this report, it is unlikely that child and forced labour will occur in the Group.
B6: Product Responsibility, and its related KPIs including KPI B6.1 (products sold or shipped subject to recalls for safety and health reasons), and KPI B6.4 (quality assurance process and recall procedures)	The Group does not run any factories but outsources the manufacturing functions to outside suppliers/subcontractors, which are accountable to the Group for the products supplied in terms of labelling, quality assurance and recall procedures, where applicable. The Group is not the supplier of consumer goods and services. Accordingly, it is not expected that the Group's products will be subject to recalls for safety and health reasons.

Appendix 3

CLIMATE-RELATED DISCLOSURES AND SUSTAINABILITY PERFORMANCE INDICATORS

ESG Governance Structure

Strategy

Risk Management

Metrics and Targets

Performance Indicators:

- **Environmental**
- **Social**
- **Governance**

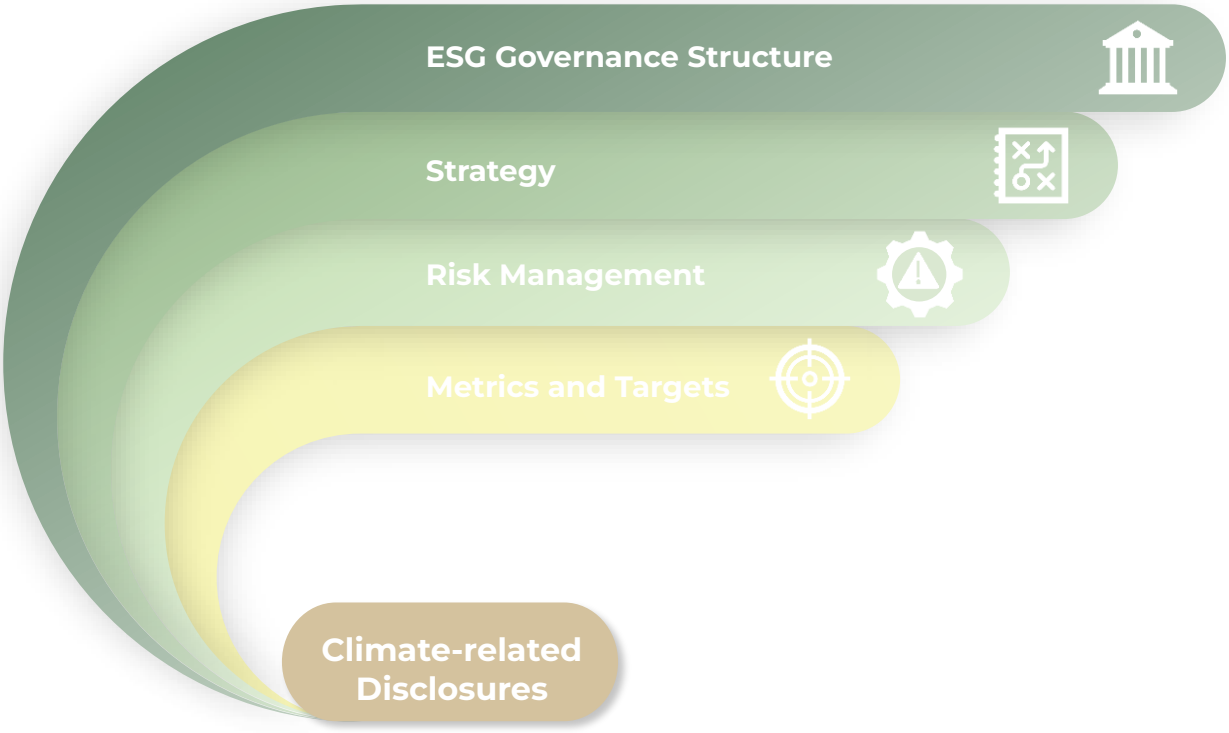
Picture:
The black-faced spoonbill, an endangered species found in Macau, is the city's beloved tourism mascot.

Climate-related Disclosures

IFRS S1 focuses on providing decision-useful and comparable sustainability-related disclosures by entities, which are required to disclose climate-related risks and opportunities that could impact their cash flows, access to finance, or cost of capital over the short, medium, or long term. The New Climate Requirements under the ESG Code are developed with reference to IFRS S2, focusing on climate-related disclosures.

Starting from the financial year ended March 31, 2025, the Group has included its climate-related disclosures in its ESG Report in accordance with the New Climate Requirements, which are based on IFRS S2 and incorporate key concepts for preparing climate disclosures under IFRS S1.

Our climate-related disclosures comprise the following aspects:



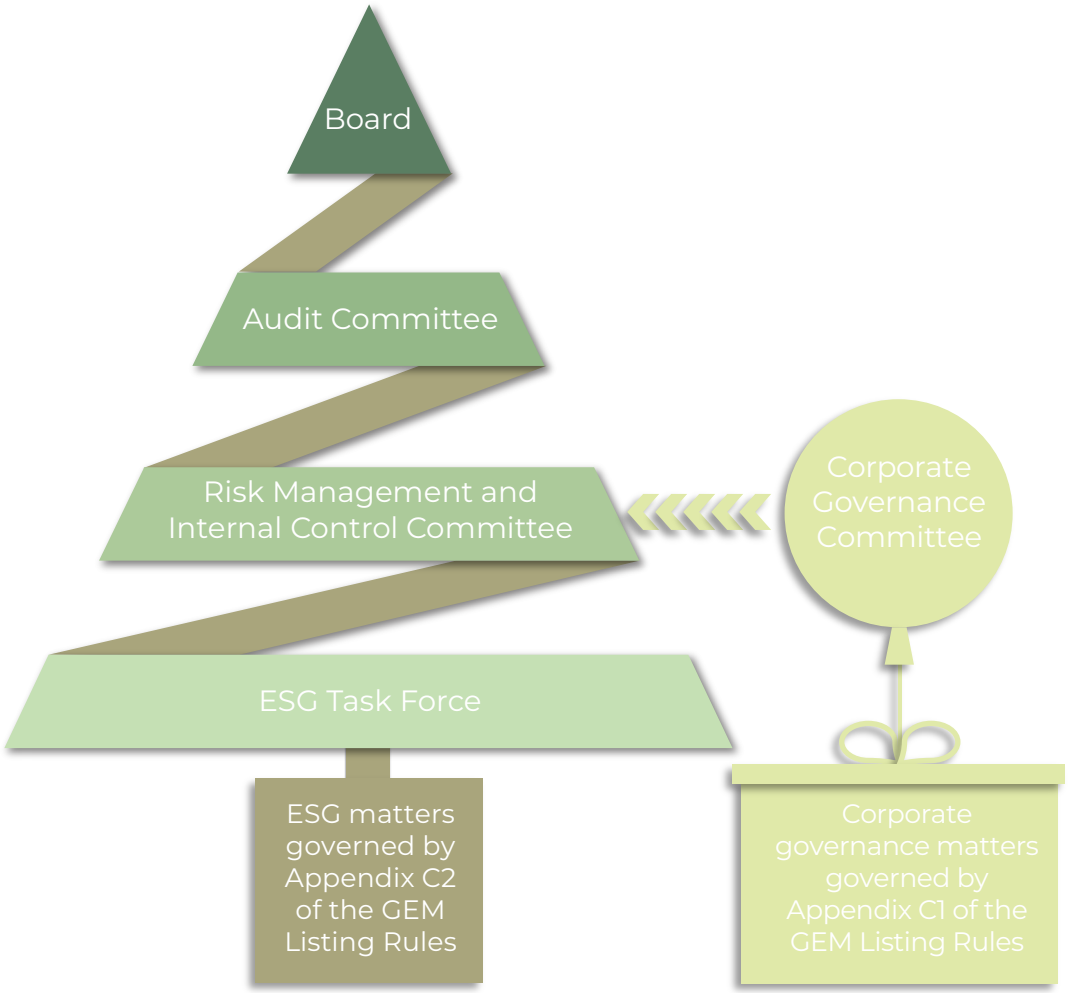
ESG Governance Structure

Processes, controls and procedures for monitoring and managing climate-related risks and opportunities

Supervision
by
Board of Directors

Sustainability Management
by
Various Committees

Implementation
by
Cross-Departmental Task Force



Overall Responsibility

Board

- holds ultimate accountability and is responsible for decision-making and **overseeing the management of the Group's climate-related risks and opportunities**
- delegates ESG functions to Corporate Governance Committee (**CGC**), Risk Management and Internal Control Committee (**RMICC**), and ESG Task Force

Audit Committee (AC)

- comprises INEDs and serves as an intermediary, receiving findings from the RMICC at least twice a year (or as needed if any material deficiency, failure, or risk (including **climate-related risk**) is noted) before communicating these findings to the Board

Delegated ESG Functions

CGC

- reviews and monitors:
  - ❖ adequacy of corporate governance guidelines
  - ❖ policies and practices related to legal and regulatory compliance
  - ❖ adherence to the Corporate Governance Code under Appendix C1 of the GEM Listing Rules
- recommends changes to the Board for approval
- oversees disclosure in the Corporate Governance Report ("**CG Report**") contained in the annual report of the Company and **this ESG Report**
- approves policies (including **ESG-related or carbon reduction policies**) and internal control systems to be monitored by the RMICC

RMICC

- assists the Board with:
  - ❖ determining risk levels and appetite
  - ❖ evaluating risk management strategies and providing directions
  - ❖ reviewing and monitoring risk management (**RM**) and internal control (**IC**) systems, including **ESG governance systems**
- advising on RM and IC systems, and reporting findings to the Board via the AC
- provides written confirmation to the Board via the AC:
  - ❖ frequency: at least twice a year
  - ❖ reports on adequacy and effectiveness of RM and IC systems and whether the Group's processes for financial and ESG reporting (covering ESG matters and climate-related risks and opportunities) and GEM Listing Rules compliance are effective

ESG Task Force

- comprises members from the social responsibility department, internal audit department, finance department, legal and compliance department, and human resources and administration department
- if necessary, the ESG Task Force will invite representatives from relevant business units to participate in meetings and undertake specific tasks
- responsible for **identifying climate-related risks and opportunities facing the Group; proposing strategies to manage these risks, along with sustainability metrics and targets, to RMICC; and implementing ESG-related actions and carbon reduction initiatives**
- Legal and compliance department within the task force:
  - ➢ advises and safeguards the Group's interests regarding legal and regulatory matters
  - ➢ provides written confirmations to the RMICC:
  - ➢ frequency: monthly and quarterly
  - ➢ scope:
    - ❖ quarterly: reports on legal and regulatory matters
    - ❖ monthly: updates on new policies, rules, and regulations in the Chinese Mainland, Macau or jurisdictions where the Group operates, which may impact its business or trading prospect

Where necessary, the expanded scope of duties of the CGC, RMICC and ESG Task Force in response to the New Climate Requirements has been updated in their respective terms of reference which have been duly approved by the Board.

Skills and Competencies

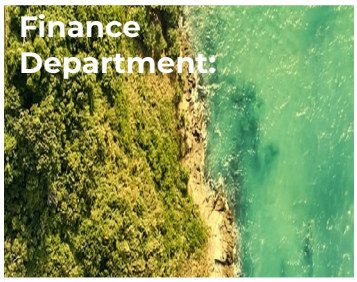
Under the abovementioned upgraded ESG governance structure, the ESG Task Force comprises members from various departments across the Group. These members are responsible for implementing the Group's carbon reduction measures and ESG-related tasks and possess expertise relevant to compliance with the New Climate Requirements and progress monitoring. The Task Force includes departmental heads or managerial-level staff from the following departments:



coordinates the work of various departments in ESG governance to ensure the implementation of corresponding measures and **promote** the achievement of the Company's **ESG objectives**; enhances the ability of the Company to achieve sustainable development; and ensures the **completeness and accuracy of ESG disclosures**.



oversees the **implementation of the ESG policies** and objectives of the Company and **evaluates** the **effectiveness, compliance and risk response capability** of the ESG governance system; identifies **potential risks in governance** in a timely manner and proposes countermeasures; and provides a **reliable basis for ESG disclosures**.



evaluates the **financial impact of climate-related risks and opportunities** and assesses the **feasibility of carbon reduction measures** from a financial standpoint.



keeps task force members informed of the latest **New Climate Requirements**, and provides **guidance on achieving sustainability targets**.



collects and reviews data on electricity consumption, paper consumption expenses, water consumption, various sustainability performance indicators and (starting from FY2024/25) Scopes 1 and 2 GHG emissions, alongside comparative figures from the prior financial year(s) (if available).

Further details on the compositions of the AC, RMICC and CGC can be found in the CG Report. The upgraded ESG governance structure emphasizes a collaborative, multi-departmental approach, ensuring comprehensive oversight and effective implementation of sustainability objectives. With the new ESG Task Force, this structure is well-equipped with the appropriate skills and competencies to oversee strategies addressing climate-related risks and opportunities. **Climate-related training or knowledge-sharing sessions** will also be prioritized and arranged for members of the ESG Task Force, RMICC and the Board to enhance their skills.

Processes and Frequency for Informing Governance Bodies on Climate-Related Risks and Opportunities

- Legal and compliance department updates RMICC on any changes in rules and regulations in its monthly written confirmation. Whenever there are changes to the GEM Listing Rules (such as the New Climate Requirements), before such changes come into effect, **CGC will also advise RMICC on the addition of new policies (including ESG-related or carbon reduction policies)**. RMICC will then incorporate these new policies and formulate additional internal control systems for ongoing monitoring (if required).
- **CGC shall** review and, if deemed appropriate, **approve the internal controls** so formulated by RMICC.
- If actions are required by the Group as a result of the aforesaid new policies and internal controls, the **RMICC will notify the ESG Task Force** as soon as possible, which will then be responsible for carrying out the necessary actions.
- The **ESG Task Force** holds regular **meetings** on a **semiannually** basis or as and when necessary to discuss, among other things:
  - **implementation tasks** necessary due to new policies and internal controls introduced by RMICC
  - additional implementation tasks that arise not from changes in the GEM Listing Rules, but from climate-related risks and opportunities identified by the Group (e.g. via feedback from business units or the representatives of different departments within the task force). In these cases, the ESG Task Force will **report back to RMICC**, enabling it to update the ESG-related policies and internal controls
  - determination of **sustainability metrics and targets** for the Group
  - progress updates and any issues related to previous implementation tasks, as well as the Group's **progress toward sustainability objectives**



Since the ESG Task Force was newly established in 2025, it has held only one semiannual meeting so far to discuss climate-related risks and opportunities facing the Group. Nevertheless, following this meeting, a **climate action plan** was formulated, prioritizing the **LED lighting upgrades for the Hong Kong office and transition of one-third of the corporate-use vehicles to new-energy vehicles**. The Group's **sustainability metrics and targets** were also discussed and proposed, subsequently tabled to RMICC for endorsement, and **reported to the Board via AC** for approval. These sustainability metrics and targets are outlined in the paragraph titled "Metrics and Targets" below.

