

FinTech
Chain

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ANNUAL REPORT 2025

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FINANCIAL HIGHLIGHT

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	For the year ended 31 March				
	2021	2022	2023	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Revenue	74,771	64,448	58,383	45,088	55,870
Gross profit	27,872	22,610	26,957	18,205	19,392
Net profit (loss) after tax	9,871	1,141	(5,126)	(5,130)	(6,511)
Total comprehensive income (expense) for the year attributable to owners of the Company	10,287	1,570	(4,692)	(4,720)	(6,217)

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	As at 31 March				
	2021	2022	2023	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Assets					
Non-current assets	3,053	1,945	944	3,138	2,495
Current assets	35,640	48,442	31,159	18,869	33,954
Total assets	38,693	50,388	32,103	22,007	36,449
Liabilities					
Non-current liabilities	16,894	11,066	-	2,261	1,330
Current liabilities	25,364	41,074	38,980	31,753	53,637
Total liabilities	42,258	52,139	38,980	34,014	54,967
Equity					
Equity attributable to owners of the Company	(1,980)	263	(4,429)	(9,149)	(15,366)
Non-controlling interests	(1,585)	(2,014)	(2,448)	(2,858)	(3,152)
Total equity	(3,565)	(1,751)	(6,877)	(12,007)	(18,518)
Total equity and liabilities	38,693	50,388	32,103	22,007	36,449

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PRESIDENT AND INDEPENDENT CHAIRMAN'S STATEMENT

On behalf of our Board, we are pleased to present the 2025 Annual Report for Fintech Chain Limited ("FTC").

FTC's team has been leading the innovative development of the financial payments industry in China, from providing basic payment acquiring systems for banks to assisting banks in providing comprehensive acquiring solutions for merchant payments in industry scenarios. Despite the impact of the restrained global economic environment, FTC has steadfastly pursued the goals set by the company since its establishment, and has achieved significant results in managing the value contribution of cooperative banks to merchants through payment acquiring business in today's environment while helping banks adjust their deposit structure.

Given this background, FTC reported FY2025 revenue of RMB55.9m (A\$12.1m) (FY2024: RMB45.1m), gross profit of RMB19.4m (A\$4.2m) (FY2024: 18.2m) and a net loss after tax of RMB 6.5m (A\$1.4m) (FY2024: RMB5.1m).

Given market competition and a complex economic environment, FTC has always actively faced challenges and made timely adjustments. FTC has launched a series of products that are suitable for reducing costs and increasing efficiency for banks in the new environment, and have launched innovative and competitive products. FTC launched the "Community Charging Pile Scene Payment Solution" and "Enterprise and Campus Canteen Scene Payment Solution" to help banks create traffic entry and ecological scene closed-loop payments. Using AI facial recognition intelligent payment applications and IoT payment applications for new energy charging in canteens.

Despite FTC achievements, we still face many challenges and difficulties in a harsh economic environment. FTC will continue to strengthen the implementation of regional marketing rights in local living scene commercial districts. In a competitive market, by creating a regional grid payment market and a competitive and reputable entrance to the local living commercial district.

On 6 June 2025, the Company confirmed that:

- (a) following the in-principle decision provided by the Australian Securities Exchange on 19 May 2025 (and announced to the ASX on 23 May 2025) for the removal of FTC from the Australian Securities Exchange official list pursuant to ASX Listing Rule 17.11 (Delisting); and
- (b) the lodgement of the formal application for the Delisting by FTC.

The ASX confirmed that based solely on the information provided, ASX agreed to the Delisting subject to compliance with the request for removal of the Company from the ASX Official List is approved by a special resolution of security holders of the Company.

On 27 June 2025, 99.75% of the Company's security holders voting in person or by proxy approved delisting from ASX.

Finally, on behalf of the Board of Directors, we wish to express our appreciation to all our valuable employees for their steadfast commitment and dedication to innovation, that will drive the success and growth of FTC. A sincere note of gratitude is also extended to our shareholders, business partners and valued clients for their continued support and trust.