At least twice a year and at any time if necessary, **RMICC provides written confirmation to the Board via the AC**, reporting on the adequacy and effectiveness of RM and IC systems (including those overseeing ESG matters and **climate-related risks and opportunities**) and any **sustainability metrics and targets** proposed by the ESG Task Force. The Board, in turn, reviews RMICC's report findings, **discusses any climate-related risks and opportunities** arising from them, and **approves any sustainability metrics and targets** proposed by the ESG Task Force **at least twice a year** and at any time if necessary.



Roles and Responsibilities of the Board

The Board holds ultimate responsibility for overseeing the management of the Group's climate-related risks and opportunities. It considers these risks and opportunities when overseeing the Group's strategy, making decisions on major transactions, and managing risk-related processes and policies, including evaluating trade-offs associated with them.

Business Strategies

The Board has developed various business strategies to mitigate climate-related risks, such as our ESG Strategy, "SUSTAINABLE GREEN AND CARBON REDUCTION MEASURES", or to capitalize on climate-related opportunities. Further details are set out in the paragraph titled "Incorporating Climate-related Risks and Opportunities into Business Planning and Strategies Across Time Horizons" below.

Decisions on Major Transactions

When making decisions on major transactions, the Board takes into account the climate-related risks involved, whether in entering such transactions or in assessing potential acquisition targets during due diligence and agreement negotiations. Specifically, the Board evaluates whether significant costs would be required to ensure the transaction complies with relevant climate-related regulations or to align target companies with the Group's sustainability practices and goals. If such costs are substantial, the Group incorporates them into its negotiations on remuneration or acquisition considerations in the relevant agreements. Conversely, the Group also considers the potential benefits of climate-related opportunities when determining the valuation of acquisition target companies.

Risk Management

The Board has established a structured approach to identifying, assessing, and monitoring climate-related risks and opportunities, integrating these processes into the Group's broader risk management framework. Further details are outlined in the paragraph titled "Risk Management" below.

Evaluation of Trade-Offs

The Board will consider trade-offs in the Group's pursuit of climate-friendly practices to maintain a balance between sustainability and business viability.

(i) Balancing Sustainability and Consumer Convenience:

Rapid implementation of climate-friendly initiatives or products may inadvertently disrupt user experience and acceptance. For instance, if we were to phase out physical payment cards in favor of an e-wallet-only system, it could create challenges for certain demographics such as elderly customers or children. Additionally, tourists may hesitate to download and adopt our e-wallet app, potentially affecting engagement. Therefore, the pace at which we introduce sustainability initiatives must account for community acceptance to prevent unintended accessibility issues.

(ii) Balancing Stakeholder Expectations and Financial Stability:

Investors and customers are increasingly pushing businesses toward ambitious sustainability goals. However, to ensure financial stability, the Board must carefully evaluate the feasibility of these initiatives while prioritizing long-term viability to sustain innovation and efficiency. As profitability grows, the Group will have greater capacity to implement additional sustainability measures.

As mentioned above, the Group's sustainability metrics and targets are proposed by the ESG Task Force, tabled to RMICC for endorsement, and subsequently reported by RMICC to the Board via the AC for approval. Once approved, progress toward sustainability targets is monitored on an ongoing basis.

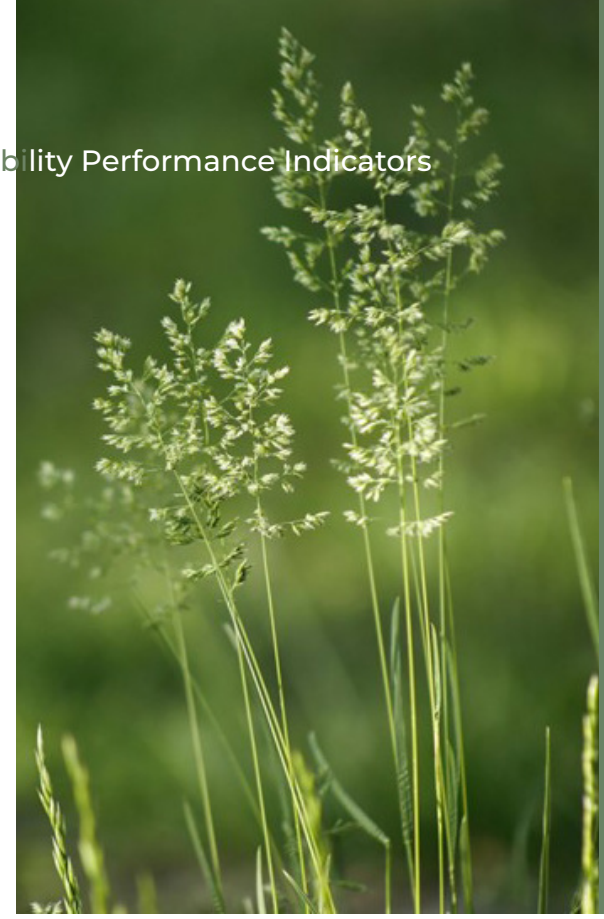


Progress Monitoring

01 **Progress updates**, along with any issues related to previous implementation tasks and the Group's **advancement toward sustainability targets**, are discussed during **ESG Task Force meetings**. These meetings are **held semiannually** or as needed (such as in response to emergent climate-related risks). The ESG Task Force **reports back to RMICC** on these matters through meeting minutes.

02 **At least twice a year**, or more frequently if necessary, **RMICC provides written confirmation to the Board**, which includes an assessment of the adequacy and effectiveness of RM and IC systems (especially those overseeing ESG matters, climate-related risks and opportunities) as well as any sustainability metrics and targets proposed by the ESG Task Force, and the **progress made toward sustainability objectives**.

03 The **Board**, in turn, reviews RMICC's findings, discusses climate-related risks and opportunities, approves sustainability metrics and targets proposed by the ESG Task Force, and **monitors the progress toward sustainability objectives at least twice a year** or more frequently if necessary. At **each annual Board meeting** held in June, the **ESG governance mechanisms will also be reviewed** to ensure that they remain appropriate to the Group's needs.



Linking Sustainability Targets to Annual Performance Appraisal of Employees

Employees undergo annual performance appraisal, and starting from the financial year ending March 31, 2026, the following factors will be considered in their overall appraisal score:

- Leadership and/or implementation skills in sustainability initiatives, with reference to the fulfilment or progress of meeting sustainability targets (applicable to employees or management actively engaged in such initiatives)
- Contributions to the Group's ESG Strategies, including:
  - ❖ Participation in charitable activities (with supporting documentation submitted to the human resources and administration department)
  - ❖ Engagement in the Group's energy or resource-saving initiatives and reporting such actions to the intranet system
  - ❖ Providing suggestions to the ESG Task Force for enhancing ESG Strategies, addressing climate-related risks, or capturing climate-related opportunities. Only suggestions that are ultimately adopted by the task force will be considered a valid contribution

While ESG initiatives and climate actions taken by employees do not directly determine remuneration, they will have a progressively increasing weighting (capped at 5%) in the overall scoring system of their annual performance appraisal. The weighting will automatically increase by 1% each financial year, progressing from 1% in FY2025/2026 to 5% in FY2029/2030 and going forward.

As the appraisal score influences an employee's promotion prospects, salary adjustments, and eligibility for restricted share units, ESG initiatives and climate actions taken by employees will indirectly impact their overall remuneration package and career progression.



Climate-related risks and opportunities facing us and their impact on our business planning and ESG strategies to mitigate such risks and seize such opportunities

Environmental Impacts of the Group's Operations

The Group does not operate any factories but outsources the manufacturing of lottery and payment-related hardware, as well as our payment cards (mCards), to external suppliers or subcontractors. Additionally, the Group may source payment-related hardware directly from business partners. As a result, our operations do not generate any significant direct environmental impacts, such as greenhouse gas (GHG) emissions (Scope 1 emissions), hazardous or non-hazardous waste, or resource consumption (e.g., electricity, water, or raw materials). However, we are committed to enhancing our sustainability efforts to further minimize the indirect environmental impact of our business activities. To this end, the Group has set sustainability targets focused on electrifying one-third of its corporate-use vehicles to new-energy vehicles, and optimizing energy and paper consumption. These initiatives align with other eco-friendly business practices, which are detailed in the section "SUSTAINABLE GREEN AND CARBON REDUCTION MEASURES" of this report.

Climate-related Risks Facing the Group

The Group has identified the following climate-related risks that may affect it:

Physical Risks (related to the physical impacts of climate change)	**Transition Risks** (related to the shift to a lower-carbon economy)
▪ **Extreme weather events** (e.g. rainstorms, typhoons, flooding, and extremely cold or hot weather) could disrupt operations, affecting data centers of the Group and communication networks.	▪ **Regulatory changes** may mandate tighter carbon reduction measures and impose carbon taxes on emissions, which could significantly impact the Group's operating costs.
▪ **Increased electricity costs** may result from high energy demand for heating or cooling during extreme weather conditions.	▪ **Reputational risk** arises as increasing consumer awareness about environmental issues and investors' preferences for ESG-conscious companies could lead to negative perceptions if the Group is not perceived as environmentally responsible.
▪ **Disruption of electricity supply** may occur during extreme weather conditions.	

Financial Impact of, and Mitigation Measures for, Climate-related Risks

Climate-related Risks	Estimated Time Horizon of Effects[1]	Estimated Effects on the Group's Cash Flows[2]	Mitigation Measures Taken by the Group
Extreme weather events	Short-term (e.g. typhoon or flooding) to long-term (e.g. rise in global temperature)	Potential damage to infrastructure may result in replacement costs, the exact amount of which cannot be determined with certainty. The final cost will depend on the extent of the damage, the amount recoverable through insurance, and whether a portion of the expenses can be claimed against service providers of our data center premises. These replacement costs will impact capital expenditure and the depreciation of newly acquired equipment, thereby affecting the Group's net profit or loss ("**P&L**").	To combat climate change, we have integrated eco-friendly practices into our services and promoted carbon reduction measures to merchants. These measures have also been implemented across our data centers, offices, customer service centers, and supply chain (see the section "SUSTAINABLE GREEN AND CARBON REDUCTION MEASURES" of this report). Additionally, the Group has taken out insurance against flooding risk. We also have data protection measures in place, as our data is stored in cloud-based systems, with backup data center(s) to prevent disruptions from climate-related disasters.

Climate-related Risks	Estimated Time Horizon of Effects[1]	Estimated Effects on the Group's Cash Flows[2]	Mitigation Measures Taken by the Group
Increased electricity costs	Medium-term to long-term	Energy prices are likely to rise due to increased electricity demand for heating and cooling if extreme weather conditions persist. This would lead to higher operational and production costs, adversely impacting the P&L.	We have energy-saving measures in place (see paragraphs titled "Power Saving Management" and "Energy-efficient Data Centers" in the section "SUSTAINABLE GREEN AND CARBON REDUCTION MEASURES" of this report for details).
Disruption of electricity supply	Short-term	Temporary business interruptions due to power outage may occur under extreme weather conditions. The corresponding economic loss affecting the Group's revenue and P&L cannot be determined with certainty, as it will depend on the extent and duration of the disruption.	Our data centers are Tier 3-certified, with an impressive uptime of 99.982% and a maximum downtime of only 1.6 hours per year. They are equipped with backup power systems to ensure uninterrupted operations during extreme weather events, or they have multiple backup data centers.

Climate-related Risks	Estimated Time Horizon of Effects[1]	Estimated Effects on the Group's Cash Flows[2]	Mitigation Measures Taken by the Group
Regulatory changes	Medium-term to long-term	We anticipate that any regulatory changes mandating specific carbon reduction measures for businesses will be medium- to long-term, as government authorities typically conduct market consultations and allow a transitional period for companies to adapt. If implemented, these regulations will likely increase compliance costs and adversely affect the P&L. The exact financial impact cannot be determined with certainty, as it will depend on the nature of the regulations.	We will continue to proactively monitor regulatory updates and adopt sustainable practices early, such as LED lighting upgrades for the Hong Kong office and transition to new-energy corporate vehicles. These efforts align with our short- to long-term sustainability targets, as outlined in the paragraph titled "Metrics and Targets" below.

Climate-related Risks	Estimated Time Horizon of Effects[1]	Estimated Effects on the Group's Cash Flows[2]	Mitigation Measures Taken by the Group
Reputational risk	Short-term to long-term (depending on how quickly the Group can effectively address and rectify any negative sentiment among customers and stakeholders if the risk materializes)	A potential decline in customer trust could lead to reduced business activity, as consumers may hesitate to engage with or purchase from the Group. This erosion of confidence could result in lower transaction volumes and decreased customer retention, directly impacting revenue. Additionally, reputational damage may limit market opportunities, as business partners, investors, and stakeholders could be less inclined to collaborate with the Group. These factors together would lead to diminished revenue streams, ultimately adversely affecting the P&L. However, the exact financial impact cannot be determined with certainty, as customer reactions and the extent of lost business are difficult to predict.	The Group will continue to maintain customer confidence through various initiatives, including trust-building and ethical business practices (see the "TRUST BUILDING" section of this report for details on this ESG Strategy); ensuring the reliability of our products and services (see the "RELIABLE PRODUCTS AND SERVICES" section for details); transparent communication, such as enhancing our ESG report with climate-related disclosures; continuous improvement of service offerings (see the "SUPPORT FOR MACAU'S SMART CITY TRANSFORMATION" section for details); and strengthened sustainability initiatives (see "Appendix 3: CLIMATE-RELATED DISCLOSURES AND SUSTAINABILITY PERFORMANCE INDICATORS" and "SUSTAINABLE GREEN AND CARBON REDUCTION MEASURES" section for details).

Notes:

1. *Time horizon classifications:*

   - *Short-term: Impacts that are temporary or last no more than one year.*
   - *Medium-term: Impacts that persist for more than one year but no longer than five years.*
   - *Long-term: Impacts that extend beyond five years.*

   This classification aligns with the time horizons used to set our sustainability targets:

   - *Short-term: One year from the baseline year FY2024/25, ending in FY2025/26.*
   - *Medium-term: Five years from the baseline year, ending in FY2029/30.*
   - *Long-term: Any period beyond FY2029/30, such as our carbon reduction target for FY2034/35.*

2. *The climate-related risks identified are expected to affect only the Group's cash flows, if at all, and will not impact its access to finance or cost of capital, as the Group has had no borrowings or fundraising requirements in recent years. These risks have not materialized and, therefore, have not had any real financial impact on the Group during the year under review. Based on the Group's assessment, no climate-related risks or opportunities identified are expected to result in a material adjustment to the carrying amounts of assets and liabilities in the next annual reporting period.*

Climate-related Opportunities for the Group

While climate change poses many challenges to companies, it also brings potential positive effects. Efforts to mitigate and adapt to climate change can create climate-related opportunities for businesses. For the Group, these opportunities are evident in our ongoing initiatives to support the transformation of Macau into a smart city. This transformation not only enhances convenience, operational efficiency, and customer experience, but also contributes to reducing the use of paper, plastic and energy within the community, fostering environmental protection.

Below is a summary of climate-related opportunities that have been adopted or are currently being explored by the Group (with outcomes dependent on various factors such as regulatory approval, cost feasibility, and technical viability):

01

Introduced pre-ordering of mCards before their official launch to gauge customer preferences for the card designs or versions. This approach helps avoid printing models or versions that may not be well-received, thereby reducing wastage. It will also decrease inventory costs from obsolete stock and enhance the Group's operating profit.

02

Enabled digital receipts on MPay to minimize paper waste, reduce operational costs for merchants and offer added convenience for customers. This initiative enhances loyalty of customers and merchants to use MPay as their preferred payment tool.

03

Advertise merchants' sustainable practices for eco-conscious customers to support them:

- Eco-friendly merchants verified by our business teams (e.g., eateries that avoid styrofoam boxes and single-use plastic cutlery) will be labeled as "**Green Merchants**".
- Green Merchants will be promoted on a dedicated page accessible from mCoin and/or mPass platforms, showcasing their sustainability efforts and providing them with greater visibility among environmentally conscious customers.
- This initiative drives customer engagement and loyalty, attracting partnerships with Green Merchants and eco-conscious clientele.

04

Introduce impactful ways to engage MPay users in sustainability efforts:

- Facilitate donations to credible environmental or green organizations ("**Green Organizations**") involved in recycling businesses, renewable energy projects, and other eco-friendly initiatives via the "Donation" page on MPay.
- Apart from creating a positive environmental impact, these efforts will enhance the brand reputation of MPay as a proactive advocate for sustainability efforts, and attract eco-conscious customers and investors.



Financial Impact of Climate-related Opportunities

We are unable to disclose quantitative information on the potential revenue from the aforementioned climate-related opportunities because:

- as a company listed on the Stock Exchange, we are restricted by compliance requirements from forecasting revenue or profits;
- it is premature to estimate potential revenue, as it will depend on market reception of our new services or products post-launch; and
- if competitors introduce similar services or products before us, it could affect our revenue and pricing upon launch, making any early projections misleading and not useful.

Nevertheless, these climate-related opportunities are expected to increase the Group's revenue (although, as previously stated, the exact amount cannot be disclosed). We anticipate that the associated operating costs will remain minimal, as we have already been delivering services and features referenced in, or similar to, those arising from these opportunities.

As we are unable to disclose quantitative information regarding the revenue from the aforementioned climate-related opportunities, we are also unable to provide any meaningful and useful quantitative details about the combined financial effects of these opportunities alongside other climate-related risks faced by the Group.

Incorporating Climate-related Risks and Opportunities into Business Planning and Strategies Across Time Horizons

We adopt a structured approach to evaluating climate-related risks and opportunities using short-, medium-, and long-term time horizons. This approach ensures that climate considerations are effectively incorporated into strategic planning and operational resilience. Our strategic planning horizons align with the estimated timeframes for the effects of the identified climate-related risks and opportunities.

(a) Integrating Climate-related Risks Across Time Horizons

Short-term Horizon

Short-term risks primarily focus on immediate and sudden environmental disruptions, including extreme weather events (e.g., typhoons and flooding), unexpected disruptions to the electricity supply, and reputational risks that may arise from environmental incidents or stakeholder concerns requiring prompt response.

To mitigate these risks, the Group has implemented robust contingency measures, such as equipping certain data centers with **backup power systems** to ensure uninterrupted service during extreme weather events. Additionally, **data protection measures** have been reinforced, with information securely stored in **cloud-based systems** and backed up at various backup data centers to minimize disruptions.

Medium-term Horizon

Medium-term risks involve evolving conditions that require proactive strategic adaptation, including **increased electricity costs** due to climate-related factors and **regulatory changes** requiring compliance adjustments and sustainable business practices.

As outlined in this appendix and the section "SUSTAINABLE GREEN AND CARBON REDUCTION MEASURES" of this report, the Group's **ESG strategies and sustainability initiatives** (particularly those related to **power-saving management and energy-efficient data centers**) effectively address these medium-term risks. Additionally, we continue to proactively **monitor regulatory updates** and adopt sustainable practices in preparation for possible future regulatory changes, such as the Two Upgrades.



Long-term Horizon

Long-term risks involve broader systemic changes, including the **gradual rise in global temperatures**, evolving regulatory policies, shifts in customer expectations, and **reputational damage** resulting from a failure to address environmental responsibility.

To address these long-term risks, the Group integrates **climate-related resilience** into its business model through **carbon reduction initiatives, sustainable green services, and trust-building efforts** with stakeholders. Furthermore, as part of its commitment to environmental innovation, the Group actively contributes to **Macau's smart city transformation**, positioning itself as a key player in driving **eco-friendly services and sustainable urban development**, reinforcing stakeholder trust in the Group.

(b) Integrating Climate-related Opportunities Across Time Horizons

In addition to assessing climate-related risks, the Group recognizes a range of **opportunities** (as outlined in the paragraph titled "Climate-related Opportunities for the Group" above) that contribute to environmental sustainability while enhancing **operational efficiency, customer engagement**, and **profitability**. These opportunities align with the Group's short-, medium-, and long-term planning horizons.

Short-term Opportunities

Short-term initiatives focus on immediate environmental and financial benefits through innovative business strategies, including **pre-ordering of mCards before official launch, and introducing digital receipts on MPay**.

Medium-term Opportunities

Medium-term opportunities center on sustainability-driven product innovations and eco-conscious consumer engagement, including **promoting Green Merchants** to encourage environmentally responsible consumption.

Long-term Opportunities

Long-term opportunities align with broader sustainability commitments and strategic partnerships, including **new MPay features facilitating donations to Green Organizations,** and **actively contributing to Macau's smart city transformation** through innovative, eco-friendly digital services, reinforcing the Group's reputation as a **sustainability advocate** among customers, investors, and regulators.

By integrating these climate-related opportunities into its **strategic decision-making framework**, the Group not only drives sustainable business practices but also strengthens **customer engagement** and **brand positioning**.

Impact of Climate-Related Risks and Opportunities on the Business Model and Value Chain

Business Model Impacts:

- **Strengthening Carbon Reduction Initiatives**: As part of its commitment to mitigating climate-related risks, the Group continues to enhance **carbon reduction strategies**, reducing energy consumption costs while positioning itself as a sustainability-conscious service provider. This helps not only in **cost efficiency** but also in maintaining **stakeholder trust**, reinforcing its reputation as a responsible corporate entity.

- **Eco-Friendly Service Offerings**: The Group continues to expand its range of **sustainable digital services**, including all the smart city solutions. These efforts **enhance convenience** for customers, promote environmentally friendly habits, and drive **loyalty**.

- **Regulatory Adaptation and Brand Positioning**: As environmental regulations evolve, compliance becomes a strategic necessity. The Group's proactive approach to **sustainability governance** strengthens its alignment with future possible policy changes and enhances its **brand positioning**, making it more attractive to eco-conscious customers and investors.

Value Chain Impacts:

- In the event of extreme weather conditions, the operations of factories of our outsourced suppliers/subcontractors may be adversely affected (e.g., due to power outages or flooding). To mitigate potential disruptions, we engage multiple suppliers and subcontractors for our hardware products, ensuring a diversified supply chain. Additionally, we work with multiple logistics companies to manage the delivery of goods efficiently.

- As customers become increasingly conscious of carbon reduction, demand for our products containing plastic components or made of plastic may decline. To partially mitigate this risk, we have continuously enhanced the features and services of our digital payment app, MPay, creating a favorable environment for eco-conscious customers to transition from physical plastic payment cards (mCards) to MPay.



Concentration of Climate-related Risks and Opportunities in the Group's Business Model and Value Chain

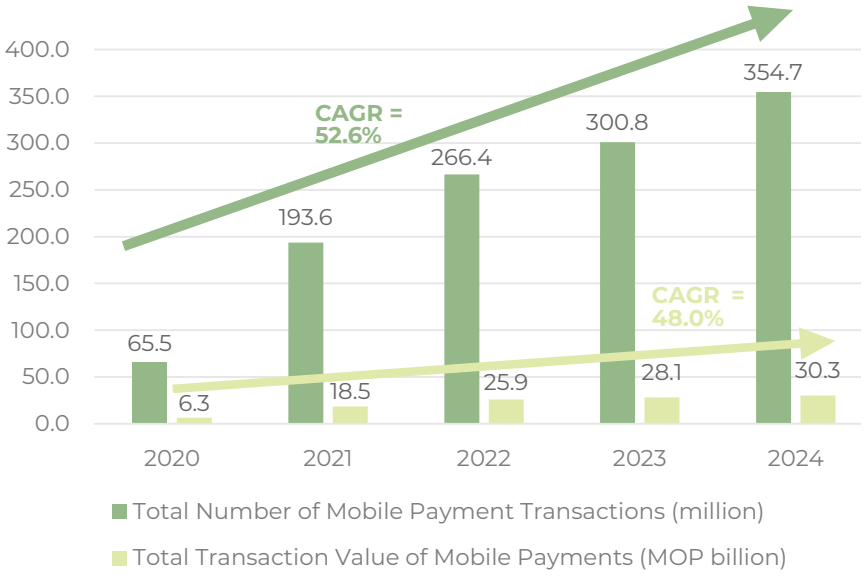
The Group's climate-related opportunities primarily converge in its digital payment and local consumer services within Macau, where smart city initiatives enhance sustainability and customer convenience.

Climate-related risks are expected to primarily impact the Group's lottery distribution business in the Chinese Mainland, as extreme weather events (e.g., typhoons and flooding) could disrupt physical lottery sales networks, although the impact is expected to be temporary and immaterial. Other business lines of the Group are more climate resilient (as discussed in the paragraph titled "Assessment of Climate Resilience of Our Businesses Through Historical Market Trend Analysis" and "Assessment of Climate Resilience of Our Businesses Through Scenario Analysis" below).

Assessment of Climate Resilience of Our Businesses Through Historical Market Trend Analysis

Businesses in Macau

Growth in Mobile Payments in Macau (2020-2024)



Source of Information: AMCM

As regards the Group's principal business activities in Macau (namely, **digital banking, digital payment, and local consumer services**), extreme weather events can disrupt operations and cause damage to public infrastructure. However, customers can continue performing digital banking transactions, making digital payments and shopping via online channels during adverse climate conditions, which are expected to be temporary. Additionally, the Group maintains backup data centers to ensure uninterrupted operations in emergencies caused by extreme weather events. Consequently, the Group's revenue in these areas is not expected to be materially affected by climate change. On the other hand, the delivery of goods purchased online by our customers may be impacted due to disruptions in suppliers' or logistics companies' operations. However, these disruptions are beyond our control, as we are not responsible for the delivery or logistics management of goods.

Indeed, when people tend to stay at home more often (e.g. during extreme weather events, or lockdowns under the COVID-19 pandemic), they increasingly rely on digital channels for shopping, banking and payment transactions. Despite economic disruptions during the pandemic, mobile payments in Macau experienced accelerated growth, with a compound annual growth rate (CAGR) of approximately 52.6% for the number of mobile payment transactions and approximately 48.0% for the value of such transactions. Both the number and value of mobile payment transactions surged from approximately 65.5 million transactions and MOP6.3 billion in 2020 to approximately 354.7 million transactions and MOP30.3 billion in 2024, as illustrated in the chart above. This remarkable growth in mobile payments in Macau was also attributable to the Macau Government's support and initiatives, including the launch of the "Simple Pay" integrated system, the distribution of relief measures during the pandemic through e-vouchers under the Electronic Consumption Benefits Plan, and living subsidies via e-wallets, as well as other consumption promotion campaigns via e-wallets in 2024.

Businesses in the Chinese Mainland

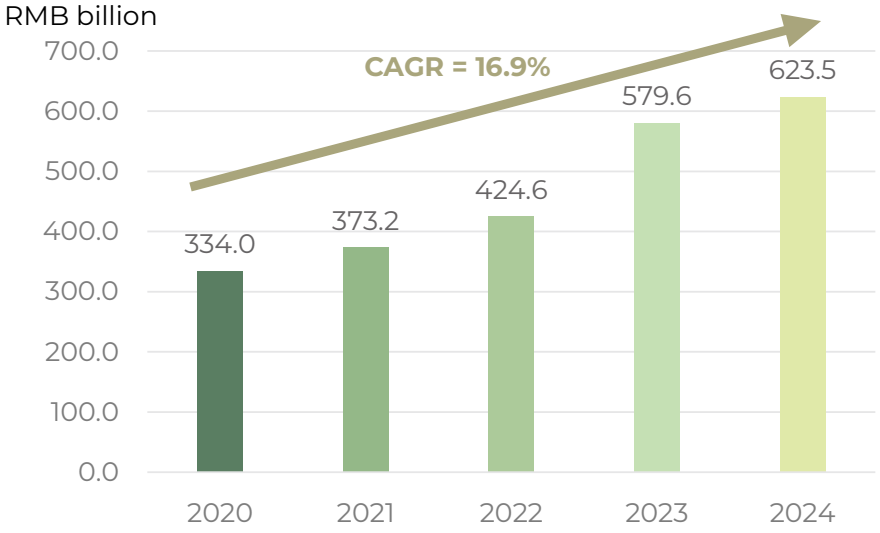
In relation to the Group's lottery business in the Chinese Mainland (including **lottery hardware sales and offline lottery distribution**), the Group's revenue from lottery hardware sales is not directly correlated with the lottery sales volume of our customers in the Chinese Mainland. Therefore, even if the lottery sales of the Group's customers are adversely affected by climate change (e.g., rainstorms and flooding) at certain times, it is anticipated that the Group's revenue from lottery hardware sales may not be materially or significantly impacted to the same extent.

On the other hand, the Group's revenue from the offline lottery distribution business is expected to be adversely affected by climate change, as lottery buyers may be unable to visit our collaborating lottery sales outlets during extreme weather events. Nevertheless, since revenue from offline lottery distribution accounts for only approximately 12.8% of the Group's total revenue for the year ended March 31, 2025 (as an illustration) and such extreme weather events are expected to be temporary, the associated financial impact is not anticipated to be very significant for the Group.