Mr Qiang XIONG
President
FinTech Chain Limited



Mr Chris RYAN
Independent Chairman
FinTech Chain Limited

BOARD OF DIRECTORS

Details of each of the Directors at the date of this report are set out below:



Mr XIONG Qiang
President & Chief Executive Officer

Mr Xiong graduated from Jiangxi University of Finance and Economics.

Mr Xiong is a successful entrepreneur in the field of China mobile internet applications. He has been awarded the “Top 10 Outstanding Entrepreneurs in Brand Building in China”. He has also driven Shenzhen e-commerce (communications and wireless internet applications) businesses which he has substantially gained a wealth of experience in this industry. Mr Xiong is responsible for the formulation of FTC’s strategic direction, expansion plans, and the management of FTC’s overall business development.



Mr RYAN, Christopher John
Independent Chairman & Non-Executive Director

Chris specialises in corporate finance and advisory.

Chris has industry diverse experience and expertise in mergers and acquisitions together with initial public offerings.

Chris has advised on ASX listings since 1986.

Chris’s qualifications include holding a Bachelor of Financial Administration, University of New England, fellowship of the Chartered Accountants Australia and New Zealand and membership of the Australian Institute of Company Directors.



Ms Gao Qiuju
Vice-President & Deputy Chief Executive Officer

Ms Gao graduated from Hubei University. She is a co-founder of FTC. She has worked as the General Manager of FTC’s Science and Innovation Center for the past 13 years.

She specialises in the Internet industry and has been responsible for leading the company’s products and business innovation. She has led development of the Company’s main products from market demand planning to product development to clients, while continuously promoting FTC’s product innovation and improvement.

BOARD SKILLS & EXPERIENCE

A summary of the Directors' skills and experience relevant to FTC as at the end of the reporting period is set out below.

Skills and Experience (out of 3 Directors)

Leadership and Management	
Executive management	3
Corporate Governance	3
Strategy	3
Policy Development	3

Corporate	
Business Operation	3
Legal	1
Investor Relation	3
Marketing	3
International Operation Management	3

Capital Markets	
Capital Raising	2
Capital Management	3
Corporate Actions	3

Finance and Risk	
Risk Management and Compliance	3
Financial	2

Sector Experience	
Software Development	3
IT Technology	3

DIRECTORS REPORT

This Directors Report includes the audited financial statements of FinTech Chain Limited ("FTC") and the entities it controlled for the year ended 31 March 2025 (hereinafter referred to the "Group").

FTC is incorporated and domiciled in Hong Kong and has its registered office and principal place of business located at: Unit 1806, 18/F., Gala Place, 56 Dundas Street, Kowloon, Hong Kong.

Directors

The following persons were directors of FTC and its subsidiaries during the year and up to the date of this report.

1. FinTech Chain Limited

Executive Directors

XIONG Qiang (Chief Executive Officer)
GAO Qiuju (Deputy Chief Executive Officer)

Non-executive Directors

RYAN Christopher John (Independent Chairman)

In accordance with Article 104 of the Company's Articles of Association, XIONG Qiang will retire by rotation at the forthcoming annual general meeting and, being eligible, offer himself for re-election.

2. Shenzhen Taotaogu Information Technology Company Limited (深圳市淘淘谷信息技术有限公司)

XIONG Qiang
Chen Fen
WU Linyan

3. Shenzhen Taotaogu E-commerce Company Limited (深圳市淘淘谷电子商务有限公司)

XIONG Qiang

4. Shenzhen Taotaogu Investment Co., Limited (深圳市淘淘谷投资有限公司)

Chen Fen

5. Jiangxi Taotaogu E-commerce Company Limited (江西淘淘谷电子商务有限公司)

LING Chen

6. Jiangxi Kelaihui Information Technology Company Limited (江西客來惠信息技术有限公司)

YI Yongqing

DIRECTORS REPORT

Directors Interest in Shares/CDIs/Options

As at the date of report, the directors have the following interests in fully-paid shares/CDI in FTC.

XIONG Qiang	213,699,434
Ling Fang	10,000,000
RYAN, Christopher John	7,581,000

There are no partly-paid shares at the date of report.

Principal Activities

FTC's own IP T-Linx™ is a SaaS platform (Software as a Service).