As shown in the chart below, China's lottery sales demonstrated consistent growth from 2020 to 2024, achieving a CAGR of approximately 16.9%. This remarkable performance occurred despite unprecedented challenges such as lockdowns, social distancing measures, and widespread economic disruptions caused by the COVID-19 pandemic.

The lottery sector's ability to maintain resilience and adaptability during such significant disruptions highlights its capacity to weather external shocks. This proven track record offers compelling grounds to suggest that China's lottery market can similarly withstand the challenges posed by extreme weather events, ensuring its sustained contributions to public welfare funding.

China's Lottery Sales Growth (2020-2024)



Source of Information: Ministry of Finance, China

Assessment of Climate Resilience of Our Businesses Through Scenario Analysis

Scope of Operations Covered in Scenario Analysis

We believe that conducting scenario analysis under the New Climate Requirements is unnecessary for our lottery businesses in the Chinese Mainland, which include lottery hardware supply and offline lottery distribution via retail shops.

For our **lottery hardware supply** business, we outsource the manufacturing of lottery terminals to external suppliers or subcontractors. As a result, any climate-related physical risks (such as flooding that could disrupt factory operations) would be managed by these independent third parties. Moreover, we have mitigation measures in place, including a diversified supply chain with multiple suppliers and logistics partners, reducing reliance on any single factory or transportation provider.

Similarly, for our **lottery distribution** business, while temporary extreme weather events such as flooding or rainstorms may disrupt the operations of retail shops selling lottery products, we consider any resulting revenue loss immaterial as mentioned in the paragraph titled "Assessment of Climate Resilience of Our Businesses through Historical Market Trend Analysis" above. It is important to note that we do not own or operate these retail shops. Therefore, the associated physical risks fall outside our operational control and the scope of our scenario analysis. Furthermore, our collaborating retail shops are spread across 11 provinces or regions within the Chinese Mainland, preventing excessive concentration of our lottery distribution network in a single area. This diversification helps mitigate any potential negative impact on the Group in the event of climate-related risks in specific geographical locations.

On the other hand, for our Macau-based businesses, which encompass a comprehensive digital ecosystem covering **digital banking, digital payment, and digital local consumer services**, climate-related risks could directly impact the daily activities of residents, tourists, and merchants. Given the broad scope and interconnectivity of our Macau operations, we acknowledge that scenario analysis (as outlined below) should cover our Macau-based businesses to provide transparency regarding their climate resilience.

Scope of Risks Covered in Scenario Analysis

As outlined in the paragraph titled "Climate-related Risks Facing the Group" above, we have identified the following five climate-related risks that could affect our operations:

Physical Risks:
- Extreme weather events
- Increased electricity costs
- Disruption of electricity supply

Transition Risks:
- Regulatory changes
- Reputational risk

Of these five risks, we focus on those that are more likely to occur in Macau based on historical facts and have a greater impact on our financial performance. Accordingly, our scenario analysis covers flooding (as a key example of an extreme weather event), regulatory changes, and reputational risk.

We do not include increased electricity costs or disruptions in electricity supply in our scenario analysis, as we believe our associated mitigation measures (as outlined in the paragraph titled "Financial Impact of, and Mitigation Measures for, Climate-related Risks") already optimize our climate resilience while keeping operating costs manageable within our risk appetite.

Moreover, severe disruptions to electricity supply are issues that must be addressed by electricity companies or at the government level (whether by the Macau government alone or with the help of the Chinese central government), since such events would affect all businesses in Macau, not just the Group. As a result, assessing the impact of electricity supply issues on our operations relative to other companies or different regions would not provide a meaningful comparison of our true resilience to climate change.

Why Flooding Is Selected as an Extreme Weather Scenario in Our Analysis

Among various extreme weather events, Macau is particularly vulnerable to flooding due to its coastal location, high urban density, and outdated drainage systems.

According to Macao Meteorological and Geophysical Bureau (https://www.smg.gov.mo/en/subpage/232/page/306), flooding in Macau can be categorized into three main types:

- Torrential floods: Occur when heavy rainfall overwhelms urban drainage systems, affecting areas such as **San Kiu and Toi San**.
- Flooding caused by tides: Happens when spring tides raise water levels above low-lying areas, particularly in the **Inner Harbour and surrounding areas**.
- Storm surges: Associated with tropical cyclones, leading to severe flooding along **coastal areas**.

Flooding Mitigation Measures by Macau Government

The Macau government has been actively upgrading its drainage system to mitigate flooding risks, particularly in high-risk locations such as the Inner Harbour and San Kiu district:

- Inner Harbour: The rainwater pumping station and drainage system upgrade was completed in June 2025.
- San Kiu district: The drainage network optimization was completed in September 2023, enhancing rainwater drainage capacity in the district.

Scenarios Selected, Their Assumptions and Expected Impacts

We conducted a scenario analysis based on the Group's existing Macau business operations **for FY2024/25**, adopting two contrasting climate scenarios based on projections from the **Intergovernmental Panel on Climate Change (IPCC)**:

1.5°C Scenario (very low GHG emissions scenario – SSP1-1.9)

Assumptions:

- until March 2026, no climate-related risks will materialize, allowing time to implement our transition plan for carbon reduction in the medium-term phase.
- aggressive climate regulations (e.g., carbon taxation) will be implemented by 2030 (aligned with our medium-term sustainability goal) to limit global warming to 1.5°C by 2100, in line with the Paris Agreement goal (**high transition risk – regulatory changes**).
- increased awareness of climate regulations among customers will raise expectations for the Group's sustainability efforts, with reputational risk if perceived as unprepared for climate impacts (**high transition risk – reputational risk**).
- a global mean sea level rise of 0.18 meters by 2050 is projected in the IPCC Sixth Assessment Report, relative to the 1995–2014 baseline. To estimate sea level rise by 2035, a linear interpolation is applied: dividing the 0.18-meter increase across the 36-year span from 2014 to 2050 yields an average rise of approximately 0.005 meters per year. Multiplying this by 21 years (2014–2035), we estimate a sea level rise of ~0.105 meters by 2035. This projection suggests a relatively lower flood risk in Macau by that time. The year 2035 aligns with the Group's long-term carbon reduction goal for electrifying corporate-use vehicles, as well as with ongoing drainage system upgrades by the Macau government. Together, these efforts are expected to effectively mitigate flood risks in Macau (**low physical risk – extreme weather event**).

3°C Scenario (very high GHG emissions scenario – SSP5-8.5)

Assumptions:

- until March 2026, no climate-related risks will materialize, allowing time to implement our transition plan for carbon reduction in the medium-term phase.
- no additional climate regulations beyond those already in place (**low transition risk – regulatory changes**).
- lower customer awareness regarding climate change impacts, resulting in less expectation for carbon reduction efforts by the Group (**low transition risk – reputational risk**).
- higher GHG emissions, leading to rising water temperatures, stronger and more frequent typhoons, and exacerbated storm surges resulting in rising sea levels.
- a global mean sea level rise of 0.23 meters by 2050 is projected in the IPCC Sixth Assessment Report, relative to the 1995–2014 baseline. To estimate sea level rise by 2035, a linear interpolation is applied: dividing the 0.23-meter increase across the 36-year span from 2014 to 2050 yields an average rise of approximately 0.0064 meters per year. Multiplying this by 21 years (2014–2035), we estimate a sea level rise of ~0.134 meters by 2035. This projection suggests more extreme flooding, particularly in low-lying areas. The severity of flooding may reduce the effectiveness of Macau government's flood defense measures (**high physical risk – extreme weather event**).

1.5°C Scenario (very low GHG emissions scenario – SSP1-1.9)	3°C Scenario (very high GHG emissions scenario – SSP5-8.5)
Expected impacts on the Group's operations:	***Expected impacts on the Group's operations:***
▪ increased compliance costs (e.g. due to the new carbon taxation). However, as the Group has already implemented numerous carbon reduction and trust building measures in its operations and its services to customers, no material financial impact is expected. ▪ As flooding risk is low, business operations are not expected to be materially disrupted. There will also be no significant impact on staff productivity (e.g., traffic conditions will remain normal, allowing business to continue as usual). ▪ As regulatory frameworks tighten under the 1.5°C scenario, early adoption of carbon reduction upgrades (outlined in the section "Areas for Improvement in Our Sustainability Efforts" below) and proactive pursuit of climate-related opportunities (detailed in "Climate-related Opportunities for the Group" above) will help minimize exposure to carbon taxation while enhancing investor and customer confidence.	▪ Low compliance costs due to the absence of new climate regulations. However, as the Group will be facing high physical risk of flooding, increased insurance costs are expected. ▪ Increased frequency and severity of flooding may disrupt operations and damage customer service centers, furniture and equipment, leading to higher operational costs and accelerated depreciation of assets. ▪ Staff productivity may decrease as traffic conditions will be affected, impacting working hours. ▪ Despite the absence of new climate regulations mandating carbon reduction for the Group, we will adopt carbon reduction upgrades (outlined in the section "Areas for Improvement in Our Sustainability Efforts" below) and continue to proactively pursue climate-related opportunities (as detailed in "Climate-related Opportunities for the Group" above) to achieve our pre-set carbon reduction target by FY2034/35.



Variables Affecting Assessment of Our Climate Resilience

There are uncertainties in assessing our climate resilience under the two selected scenarios, as these may be significantly influenced by the following variables:

- likelihood of flooding occurrence
- projected damage from flooding
- estimated operating losses due to business disruptions and reduced staff productivity
- stringency of climate regulations and carbon taxation
- effectiveness of our sustainability measures and their upgrades to further reduce carbon emissions, as outlined in the paragraph titled "Areas for Improvement in Our Sustainability Efforts" below

Implication of Flooding Risk on Our Strategy and Business Operations

To mitigate risks associated with flooding and other extreme weather events, the Group has strategically implemented the following business resilience measures ("**Business Resilience Measures**"):

- **Location Strategy:** Recognizing that certain areas in Macau are more vulnerable to flooding, the Group will avoid establishing customer service centers or offices in such locations when considering future relocations. Ant Bank (Macao)'s customer service area is housed within the bank's office, situated on an upper floor rather than at street level, further minimizing exposure to flooding risks.
- **Flood-Safe Facilities:** All our customer service centers, offices, and data centers are located outside high-risk flood-prone areas such as San Kiu, Toi San, Inner Harbour, and coastal districts. This strategic positioning reduces our exposure to flooding risks in Macau.
- **Digital Business Resilience:** While extreme weather events present physical risks that we acknowledge under the New Climate Requirements, our Macau businesses demonstrate strong climate resilience due to their digital-first nature. Our digital banking, payment services, and local consumer services primarily operate via mobile apps (Ant Bank (Macao), Alipay (Macao), MPay, mCoin, and mPass). This allows customers to continue banking transactions, payments, and shopping online during temporary adverse climate conditions. Our resilience is further supported by the mobile payment industry's accelerated growth in Macau between 2020 and 2024, despite pandemic-related disruptions, with a compound annual growth rate of approximately 52.6% in transaction volume and 48.0% in value.
- **Data Protection Measures:** Our data is stored in cloud-based systems and/or local data center(s). Our data centers are Tier 3-certified, with an impressive uptime of 99.982% and a maximum downtime of only 1.6 hours per year. They are equipped with backup power systems to ensure uninterrupted operations during extreme weather events, or they have multiple backup data centers. Database protection is enhanced with a high-availability, real-time data

protection solution that minimizes data loss and ensures data integrity and business continuity.

- **Remote Work Capability:** If extreme weather conditions hinder commuting, employees can work remotely, accessing cloud-based data and tools instead of relying on a physical office. This work-from-home arrangement (previously implemented during COVID-19 lockdowns) can be reactivated when necessary.

- **Business Continuity:** Customer service centers are strategically distributed across multiple locations, ensuring operational continuity and reducing vulnerability to disruptions in any single area.

The Business Resilience Measures are already in place, with the work-from-home arrangement ready for immediate reactivation in the event of severe flooding. They will remain effective in the short, medium, and long term. We do not anticipate any significant additional financial resources or investments needed to maintain these measures, demonstrating our ability to adapt our strategy and business model to climate change efficiently and in a timely manner.

Relevance of Our Chosen Climate-Related Scenarios

We selected the above two contrasting climate scenarios to assess our resilience against climate-related changes, developments and uncertainties for the following reasons:

- Scientific Validity and Alignment with Global Climate Models:
  - The scenarios are based on the **IPCC projections**, ensuring they reflect the latest scientific understanding of climate risks.
  - The **1.5°C scenario** aligns with the Paris Agreement, offering insights into transition risks under strict climate regulations.
  - The **3°C scenario** represents a high-emissions future, allowing us to assess severe physical risks.
- Risk-based Approach for Comprehensive Assessment:
  - By considering both **low-and high-emissions pathways**, we ensure a **balanced evaluation** of potential future business conditions.
  - The **1.5°C scenario** enables us to model regulatory, reputational, and compliance risks tied to ambitious climate regulations.
  - The **3°C scenario** helps us prepare for heightened physical risks, such as extreme flooding, allowing us to assess insurance costs, operational resilience, and infrastructure vulnerabilities.
- Relevance to Business Operations and Strategic Planning:
  - The scenarios directly **impact our Macau operations**, where sea level rise and flooding risks are critical concerns.

- Our **Business Resilience Measures**, including strategic site selection, operations through digital channels, and climate-adaptive infrastructure, are designed to address these climate physical risks.

- By using these scenarios, we enhance our ability to **anticipate risks, refine strategic plans, and ensure business continuity** amid evolving climate conditions.

Time Horizons Used in Scenario Analysis

- At the time of this scenario analysis and until March 2026, we assume that no climate-related risks will materialize, in alignment with our short-term sustainability timeline.

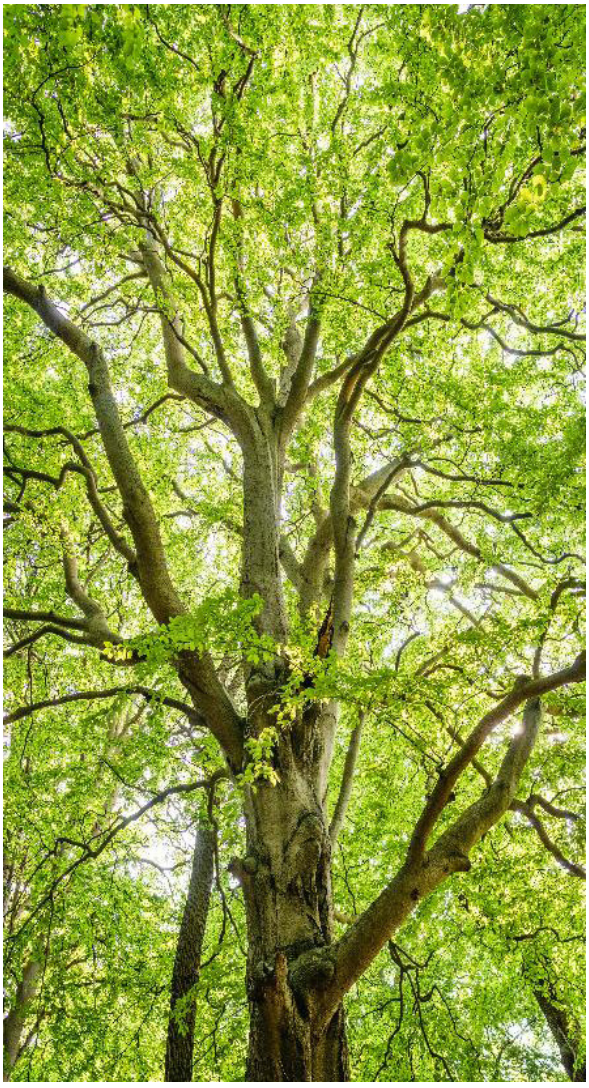
- 2030 for introduction of aggressive climate regulations (aligned with our medium-term goal of fully upgrading to LED lighting in our Hong Kong office by FY2029/30)

- 2035 for projection of global mean sea level rise (aligned with our long-term goal of transitioning one-third of our corporate-use vehicles to new-energy vehicles by FY2034/35)

Areas for Improvement in Our Sustainability Efforts

Although the Group does not perceive imminent or significant threats from climate change, we remain committed to reducing the carbon footprint of our operations. While our businesses in Macau primarily operate through mobile apps which are already very eco-friendly, we strive to further reduce our carbon footprint to help protect the environment.

To this end, the Group has implemented a series of sustainable green and low-carbon measures to reduce the use of paper and plastic in its businesses; create a green and low-carbon office environment for the Group's operations in Chinese Mainland, Macau and Hong Kong; support a green supply chain; and promote carbon reduction measures for merchants in Macau. Details are set out in the section "SUSTAINABLE GREEN AND CARBON REDUCTION MEASURES" of this report.



In particular, our ESG Task Force has identified two key areas for improvement (collectively referred to as the "**Two Upgrades**" hereinafter), which were subsequently approved by the Board. These areas will help the Group progress in its journey toward achieving carbon reduction by FY2034/35:



LED Lighting Upgrades:

We will gradually replace the existing lighting of our support office in Hong Kong with LED lighting as the old fixtures need replacement.



Transitioning to New-Energy Vehicles:

We will gradually replace one-third of our corporate-use vehicles with electric vehicles (EVs) or plug-in hybrid electric vehicles (PHEVs) as the old vehicles need replacement.



Financial Impact of the Two Upgrades

(a) Anticipated Changes to Financial Position

Given that our core services are already highly eco-friendly, we do not consider any substantial upgrades to our current operations necessary to combat climate change. Additionally, as mentioned in the paragraph titled "Assessment of Climate Resilience of Our Businesses Through Historical Market Trend Analysis" above, the majority of our businesses are climate resilient. The lottery distribution business (which accounted for only about 12.8% of the Group's total revenue for the year ended March 31, 2025) is the only business line more vulnerable to extreme weather events. However, the effects of such events are expected to be temporary and immaterial. Accordingly, we anticipate no material changes to our financial position over the short, medium, and long term due to climate-related risks.

Nevertheless, as part of our ongoing efforts to enhance sustainability practices, the Two Upgrades are expected to have only immaterial impacts on the Group's cash flows, which are further discussed below.

As at March 31, 2025, the Group maintains a healthy financial position as follows:

Total Assets Position	Net Current Assets Position	Borrowings
approximately **HK$6,244.6 Million**	*approximately* **HK$838.0 Million**	**Nil**

These financial data reflect our strong financial position and liquidity health, enabling us to support the implementation of our sustainability initiatives comfortably, without the need for external funding.

(b) Anticipated Changes to Financial Performance and Cash Flows

We do not anticipate any material impact on our financial performance or cash flows in the short, medium, or long term as a result of the Two Upgrades. Any incremental costs arising from these sustainability initiatives will be internally funded through our existing cash reserves, ensuring financial stability and continuity.

While we cannot precisely quantify the combined financial effects of climate risks and opportunities facing us (since we are unable to disclose quantitative information regarding the forecast revenue from the climate-related opportunities as mentioned in the paragraph titled "Financial Impact of Climate-related Opportunities" above and for reasons disclosed in the paragraph titled "Financial Impact of, and Mitigation Measures for, Climate-related Risks" above), we can provide the following qualitative analysis and additional estimated costs for the implementation of the Two Upgrades:

Short-term (from April 2025 to March 2026)

There will be no immediate financial impact on the Group in the short term, as the Two Upgrades will only be implemented during the medium or long term. During the short term, the ESG Task Force will identify suitable LED lighting for our Hong Kong office, and assess the cost-effectiveness of new-energy vehicles for our corporate use.

Medium-term (from April 2026 to March 2030)

LED Lighting Upgrades

Based on our preliminary enquiries with suppliers of LED lighting, the expected costs for replacing the existing lighting in our Hong Kong support office with LED lighting by FY2029/30, as outlined in the paragraph titled "Our Carbon Reduction Timeline" below, are projected to approximately HK$3,000 to HK$4,000 over the medium term from FY2026/27 to FY2029/30 and are considered immaterial to the Group.

Potential Positive Impact:

Enhancing our sustainability efforts (such as linking energy-saving actions to employee performance appraisals, setting clear sustainability targets for progress monitoring, and gradually replacing old lighting with LED lighting in our Hong Kong office) will help reduce energy consumption and lower electricity expenses, thereby partially offsetting the projected LED lighting costs.

Long-term (from April 2030 to March 2035)

Transitioning to New-Energy Vehicles

We will gradually transition one-third of the Group's corporate-use gasoline-powered vehicles to EVs or PHEVs by FY2034/35 (or earlier when existing vehicles are due for replacement). Based on our preliminary enquiries with different brands of new-energy vehicles, the total replacement costs are estimated to be up to approximately HK$2.4 million (representing only approximately 0.4% of the Group's total revenue for the year ended March 31, 2025 (as an illustration)) and will impact the Group's cash flows accordingly.

Additionally, the introduction of new-energy vehicles will result in increased depreciation expenses for the Group over their estimated useful lives, which are five years for vehicles in the Chinese Mainland and ten years for those in Hong Kong.

Potential Positive Impact:

The new-energy vehicles offer better energy efficiency than gasoline-powered cars, leading to fuel cost savings over time.



By implementing the transition plan for the Two Upgrades, the Group will enhance its climate resilience and reduce its carbon footprint. The financial impact is expected to be positive in the long run, with cost savings and revenue growth driven by stronger brand positioning and increased customer engagement. However, due to compliance requirements, we are unable to forecast any revenue from the potential positive impacts mentioned above.

(c) Capital Deployment, Investment, Disposal and Funding Plans

Our sustainability initiatives, including the Two Upgrades and the climate-related opportunities identified, do not require significant investments or asset/business disposals, nor do they necessitate external funding for implementation.

As outlined in paragraph "(b) Anticipated Changes to Financial Performance and Cash Flows" above, the capital expenditure for implementing the Two Upgrades is not significant for the Group and will be rolled out gradually. For example:



- By FY2029/30: Completing the LED lighting upgrade for the Hong Kong office.
- By FY2034/35: Completing the transition of one-third of the corporate-use vehicles to new-energy vehicles.

Estimated Capital Expenditure:

- LED lighting upgrades for the Hong Kong office: Estimated replacement costs are HK$3,000 to HK$4,000.
- Transitioning of one-third of corporate-use vehicles to new-energy vehicles: Estimated total replacement costs of up to approximately HK$2.4 million.

The capital expenditure will be funded through internal resources of the Group.

Climate-related Transition Plan (Including Assumptions and Dependencies)

Our climate-related transition plan includes:

01| Energy Efficiency	02| Fleet Electrification
Upgrading lighting in our Hong Kong support office with LED lighting by FY2029/30 to reduce energy consumption	Transitioning one-third of corporate-use gasoline-powered vehicles to EVs or PHEVs by FY2034/35 (or earlier when existing vehicles are due for replacement)

Key Assumptions

Our climate-related transition plan is based on the following key assumptions:

Market Conditions	Target Achievability	Regulatory Changes
A stable supply for LED lighting and EVs/PHEVs will be maintained.	Carbon reduction targets can be achieved by 2035.	By 2035, regulations will restrict the use of gasoline-powered vehicles or impose carbon taxation.

Dependencies

The dependencies on which our transition plan relies include:	Infrastructure Development	Policies and Regulation
	Expansion of EV charging stations in the community to support our fleet transition	Government policies and regulations that support carbon reduction

Achieving Climate-related Targets

Currently, the Group is not required to meet any climate-related targets by law or regulation in the Chinese Mainland, Macau, or Hong Kong.

Additionally, we do not foresee any significant current or future changes to the Group's business model, including resource allocation, to address climate-related risks and opportunities. This is because the necessary key measures are already in place, and the financial resources required for the implementation of the Two Upgrades are not considered substantial, as outlined in the paragraph titled "Financial Impact of the Two Upgrades" above.

However, we will allocate human resources, specifically our new ESG Task Force, to implement our climate-related transition plan and report on the progress of our sustainability targets to the RMICC at least half-yearly. The RMICC will then provide updates to the Board via the AC at least twice a year. Moreover, this progress will be disclosed in the paragraph titled "Our Carbon Reduction Timeline" in this appendix, beginning in FY2025/26.

We plan to achieve our climate-related targets and maintain our sustainability performance through the combined efforts of our existing ESG Strategies, Business Resilience Measures, and the forthcoming Two Upgrades:

The Sustainability Trilogy: A Threefold Strategy for Climate Goals

02
Business Resilience Measures
To enhance business resilience and mitigate risks associated with flooding and other extreme weather events, particularly in Macau (see paragraph titled "Implication of Flooding Risk on Our Strategy and Business Operations" above)



01
ESG Strategies
To address climate-related risks identified through our existing ESG Strategies (see paragraph titled "Financial Impact of, and Mitigation Measures for, Climate-related Risks" above)

03
Two Upgrades
To proactively adopt carbon reduction measures in anticipation of potential regulatory changes, such as carbon taxation (see paragraph titled "Areas for Improvement in Our Sustainability Efforts" above)



Our Risk Management Approach

We have established a structured approach to identify, assess, prioritize and monitor climate-related risks and opportunities, integrating these processes into our broader risk management framework to address the dynamic challenges posed by climate change. This approach comprises the following processes:

Assignment of Responsibilities

As outlined in the paragraph titled "ESG Governance Structure", our ESG Task Force is responsible for identifying climate-related risks and opportunities facing the Group; proposing strategies to manage these risks, along with sustainability metrics and targets, to RMICC; and implementing ESG-related actions and carbon reduction initiatives.

Identification of Climate-related Risks and Opportunities

Our **ESG Task Force** has systematically **identified climate-related risks and opportunities** by the following categories:

- *Physical Risks:* Assessing the vulnerability of operations to the physical impacts of climate change.
- *Transition Risks:* Evaluating risks that may impact our operations as we transition to a low-carbon economy.
- *Opportunities:* Identifying potential areas for business growth and development, such as adopting eco-friendly business practices that may attract environmentally conscious customers and investors.

Risk Assessment and Prioritization

We have carefully considered the scope of operations that should be included in our risk management processes.

As explained in the aforementioned paragraph titled "Scope of Operations Covered in Scenario Analysis", our risk assessment excludes our lottery hardware supply and lottery distribution businesses in the Chinese Mainland because:

- we outsource the manufacturing of lottery terminals to external suppliers or subcontractors, which are responsible for managing climate-related risks at their own factories. Additionally, we have mitigation measures in place, such as maintaining a diversified supply chain with multiple suppliers and logistics partners, reducing reliance on any single factory or transportation provider.
- we do not own or operate the retail shops that collaborate with us to sell lottery products. Any physical risks affecting those shops fall outside our operational control.

Accordingly, our risk assessment primarily focuses on digital banking, digital payment, and digital local consumer services in Macau.

We face no imminent and material business risks except climate risks, which require mandatory disclosure under the New Climate Requirements. We **prioritize five key climate-related risks** most relevant and material to the Group's operations: physical risks (extreme weather events, increased electricity costs, and disruption of electricity supply) and transition risks (regulatory changes restricting carbon emissions, and reputational risks tied to our environmental responsibility).

Additionally, we have **assessed** the **climate resilience** of our businesses through:

- **qualitative scenario analysis** for our Macau businesses, as aforementioned in the paragraph titled "Assessment of Climate Resilience of Our Businesses Through Scenario Analysis". As Macau is **likely to be vulnerable to flooding risk** (among all extreme weather events), we referenced **data from Macao Meteorological and Geophysical Bureau** on areas affected by storm surge. This helped evaluate whether our customer service centers, data centers and offices are located in areas prone to **high flooding risk** due to extreme weather events. We have also conducted a health check on our **Business Resilience Measures** to ensure preparedness.
- **qualitative and quantitative historical market trend analysis** for our Macau businesses and lottery operations in the Chinese Mainland, as aforementioned in the paragraph titled "Assessment of Climate Resilience of Our Businesses Through Historical Market Trend Analysis".

Risk and Opportunities Monitoring and Management

Our climate-related risk and opportunities monitoring and management include:

- tracking **progress on climate-related targets**, including the Two Upgrades and opportunities outlined in the aforementioned paragraph titled "Climate-related Opportunities for the Group", through regular ESG Task Force meetings, and reporting to the RMICC.
- monitoring **regulatory changes and governmental support** mechanisms such as subsidies, tax relief, and funding programs that assist businesses in meeting requirements or investing in sustainable practices.
- keeping pace with **technological advancements** in carbon reduction initiatives.
- implementing **risk mitigation measures**, and preemptive carbon reduction initiatives ahead of potential regulatory changes (such as the **Two Upgrades**).
- taking out **insurance** against flooding risk.

We have incorporated processes to address climate-related risks as outlined above into our overall risk management framework, effective from the year ending March 31, 2026, compared to the year ended March 31, 2025.

Opportunities Assessment and Prioritization

In their ongoing business development efforts to contribute to Macau's smart city transformation, the Group's business units (e.g., MPay, Ant Bank (Macao), mPass, mCoin, and Macau Pass teams) will endeavor to introduce innovative fintech services that enhance convenience and operational efficiency. At the same time, they will assess the potential for integrating eco-friendly elements into these services.

Apart from the existing eco-friendly services outlined in the paragraph titled "Eco-friendly Practices of Our Services" in the section "SUSTAINABLE GREEN AND CARBON REDUCTION MEASURES" of this report, the Group has identified four additional climate-related opportunities. These opportunities are subject to regulatory approval, cost feasibility, and technical viability.