In delivering various payment scenarios under the trend of digital transformation, T-Linx™ SaaS serves banks, merchants, and consumers by connecting various information systems, software and hardware, in the form of cloud services in a compliant, safe, credible and user-friendly manner.

Three major interconnected services of T-Linx™ SaaS platform

1. SaaS cloud service

- (i) Payment SaaS infrastructure (IaaS, Infrastructure as a Service)
 - Services for Banks: Integrated payment with multiple payment channels; integrated merchant submission; reconciliation processing; risk control; branch management; and unified settlement report.
 - Services for Merchants: Integrated payment; integrated payment QR code; payment collection plugin; payment collection APP; payment APIs; etc.
- (ii) Payment Digital Transformation SaaS service (merchant solutions/industry applications)
 - Provides leading operations systems/software to various merchants/ industries.
 - Smart merchant solutions/industry applications for over 40 different industries: Food and Beverage; Retail; Carpark; Hospital; Scenic Spot; Property Management; Bill Payments; and CRM.

2. SaaS for rights/interests/points/marketing/promotion

- A one-stop SaaS for marketing management to increase potential cross-selling opportunities for both banks, merchants and other partners.

3. SaaS for hardware IoT

- Based on T-Linx™ SaaS infrastructure, merchant solutions/industry applications SaaS service drives the connection and upgrade of hardware.

DIRECTORS REPORT

Financial Review

	Year ended 31 March 2025 RMB'000	Year ended 31 March 2024 RMB'000	% Change
Revenue	55,870	45,088	23.9%
Loss from ordinary activities after income tax expense for the year	(6,511)	(5,130)	26.9%
Net loss attributable to members	(6,217)	(4,720)	26.9%

Given market competition and a complex economic environment, FTC has always actively faced challenges and made timely adjustments. FTC has launched a series of products that are suitable for reducing costs and increasing efficiency for banks in the new environment, and have launched innovative and competitive products. In response to the fine grid development of banks, we have launched the "Community Charging Pile Scene Payment Solution" and "Enterprise and Campus Canteen Scene Payment Solution" to help banks create traffic entry and ecological scene closed-loop payments. Using AI facial recognition intelligent payment applications and IoT payment applications for new energy charging in canteens, FTC has been actively piloted and serviced provider innovative applications shortlisted by dozens of banks. Therefore, revenue from SaaS for cloud services and research and development expenses increased 46.4% to RMB34.4m and 11.0% to RMB5.5m respectively compared to corresponding to FY2024.

Despite FTC achievements, we still face many challenges and difficulties in a harsh economic environment. The 2024 China Economic Work Conference referenced the primary task of economic work in 2025 is to vigorously boost consumption, improve investment efficiency, and expand domestic demand in all directions. Global and China is facing weak economic environment. It leads FTC facing long accounts receivable collection periods for both bank and merchant customers. Trade and other receivable and Borrowings have increased to RMB20.8m and RMB32.5m respectively compared to corresponding last year ended. Extended trade receivable terms leads to net liabilities increased from RMB12.0m to RMB18.5m compared to FY2024.

FTC will continue to strengthen the implementation of regional marketing rights in local living scene commercial districts. In a competitive market, by creating a regional grid payment market and a competitive and reputable entrance to the local living commercial district. FTC will launch a closed-loop payment strategies for users' local living areas in future, formulate a scientific and reasonable grid market development plan and collaborate with local banks to expand market channels.

Loss Per Share

The Company generated basis loss per share of RMB0.0096 for the year ended 31 March 2025 (2024: basis and diluted RMB0.0073 and RMB0.0073).

No diluted loss per share for the year ended 31 March 2025 were presented as there were no potential ordinary shares in issue.

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DIRECTORS REPORT

Net Current Assets and Net Liabilities

The Group held net current liabilities of RMB19.7 million as at 31 March 2025 (2024: RMB12.9 million).

Net liabilities amounted to RMB18.5 million as at 31 March 2025 (2024: RMB12.0 million)

Net liabilities per share were RMB2.8 cents at 31 March 2025 (2024: RMB1.9 cents per share).

Dividends

No dividends have been paid nor any dividends proposed to be paid during the financial year.

Share Repurchase

No shares were repurchased during the financial year.