The Group will prioritize opportunities that can be launched with minimal research and development efforts, are easier to obtain regulatory approval for, or have an imminent need to achieve sustainability targets. Examples include pre-ordering mCards before their official launch, and promoting Green Merchants on the mCoin and mPass platforms.

While the Group does not conduct formal climate-related scenario analysis specifically to identify opportunities, our assessment process incorporates ongoing business development evaluations, regulatory development monitoring, and technological advancements tracking. These elements allow us to proactively identify and prioritize climate-related opportunities that align with regulatory approval timelines, cost feasibility, technical viability, and sustainability targets.

Integrating Climate Risk into Credit Risk Management

As part of our sustainability initiatives, we support **green and sustainable finance** by integrating climate risk (posed by potential borrowers) into the credit risk management framework of our digital bank, Ant Bank (Macao). Specifically, we do not provide loans to industries that have a significant negative impact on the environment, including coal mining, oil drilling, natural gas extraction, mineral extraction, large-scale logging, palm oil production, steel and cement manufacturing, etc.



Integration of Climate-related Risk and Opportunity Management into the Group's Overall Risk Management Process

To ensure timely assessment, prioritization, and monitoring of climate-related risks and opportunities, the Group fully integrates its climate risk management process into the existing overall risk management framework. This integration is achieved through a combination of the following key elements:

- **Enhanced ESG Governance Structure:** The ESG governance framework defines clear responsibilities across multiple levels, including the Board, AC, RMICC, and the ESG Task Force. The ESG Task Force, comprising members from multiple departments, facilitates communication, collaboration, and knowledge sharing to enhance employees' understanding of climate change, its risks, and opportunities across the Group.

- **Data-driven Monitoring:** The ESG Task Force ensures the collection of reliable sustainability performance data for monitoring, evaluating ESG metrics, and supporting informed decision-making.

- **Stakeholder Engagement and Transparency:** Starting in FY2024/25, the Group actively engages Shareholders, investors, business partners, and customers through regular climate-related disclosures in its ESG Report to enhance accountability and transparency.

- **Periodic Reviews:** The Board reviews ESG governance mechanisms annually to ensure they remain relevant. The ESG Task Force reports progress of sustainability targets semiannually to the RMICC, which will report to the Board via AC.

- **Risk Inventories Alignment:** Our sustainability targets include upgrading the lighting of our Hong Kong office to LED and transitioning one-third of our corporate-use vehicles to EVs or PHEVs, addressing potential transition risks.

- **Risk Appetite:** For measurable financial impacts of climate-related risks (such as the Two Upgrades), we have assessed and accepted them as pre-determined risk appetite limits for future monitoring. Physical risks (such as increased electricity costs and disruptions in electricity supply) are excluded from **scenario analysis** when **assessing business resilience**, as we believe our **mitigation measures**, outlined in "Financial Impact of, and Mitigation Measures for, Climate-related Risks", already optimize climate resilience while maintaining operating costs at a manageable and acceptable risk appetite level.



Picture: Macau's floral emblem, the lotus, is a symbol of resilience.



Given the nature of the Group's principal businesses (including digital banking, digital payment services, digital local consumer services, lottery hardware supply and offline distribution), our operations have a minimal direct impact on the environment. However, we recognize that indirect environmental impacts may still arise. To mitigate our carbon footprint, the Group has implemented sustainability initiatives focused on GHG emissions, energy consumption, paper usage and waste management. We are committed to regularly monitoring the performance of these initiatives to ensure continuous improvement and long-term sustainability.

Greenhouse gas (GHG) emissions

Measurement Approach

In the financial year ended March 31, 2025, the Group has adopted the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004) (the "**GHG Protocol**") in compliance with paragraph 29(a) of the ESG Code. This framework has been utilized to measure and report our GHG emissions with consistency and accuracy.

Specifically, we adopt the **equity share approach** outlined in the GHG Protocol to define our **organizational boundary** for measuring GHG emissions. Under this approach, the Group accounts for GHG emissions from operations based on its equity share in those operations.

Accordingly, outsourced factories that manufacture our lottery and payment hardware, as well as mCards, along with collaborating retail shops selling lottery products, are excluded from our organizational boundary for GHG accounting and reporting purposes, as the Group does not hold any equity interest in these factories or shops. Furthermore, the Group typically holds 100% equity interests in its operations, which are treated as subsidiaries in its consolidated financial statements, except for its non-wholly owned subsidiary, Ant Bank (Macao), in which the Company holds approximately 51.5% equity interest. As such, the Group accounts for 100% of the GHG emissions from its wholly-owned subsidiaries, and 51.5% of the GHG emissions from Ant Bank (Macao), for GHG accounting and reporting purposes.

Under the equity share approach, the Group should account for 45% of the GHG emissions from its joint venture company, First Games Technology Private Limited, in which the Company indirectly holds a 45% equity interest. However, as this joint venture is incorporated and located in India, and the Group, as a minority shareholder, does not control its operations, obtaining its GHG emissions data is challenging. Given that the investment cost associated with this joint venture has been fully written off in the

consolidated financial statements of the Group and it does not contribute revenue, we consider it an immaterial operation. Therefore, its GHG emissions will not be included in the Group's emissions data for GHG accounting and reporting purposes under the New Climate Requirements.

Based on the organizational boundary set for GHG accounting and reporting, we have determined the scope of direct and indirect GHG emissions (i.e. Scopes 1 and 2) of our operations within the **operational boundary**. As a company listed on GEM, we are not required to disclose any Scope 3 GHG emissions under the New Climate Requirements.

Key Inputs and Assumptions

To quantify GHG emissions, the Group applies an **estimation method** using the formula: **GHG emissions = activity data × emission factors × global warming potential (GWP) values**. This method is used to calculate emissions from Scope 1 (direct emissions from gasoline combustion by the Group's motor vehicles) and Scope 2 (indirect emissions from purchased electricity). Key **inputs and assumptions** under the estimation method include:

- **Activity data:** data associated with an activity that generates GHG emissions, such as gallons of gasoline consumed, and electricity consumption data.

- **Emission factors:** standardized values sourced from recognized industry databases (e.g. the Intergovernmental Panel on Climate Change (**IPCC**), Ministry of Ecology and Environment of the PRC (**MEE**), GHG Protocol, and relevant utilities companies). These factors represent industry-average conditions and are used to estimate emissions based on fuel or energy consumption.

- **GWP values:** multipliers that measure how much heat a GHG traps in the atmosphere over a specific time period, relative to carbon dioxide (CO_2). Since CO_2 is the baseline, it has a GWP of 1, while other gases have higher or lower values depending on their impact. For example, methane (CH_4) has a GWP of 27.9*, and nitrous oxide (N_2O) has a GWP of 273* based on a 100-year time horizon, meaning CH_4 and N_2O are respectively 27.9 times and 273 times more impactful than CO_2.

  * *Source: The latest GWP values as outlined in the IPCC Sixth Assessment Report ("AR6"), IPCC AR6 WGI Report Chapter 7 Supplementary Material (Table 7.SM.7)*

- **Assumptions:** Emissions are estimated based on fuel or energy consumption, assuming that actual activities generate GHG emissions in amounts equal to industry averages represented by the emission factors, which may not fully account for site-specific variations such as equipment efficiency, fuel quality, or operational conditions. For instance, vehicles operating in extreme temperatures or under heavy loads may consume more fuel and produce higher emissions than those in optimal conditions.

Changes from Prior Year

As this is our first year of climate-related disclosure, there are no prior measurement approaches, inputs, or assumptions to compare or evaluate.

Our **GHG emissions performance** are set out in the paragraph titled "Sustainability Performance Indicators" below.

Additional Environmental Metrics

While the Group is not required to report Scope 3 emissions data, we recognize the importance of transparency in climate-related disclosures. To provide stakeholders with further insights, we disclose additional environmental metrics for informational purposes only (i.e. paper consumption and water consumption), which will not be included in our GHG emissions calculations. By sharing these additional metrics, we aim to enhance transparency and provide a more comprehensive view of our environmental impact beyond mandatory reporting requirements. Details of these additional key performance data are set out in the paragraph titled "Sustainability Performance Indicators" below.



Amount and Percentage of Business Activities Vulnerable to Climate-related Transition Risks and Physical Risks

The Group anticipates that both climate-related transition risks and physical risks will affect the following business activities as follows:

Business activities affected by climate-related transition risks

The Group's daily office administration



Potential financial impact: Amount at risk

To proactively prepare for potential transition risks (e.g., regulatory changes and reputational risk) in the event that carbon taxation is imposed on GHG emissions or the use of gasoline-powered vehicles is restricted, the Group plans to gradually:

- replace the existing lighting in our Hong Kong support office with LED lighting by FY2029/30. Based on our preliminary enquiries with suppliers of LED lighting, the associated costs are expected to amount to approximately HK$3,000 to HK$4,000 over the medium term from FY2026/27 to FY2029/30, which are considered immaterial to the Group. This transition will decrease the net profit or increase the net loss of the Group.

- transition one-third of the Group's corporate-use gasoline-powered vehicles to EVs or PHEVs by FY2034/35. The total replacement costs will be booked in the "Property, plant and equipment" balance in the consolidated statement of financial position of the Group and, based on our preliminary enquiries with different brands of new-energy vehicles, are estimated to be up to approximately HK$2.4 million over a long-term period ending FY2034/35 (or earlier when existing vehicles are due for replacement). The cost of these new-energy vehicles will result in increased depreciation expenses for the Group over their estimated useful lives, which are five years for vehicles in the Chinese Mainland and ten years for those in Hong Kong. This will lead to a decrease in net profit or an increase in net loss by up to approximately HK$0.32 million per year, representing approximately 0.05% of the Group's total revenue for the year ended March 31, 2025 (as an illustration).

Business activities affected by climate-related physical risks*

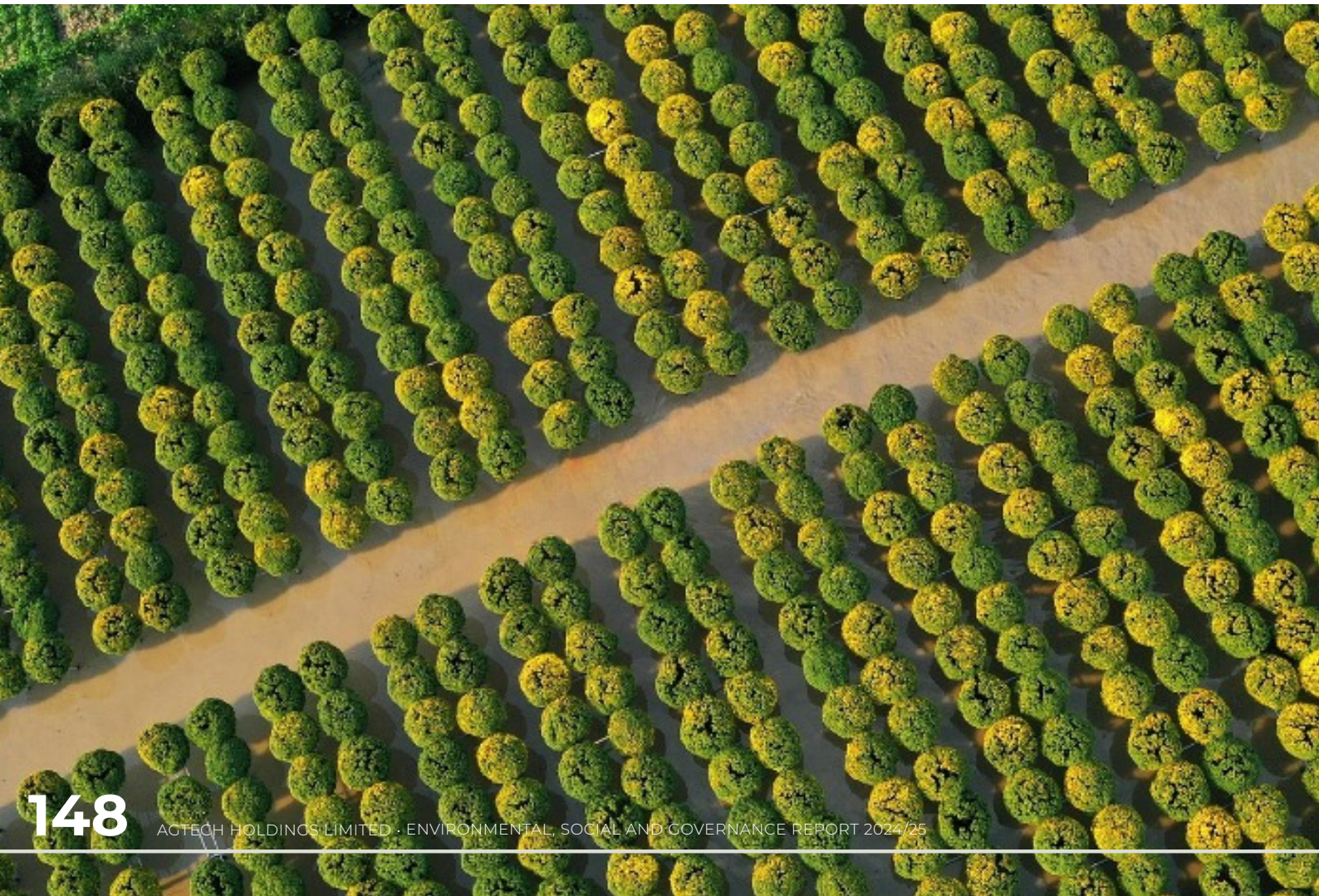
Lottery distribution



Potential financial impact: Amount at risk

Lottery distribution is the only business line more vulnerable to climate-related physical risks (such as extreme weather events), which may disrupt the operations of the lottery distribution retail network in the Chinese Mainland. While we anticipate that any such disruptions will be temporary and insignificant to the Group, if extreme weather events persist for a prolonged period (causing disruptions for the entire financial year), the Group may face a loss of lottery distribution revenue for the whole year. This revenue amounted to approximately HK$78.8 million for FY2024/25, representing approximately 12.8% of the Group's total revenue for the year ended March 31, 2025 (as an illustration).

* *As mentioned in the paragraph titled "Implication of Flooding Risk on Our Strategy and Business Operations" above, the Group does not anticipate any significant climate-related physical risks impacting our digital banking, digital payment, and local consumer services businesses in Macau, due to the Business Resilience Measures currently in place.*



Amount and Percentage of Business Activities Aligned with Climate-related Opportunities

As mentioned in the paragraph "Climate-related Opportunities for the Group" above, we anticipate that the following business activities of the Group are aligned with our identified climate-related opportunities as follows:

Business activities aligned with climate-related opportunities	Corresponding climate-related opportunities[#]
Digital payment services *(generating about HK$288.1 million in revenue, or approximately 46.9% of the Group's total revenue, for FY2024/25)*	▪ Pre-ordering mCards before their official launch ▪ MPay facilitating donations to Green Organizations ▪ Adopting digital receipts on MPay
Local consumer services *(generating about HK$14.9 million in revenue, or approximately 2.4% of the Group's total revenue, for FY2024/25)*	▪ Promoting Green Merchants on mCoin and mPass platforms

[#] *As aforementioned in the paragraph titled "Financial Impact of Climate-related Opportunities", we are unable to quantify and forecast any revenue from these potential climate-related opportunities. However, we will consider disclosing more quantitative data on overall revenue growth in the relevant business lines resulting from these opportunities in the future, once these opportunities have materialized and sufficient data has been gathered over an evaluation period.*

Capital Deployment

Details of the capital expenditure, financing or investment deployed towards climate-related risks and opportunities are outlined in the aforementioned paragraph titled "(c) Capital Deployment, Investment, Disposal and Funding Plans".

Internal Carbon Prices

The Group does not apply an internal carbon price when assessing the costs of its GHG emissions or making decisions.

Industry-based Metrics

The Group does not use industry-based metrics to assess climate-related risks and opportunities specific to the digital banking, digital payment, local consumer services, and lottery industries. Given the diversified nature of the Group's businesses, adopting industry-based metrics applicable to all these industries would require undue cost and effort and is not justifiable.

Climate-related Targets

Currently, we are not aware of any specific sustainability targets that the Group is required to meet by law or regulation. However, in alignment with our commitment to combat climate change, we have established key metrics and targets to monitor and enhance our sustainability performance.

While our core fintech operations inherently produce low-carbon emissions, we continuously refine practices to reduce residual environmental impact. Our structured sustainability goals (short-, medium-, and long-term) aim to achieve carbon reduction by FY2034/35, as outlined in the paragraph titled "Our Carbon Reduction Timeline" below.

To achieve this goal, we implement the Two Upgrades alongside our existing ESG Strategies, ensuring minimal carbon footprint. Simultaneously, our Business Resilience Measures reinforce adaptability to climate challenges such as extreme weather events.

(a) Metrics Used to Set the Targets

The Group measures the percentage of corporate-use vehicles which are electric or plug-in hybrid electric vehicles, and the percentage of lighting in the Hong Kong office that is LED, using **FY2024/25 as the baseline year** for comparison.

(b) Objective of the Targets

Our targets focus on **mitigation**, aiming to reduce the Group's Scope 1 and Scope 2 GHG emissions to achieve carbon reduction by FY2034/35.

(c) Applicable Scope

Our targets apply to the LED lighting for the Hong Kong office and electrification of one-third of corporate-use vehicles in the Chinese Mainland and Hong Kong.

(d) Target Period

The carbon reduction goal spans **FY2024/25 to FY2034/35**, with key milestones at **FY2025/26 (short-term), FY2029/30 (medium-term), and FY2034/35 (long-term)**.

(e) Base Period for Measurement

FY2024/25 serves as the baseline year for tracking progress against carbon reduction targets.

(f) Milestones and Interim Targets

- **By FY2025/26:** Selection of the brands of LED lighting and new-energy vehicles.
- **By FY2029/30:** Completion of LED lighting upgrades.
- **By FY2034/35:** Completion of transition of one-third of corporate-use vehicles to EVs or PHEVs.

(g) Nature of the Targets

Our carbon reduction targets are action-based, focusing on the implementation of specific initiatives (i.e. LED lighting upgrades and transition of one-third of corporate-use vehicles to new-energy vehicles) rather than being directly quantified by GHG emissions reductions.

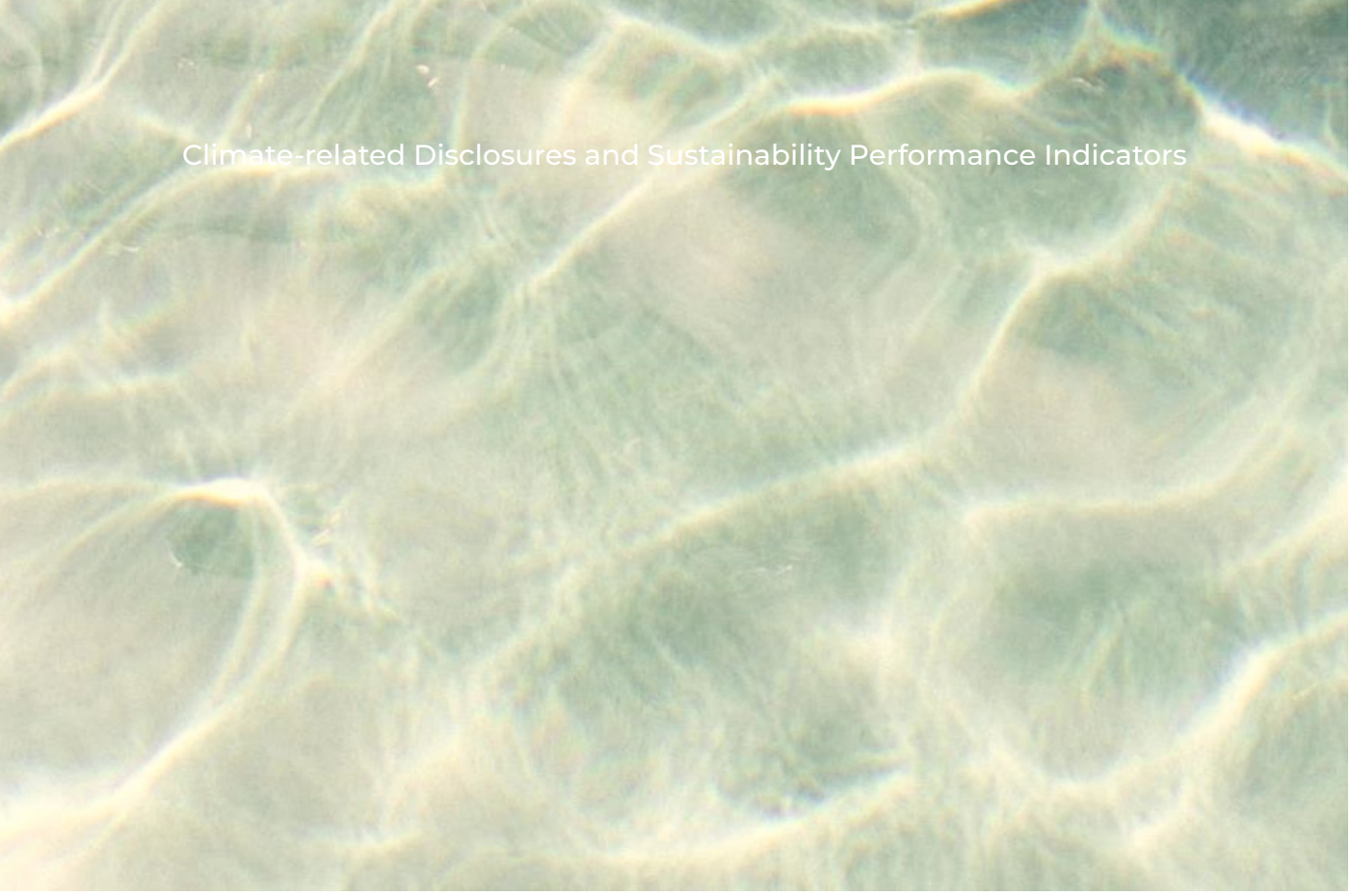
(h) Supporting International Climate Agreement and Jurisdictional Commitments

While our targets are not directly quantified by GHG emissions reductions, they do support **Macau's Long-Term Decarbonisation Strategy**, published by the Environmental Protection Bureau of Macau, which aims for near-zero emissions by 2050. We also reference the advocacy outlined in the **IPCC's Special Report on Global Warming of 1.5°C**, which highlights that achieving net-zero emissions by 2050 is essential to limiting global warming to 1.5°C. This objective aligns with the Paris Agreement's commitment to pursuing efforts to cap temperature rise at 1.5°C above pre-industrial levels by the end of the century. By setting our carbon reduction targets for completion by FY2034/35, we aim to make a meaningful contribution to the climate objectives outlined by the Environmental Protection Bureau of Macau and the IPCC, which are generally aligned with global targets scheduled for achievement by 2050.



Our Carbon Reduction Timeline

		Targets	Progress (Qualitative)
01	**FY2024/25** Baseline Year	Establish sustainability targets for carbon reduction by FY2034/35 (compared to FY2024/25 level).	Sustainability targets have been approved by the Board.
02	**FY2025/26** Short-term Target	Finalize the selection of the brands of LED lighting for the Hong Kong office and new-energy corporate vehicles.	
03	**FY2029/30** Medium-term Target	Complete LED lighting upgrades for Hong Kong office.	
04	**FY2034/35** Long-term Target	Complete replacement of one-third of corporate-use vehicles with EVs or PHEVs, aligning with natural fleet replacement cycles.	



Approach to Setting and Reviewing Climate Targets

(a) Third-Party Validation

The Group **does not engage any third party** to validate the targets or the methodology used to set them.

(b) Process for Reviewing Targets

The **ESG Task Force** reviews progress on climate-related targets during its **semiannual meetings**. Findings are reported to the **Risk Management and Internal Control Committee (RMICC)**, which then submits progress updates via the **Audit Committee (AC) to the Board** for oversight and strategic alignment semiannually.

(c) Metrics Used to Monitor Progress

Progress toward our carbon reduction targets is tracked using the following key metrics:

- **Energy Efficiency Improvements**: Tracking the **percentage of lighting** transitioned to LED lighting, ensuring enhanced energy efficiency in Hong Kong office.
- **Fleet Electrification Rate**: Monitoring the **percentage of corporate-use vehicles** transitioned to electric or hybrid models.

These metrics align with the **Group's carbon reduction timeline**, ensuring measurable progress toward **short-, medium-, and long-term sustainability objectives**.

(d) Revisions to and Performance Against Targets

As this is the first year of climate-related disclosures, no revisions have been made to the targets. The Group will continue to assess progress and may refine targets in future ESG reports based on performance data and evolving best practices.

There are no prior sustainability performance records for comparison against the newly set targets. The Group will continue to update progress toward meeting these targets in future ESG reports in the following manner:

TARGETS SET:

Carbon reduction target for Scope 1 emissions:

Transitioning one-third (33.3%) of our corporate-use vehicles to electric or plug-in hybrid electric vehicles by FY2034/35

	Percentage of corporate-use vehicles which are electric or plug-in hybrid electric vehicles
Baseline year: FY2024/25	0%
Long-term target: FY2034/35	33.3%

Carbon reduction target for Scope 2 emissions:

Upgrading 100% of Hong Kong office lighting to LED by FY2029/30

	Percentage of lighting in the Hong Kong office that is LED
Baseline year: FY2024/25	3.3%
Medium-term target: FY2029/30	100%

PROGRESS (QUANTITATIVE):

	Percentage of corporate-use vehicles which are electric or plug-in hybrid electric vehicles	Percentage of lighting in the Hong Kong office that is LED
Baseline year: FY2024/25	0%	3.3%
FY2025/26	To be disclosed in the next financial year	To be disclosed in the next financial year

Further Information on Our GHG Emissions

(a) GHGs Covered by Our Climate-related Disclosures

Our GHG emissions include CO_2, CH_4 and N_2O, and are converted to reflect the CO_2 equivalent.

(b) Scope of Emissions Covered

Our targets apply to **Scope 1 and Scope 2 emissions**:

- **Scope 1:** Direct emissions from **gasoline combustion** in the Group's motor vehicles.
- **Scope 2:** Indirect emissions from **purchased electricity** used in the Group's operations.

As the Company is listed on GEM, the Group is not required to include Scope 3 emissions as part of its carbon reduction targets or climate-related disclosures.

(c) No GHG Targets

As the Group has chosen not to commit to a net-zero emissions target, our sustainability strategy focuses on specific and measurable actions to reduce carbon emissions (including transitioning one-third (33.3%) of our corporate-use vehicles to electric or plug-in hybrid electric vehicles by FY2034/35, and upgrading 100% of Hong Kong office lighting to LED by FY2029/30). Given this action-based approach, we prioritize direct reductions in Scopes 1 and 2 GHG emissions through operational improvements, without relying on carbon offsetting or the purchase of carbon credits.

(d) Sectoral Decarbonisation Approach

The Group's targets were **not derived using a sectoral decarbonisation approach**. Instead, it follows a **corporate-driven emissions reduction strategy**, focusing on energy efficiency improvements, and fleet electrification.

(e) Use of Carbon Credits

As of March 31, 2025, the Group has not purchased carbon credits to offset its carbon footprint.



Sustainability Performance Indicators

The following tables provide a comprehensive summary of the quantitative key performance indicators (KPIs) for our sustainability performance across environmental, social and governance aspects for FY2024/25, with comparative data for the 15 months ended March 31, 2024 ("**FY2023/24**") included where available.

Environmental Performance

Electricity Consumption[1]

Electricity consumption	Unit	FY2024/25	FY2023/24	Year-on-year change
Total electricity consumption, comprising:	thousand kilowatt-hours ('000 kWh)	**783**	927	
▪ **Grid electricity** for operations in Macau, Hong Kong and Zhuhai, the PRC	'000 kWh	748	847	
▪ **Renewable energy** for operations in Beijing, the PRC		35	80	
Total electricity consumption intensity[2]	'000 kWh/ million HK$ of revenue	**1.27**	1.21	circa 5.0% increase

1. *Electricity consumption figures presented in the table above represent the total electricity consumed by all subsidiaries under the Group's operational control, regardless of the Company's equity share in these entities. This approach provides a comprehensive view of the Group's energy usage and supports internal performance tracking.*

2. *To standardize our disclosure format under the New Climate Requirements, total electricity consumption intensity will be used as a KPI instead of the former "total electricity consumption (in thousand kilowatt hours)" and "total electricity expenses". For FY2024/25, total revenue of the Group was HK$614,968,000 (FY2023/24: HK$766,583,000).*

The total electricity consumption intensity increased slightly by approximately 5.0% in FY2024/25 compared to FY2023/24, primarily due to the addition of electricity consumption from the Company's new subsidiary, Ant Bank (Macao), and the decrease in the Group's revenue by approximately 19.8% in FY2024/25 as compared to FY2023/24.

The Group had set a target for the total electricity consumption intensity at not more than 10% increase year-on-year or the percentage increase in total revenue of the Group year-on-year (whichever is higher). Accordingly, the annual target for the total electricity consumption intensity for FY2024/25 was met.