Financial Statements

FTC's financial result for the year ended 31 March 2025 and the state of the FTC's affairs as at that date are set out in Note 37 to the consolidated financial statements.

Reserves

Movements in capital and reserves of FTC during the year are set out in Note 37 to the consolidated financial statements.

Transfer to Reserves

The group's transfers to reserves is set out in Note 37 to the consolidated financial statements.

Plant and Equipment

Details of the movements in plant and equipment during the year are set out in Note 15 to the consolidated financial statements.

DIRECTORS REPORT

Share Capital

Details of the movements in share capital of FTC during the year are set out in Note 28 to the consolidated financial statements.

Associates and Joint Venture Entities

As at 31 March 2025, FTC held investments in three associates:

1. 32.5% of 深圳市智慧付信息技术有限公司 (English translated name: Shenzhen Intelligent Preferential Pay Co., Limited, or “IPP”)
2. 47.5% of 深圳市大售后信息技术有限公司 (English translated name: Shenzhen Dashouhou Information Technology Co., Ltd)
3. 40.0% of TTG Fintech Services Limited

Controlled Entities Acquired or Disposed Of

FTC did not acquire nor disposed any controlled entities during the financial year.

Capital Commitments

The Group's capital commitments as at 31 March 2025 are set out in Note 30 to the consolidated financial statements.

Foreign Exchange Exposure

The Group is exposed to currency risk primarily through cash and bank balances that are denominated in a foreign currency, i.e. a currency other than functional currency of the operations to which the transactions relate. The currencies giving rise to this risk are primarily Hong Kong dollars, United States Dollars (“USD”) and Australia Dollars (“AUD”).

The Group's revenue is denominated and settled in RMB. The Group incurred most of its operational expenses and capital outlays in RMB. The directors consider its exposure to foreign currency exchange risk arising from its operating activities as insignificant as the majority of the Group's operating activities are denominated in functional currency of the respective group entities.

DIRECTORS REPORT

Share Options Under Share Option Scheme

No existing share options issued under share option scheme.

Convertible Bonds and Other Share Options

No convertible bonds and other share options were issued nor matured after 31 March 2025 and up to the date of this report.

Management contracts

No contracts concerning the management and administration of the whole or any substantial part of the business of FTC were entered into or existed during the year.

Directors' material interests in transactions, arrangements and contracts that are significant in relation to FTC's business

Except for the directors' interests as disclosed in the Note 34 to the consolidated financial statements, no transactions, arrangements or contracts of significance in relation to the Group's business to which FTC or any of its holding companies, subsidiaries, or fellow subsidiaries was a party and in which a director of FTC had a material interest, whether directly or indirectly, existed at the end of the reporting period or at any time during the year.

Employee, Remuneration Policies and Share Option Scheme

At 31 March 2025, the Group had 116 full-time employees (31 March 2024: 119). The salaries of the Group's employees were determined by reference to personal performance, professional qualifications, industry experience and relevant market trends. FTC ensures all levels of employees are paid competitively within market parameters and employees are rewarded on a performance-related bases within the framework of the Group's salary, incentives and bonus schemes. Management reviews the remuneration policy of the Group on a regular basis and evaluates the work performance of the employees. The remuneration of employees includes salaries, allowances, and social insurance.

DIRECTORS REPORT

Permitted Indemnity Provision

At no time during the financial year and up to the date of this directors report, was or is, any permitted indemnity provision in force for the benefit of any of the directors of FTC (whether made by FTC) or otherwise or an associated company (if made by FTC).

Material Uncertainty Related To Going Concern

The auditor of FTC has included in the audit opinion with a section of material uncertainty related to going concern as below:

We draw attention to Note 3.1 to the consolidated financial statements, which indicates that the Group incurred a net loss attributable to the owners of the Company of RMB6,216,623 for the year ended 31 March 2025 and, as of that date, the Group's current liabilities exceeded its current assets by RMB19,682,146 and the Group had net liabilities of RMB18,518,033. As at the same date, the Group's borrowings due within one year amounted to RMB32,529,808, while its cash and cash equivalents amounted to RMB12,763,026 only. These conditions, along with other matters as set forth in Note 3.1 to the consolidated financial statements, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern.