GHG Emissions[7]

Scope of GHG emissions	Unit	FY2024/25	Remarks
Scope 1 – Direct emissions from sources owned or controlled by the Group:			
▪ Gasoline combustion by the Group's motor vehicles	gallons	4,278.76	*See Note 6*
	converted to $MTCO_2e$[1]	37.71[2]	*See Note 6*
Scope 2 – Indirect emissions from energy consumed within the Group:			
▪ Purchased electricity[3]	thousand kilowatt-hours ('000 kWh)	775	*See Note 6*
	converted to $MTCO_2e$	445.21[4]	*See Note 6*
Total GHG emissions (Scopes 1 and 2)	$MTCO_2e$	482.92[5]	*See Note 6*
GHG emissions intensity	$MTCO_2e$/ million HK$ of revenue	0.79	*See Note 6*

Notes:

1. *$MTCO_2e$ stands for metric ton of CO_2 equivalent (1 metric ton (MT) = 1,000 kilograms (kg)). It is the standard unit used in GHG reporting to account for different gases' impact on global warming, using their global warming potential (GWP) to express emissions in terms of CO_2 equivalence.*

2. *Based on "EPA Emission Factors Hub – Emission Factors for Greenhouse Gas Inventories" published by U.S. Environmental Protection Agency, Washington, DC, USA (January 2025), the emission factors for motor gasoline are:*

   CO_2: 8.78 kg CO_2 per gallon
   CH_4: 0.38 g CH_4 per gallon (or 0.00038 kg CH_4 per gallon)
   N_2O: 0.08 g N_2O per gallon (or 0.00008 kg N_2O per gallon)

   According to the latest GWP values as outlined in the IPCC Sixth Assessment Report ("AR6"), IPCC AR6 WGI Report Chapter 7 Supplementary Material (Table 7.SM.7), CH_4 has a GWP of 27.9, and N_2O has a GWP of 273 based on a 100-year time horizon.

   Given that a total of 4,278.76 gallons of gasoline was consumed by the Group for FY2024/25, direct GHG emissions (Scope 1) from gasoline combustion by the Group's motor vehicles
   = ((4,278.76 x 8.78 kg CO_2/gallon x 1) + (4,278.76 x 0.00038 kg CH_4/gallon x 27.9) + (4,278.76 x 0.00008 kg N_2O/gallon x 273)) x 0.001 MT/kg
   = 37,706.32 kg CO_2e x 0.001 MT/kg
   = 37.71 $MTCO_2e$

The Group's motor vehicle fleet consists of vehicles for corporate use as well as those used for business operations by our travel agency in Macau. Some of our fleet consists of plug-in hybrid electric vehicles (PHEVs), which consume both gasoline and electricity for charging. While we pay for the cost of charging services at third-party charging stations, the electricity itself is not directly purchased by the Group from a utility provider but rather through an intermediary – the charging station operator. As a result, the electricity consumed by our PHEVs falls under Scope 3 (Category 3: Fuel- and Energy-Related Activities) and is not required to be disclosed under the New Climate Requirements for a GEM-listed company like the Company.

3. *The Group has not entered into any contractual instruments, such as renewable energy certificates (RECs) or power purchase agreements (PPAs).*

4. *GHG emissions are calculated using the latest available location-based emission factors for purchased electricity:*

   - *0.608 kg CO_2e/kWh from the utility company Companhia de Electricidade de Macau (CEM) for our offices and other establishments in Macau.*
   - *0.66 kg CO_2e/kWh from The Hongkong Electric Company, Limited for our Hong Kong office in Causeway Bay.*
   - *0.5580 kg CO_2/kWh for Beijing and 0.4403 kg CO_2/kWh for Guangdong province, applicable to our Zhuhai office, based on the "Provincial Average CO_2 Emission Factor for Electricity in 2022" (2022年省級電力平均二氧化碳排放因子) jointly released by the National Bureau of Statistics and the MEE in December 2024.*

   Although emissions for our Beijing office in the Chinese Mainland are reported using the location-based method as required under the New Climate Requirements, we note that the building where this office is located is powered entirely by renewable electricity, thereby reducing its environmental impact.

   Accordingly, indirect GHG emissions (Scope 2) from purchased electricity
   = ((579.8x1000 kWh x 0.608 kg CO_2e/kWh x 1) + (12.1x1000 kWh x 0.66 kg CO_2e/kWh x 1) + (34.5x1000 kWh x 0.5580 kg CO_2e/kWh x 1) + (148.7x1000 kWh x 0.4403 kg CO_2e/kWh x 1)) x 0.001 MT/kg
   = 445,214.8 kg CO_2e x 0.001 MT/kg
   = 445.21 $MTCO_2e$

   N.B. Minor discrepancies in the total may arise due to rounding of certain input figures to one decimal place in the above formula.

5. *Since we did not purchase any carbon credits to offset our carbon footprint for FY2024/25, the net emissions are equal to the gross emissions.*

6. *No comparative data is available, as this is the first year of climate-related disclosure.*

7. *We adopt the equity share approach for GHG emission measurement in accordance with the GHG Protocol, as required by paragraph 29(a) of the ESG Code. Under this approach, we account for GHG emissions (including emissions associated with purchased electricity) from each subsidiary in proportion to the Company's equity interest in that entity. For example, emissions from a non-wholly-owned subsidiary, Ant Bank (Macao), in which the Company holds approximately 51.5% equity interest are recognized at 51.5% in our GHG inventory.*

The Group had set a target for GHG emissions intensity at not more than 10% increase year-on-year or the percentage increase in total revenue of the Group year-on-year (whichever is higher). No comparison to previous financial year can be made as this is the first year of disclosure of our GHG emissions data.

Paper Consumption

Paper consumption	Unit	FY2024/25	FY2023/24	Year-on-year change
Total paper consumption cost	HK$	**31,660**	33,660	circa 5.9% decrease
Paper consumption cost intensity	HK$/ million HK$ of revenue	**51.48**	43.91	circa 17.2% increase

The Group has set targets for paper consumption, ensuring that both the total paper consumption cost and paper consumption cost intensity do not exceed either a 10% year-on-year increase or the percentage increase in the Group's total revenue year-on-year, whichever is higher. Accordingly, the annual target for the total paper consumption cost in FY2024/25 was met. However, the paper consumption cost intensity did not meet the target, increasing by approximately 17.2% in FY2024/25 compared to FY2023/24, while the Group's revenue declined by approximately 19.8%. This increase was primarily attributable to the aforementioned decrease in revenue.

Water Consumption

Given the nature of the Group's business, water consumption is limited to employee use in pantries, lavatories, and drinking taps within our offices in Zhuhai and Macau.

Our offices in Beijing and Hong Kong do not have separate water billing, as water costs are included in their rentals or because water facilities, such as pantries and lavatories, are shared with other tenants on the same floor. Consequently, we do not have the necessary data to report on water consumption for these two locations.

Water consumption	Unit	FY2024/25
Total water consumption	cubic meters (m^3)	**2,578**
Water consumption intensity	m^3/employee#	**10.88**

Based on the number of employees in the Zhuhai and Macau offices only, which totaled 237 for FY2024/25.

* *This is the first year of disclosure of the water consumption data, and hence no comparative data is available.*

The Group believes that setting KPIs or cost-cutting targets for essential water usage would contradict our commitment to safeguarding employee well-being and is therefore inappropriate. While we have not established a formal sustainability target for water consumption in these offices, we have taken steps to enhance water efficiency by installing automatic sensors on certain water-efficient faucets to minimize wastage.

Social Performance

Workforce Composition

Headcount	Breakdown	Unit	FY2024/25	FY2023/24
Total employees		number	**368**	413
By gender	Male	number (%)	**217 (59.0%)**	247 (59.8%)
	Female		**151 (41.0%)**	166 (40.2%)
By employment type	Full-time	number (%)	**368 (100%)**	413 (100%)
	Part-time		**0 (0%)**	0 (0%)
By age group	30 or below	number (%)	**78 (21.2%)**	120 (29.1%)
	31-45		**257 (69.8%)**	261 (63.2%)
	46-60		**31 (8.5%)**	31 (7.5%)
	61 or above		**2 (0.5%)**	1 (0.2%)
By geographical region	Chinese Mainland	number (%)	**176 (47.8%)**	206 (49.9%)
	Hong Kong SAR		**9 (2.5%)**	8 (1.9%)
	Macau SAR		**183 (49.7%)**	199 (48.2%)

The Group maintained a healthy mix and diversity of employees in terms of their gender and age. Employees are stationed in geographical locations where the operations of the Group require them.

No KPI target-setting in respect of the Group's workforce by gender, employment type (for example, full or part-time), age group and geographical region is considered necessary as the Group does not wish to be bound by such target in the determination of the size and composition of its workforce, which should be based on the actual business needs and economic environment from time to time.

Board Composition

Directors	Breakdown	Unit	FY2024/25	FY2023/24
Total Directors on the Board		number	**7**	9
By gender	Male	number (%)	**4 (57.1%)**	6 (66.7%)
	Female		**3 (42.9%)**	3 (33.3%)
By age group	40-49	number (%)	**2 (28.6%)**	4 (44.4%)
	50-69		**5 (71.4%)**	5 (55.6%)

Employee Turnover Rate

(as compared between total number of employees as at March 31, 2024 and March 31, 2025)

Employee turnover rate	Breakdown	Unit	FY2024/25	FY2023/24
By gender	Male	%	**19.6%**	3.9%
	Female		**14.4%**	7.0%
By age group	30 or below	%	**10.3%**	8.0%
	31-45		**22.6%**	3.6%
	46-60		**0.8%**	5.8%
	61 or above		**0.3%**	0%
By geographical region	Chinese Mainland	%	**18.2%**	3.6%
	Hong Kong SAR		**0.3%**	3.3%
	Macau SAR		**15.5%**	6.8%

Employee turnover rate of the Group stood at not more than 19.6% by gender (for the male gender which represented approximately 59.0% of total number of employees as at March 31, 2025), 22.6% by age group (for the age group of 31-45 which represented approximately 69.8% of total number of employees as at March 31, 2025) and 18.2% by geographical region (for employees in the Chinese Mainland which represented approximately 47.8% of total number of employees as at March 31, 2025), and was considered acceptable and normal.

No KPI target-setting related to the employee turnover rate of the Group is considered necessary as employee turnover is often driven by the employees, which is something beyond the control of the Group.

Workplace Health and Safety

Health and safety	Unit	FY2024/25	FY2023/24	FY2022
Number and rate of work-related fatalities*	number (%)	**0 (0%)**	0 (0%)	0 (0%)
Work injuries	number of cases (number of employees)	**4 (4)**	2 (2)	3 (3)
	work injury lost days	**16**	6	29

* *as compared to total number of employees as at the respective year end dates*

There were no work-related fatalities of the Group in each of the past three years, including FY2024/25. Safe working environment was provided by the Group to safeguard its employees from occupational hazards. Given the nature of work-related fatalities and work injuries, setting KPI targets for such incidents is deemed unnecessary, as it would be inappropriate to establish targets for accidents.

The Group's occupational health and safety measures are continuously implemented and monitored by the human resources and administration department. Setting a KPI target for this aspect is deemed unnecessary, as these measures are not quantitative.

Low-Carbon Workplace Practices

We actively promote sustainable office behaviors, encouraging employees to adopt energy-saving and emissions-reducing habits. These include turning off lights and air conditioning in unoccupied areas, double-sided printing, recycling cardboard boxes and choosing stairs over elevators to reduce energy consumption.

Starting from FY2024/25, we have disclosed the total number of times employees engaged in low-carbon practices, as recorded on our intranet platform, as follows:

Low-carbon workplace practices	Unit	FY2024/25
Number of employees engaged in low-carbon practices	number	**59**
Times of low-carbon practices	times	**2,620**

As a new KPI for low-carbon workplace practices, we aim for at least 50% of the workforce to actively engage in low-carbon behaviors and report their participation via the intranet starting from FY2025/26.

Training (Including Anti-corruption Training)

Training	Breakdown	Unit	FY2024/25*
Average training hours provided by the Group	Per Director	hours	**2.1**
	Per employee		**4.87**
Percentage of Directors trained	Executive	%	**28.6%**
	Independent and/or non-executive		**71.4%**
Percentage of employees trained	Male	%	**99.5%**
	Female		**95.4%**

* *This is the first year of disclosure of the breakdown of training hours provided by the Group, and hence no comparative data is available.*

The Group provides vocational training to all employees as a goodwill gesture, without distinction based on gender, seniority or employment category. As such, setting targets for KPIs related to staff development and training is deemed unnecessary. Instead, the Group aims to introduce new training on diverse topics of interest to employees each year.

Supply Chain Management

Top 10 suppliers of the Group for its hardware products and mCards:

Top 10 suppliers	Breakdown	Unit	FY2024/25	FY2023/24
By geographical region	Chinese Mainland	number	**9**	9
	Macau SAR		**1**	1
Number of top 10 suppliers visited by the Group[#]		number	**7**	7

[#] *As a KPI for its supply chain management, the Group sets a target to conduct annual visits to at least three of its top 10 suppliers to assess their continued compliance with our supplier selection criteria. This KPI was met for FY2024/25.*

The Group considered that disclosure of all the suppliers by geographical region would result in particulars of excessive length and no additional value to the Shareholders. Accordingly, only the top 10 suppliers of the Group by geographical region would be disclosed for the sake of simplicity.

Setting KPI targets related to geographical regions and the number of suppliers is deemed unnecessary, as the Group determines supplier count and locations based on actual business needs at any given time.

Governance Performance

Anti-corruption

Anti-corruption	Unit	FY2024/25	FY2023/24
Number of concluded legal cases regarding corrupt practices brought against the Group or its employees	number	**0**	0

Setting a KPI target related to anti-corruption is deemed unnecessary, as it would be inappropriate for the Group to establish a target based on the number of legal cases brought against it or its employees.

Anti-corruption Training

Anti-corruption training	Unit	FY2024/25
Total training hours on anti-corruption and/or AML/CFT provided to employees	hours	**2.5**

* *This is the first year of disclosure of the total anti-corruption training hours provided by the Group, and hence no comparative data is available.*

CLOSING REFLECTION

"This report represents more than just a compilation of ESG strategies and metrics – it is a reaffirmation of our shared responsibility to integrate sustainability into every facet of our business, guiding how we operate, innovate and grow.

Our commitment goes beyond compliance; it is rooted in a deep respect for the heritage of Macau and our mission to help shape a more sustainable tomorrow."

Sun Ho
Chairman & CEO

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As we celebrate our 20 years in Macau in 2025, our journey is a testament to our unwavering commitment to innovation and excellence in service. We look forward to continuing this journey of growth and innovation, driving positive change in the fintech landscape of Macau and beyond.

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