In order to strengthen the Group's capital base and liquidity in the foreseeable future, the Group has taken the following measures:

- Adopting a concentrated marketing program. The management have been implementing various strategies to broaden the customer base and revenue of the Group;
- Refining debtor collection terms and conditions; and

Market and Business Overview

FTC's own IP T-Linx™ is a SaaS platform serving payment systems under the umbrella of digital transformation. T-Linx™ SaaS serves banks, merchants, and consumers by connecting various information systems, software and hardware, in the form of cloud services in a compliant, safe, credible and user-friendly manner. Furthermore, in the payment business sector, T-Linx™ SaaS platform is serves and partners with banking institutions instead of competing directly.

FTC's "Enterprise Funds Link" solution using an enterprise's bank account, the solution includes streamlining of an enterprise's internal employee salary payments, daily expense process management and enterprise upstream & downstream business settlement lines. Enterprise Funds Link provides a whole collection and payment solution to enterprise through bank-enterprise payment interfaces. It simplifies usual cumbersome and repetitive transactional operations for enterprises' financial personnel.

DIRECTORS REPORT

Market and Business Overview (Cont'd)

There are eight unique corporate collection and payment service functions for financial account management including

- 1、Collection & payment process submission/reporting management
- 2、Bank-enterprise direct docking
- 3、Management of multiple sets of accounts for branch companies
- 4、Supports docking with financial ERP system
- 5、Automatic daily accounting report management
- 6、Automatic revenue audit and payment recognition
- 7、Payment anti-duplication mechanism
- 8、Smart and batch payments



“Enterprise Funds Link” solution platform

Three major interconnected services of T-Linx™ SaaS platform

1. SaaS cloud service
2. SaaS for rights/interests/points/marketing/promotion
3. SaaS for hardware IoT (Internet of Things)

The T-Linx™ SaaS platform connects and serves four main types of platform partners (banks, merchants, consumers and other platform partners) creating upselling and cross-selling opportunities within the entire payment ecosystem.

DIRECTORS REPORT

Market and Business Overview (Cont'd)

Platform partners	Benefits
Banks	Increase in bank deposits, Integrated acquiring management, Real-time settlement services, Credit card services, Loans, Wealth management, Risk control, Bank account holder rights services, Customer services
Merchants	Integrated payment services, Real-time bill management, Wealth management, Loans, Membership marketing management, Reconciliation processing, Risk control & compliance
Consumers	Receiving accurate information, Selection of multiple payment methods, Access to consumer financial services, Accumulation of points by consumption, Receiving new discounts, Payment by points
Other partners	Various software, hardware, products and services required by banks, merchants, and consumers can be promoted, resulting in the benefits of platform participants. The various services of T-Linx™ SaaS platform can be promoted through the bank's private cloud, compliant and safe public cloud, and well-known cloud service companies. Moreover, by combining with hardware upgrades and digital upgrades in various merchant solutions (industry applications), each hardware can participate in seamless docking and communication, and hence forming IoT payment scenarios and services.

With the continuous advancement of urbanization, the grid development strategy of community scene construction has become an important tool for banks to enhance regional and business district business development. In this context, the Company has joined hands with cooperative banks to adapt to the development needs of intelligent services in community properties, integrate financial services into the community life of residents, and promote the construction of application scenarios for two-wheeled electric vehicle charging piles in community properties, aiming to improve the efficiency of acquiring orders in business districts, achieve comprehensive efficiency after business lines enter the community, and establish a grid financial service position.

Aiming at the characteristics of small-amount and high-frequency electric vehicles and community-exclusive resources of community residents, we seize the marketing entry resources, provide convenient, safe and efficient payment services, and continuously improve customer experience, realize the linkage of business lines, including card opening, deposits, renovation loans, mortgage loans, mobile banking promotion and activation marketing activities, and other full business drives, truly achieving the strategic implementation of rural commercial bank services into thousands of households.



DIRECTORS REPORT

Market and Business Overview (Cont'd)

The promotion of financial services and financial products is integrated into people's lives, and financial product services are designed in people's life consumption scenarios inside and outside the community. Financial services are fully implemented into thousands of households, and banking services are available at people's doorsteps.

With the increasing demand for intelligent logistics services in enterprises, smart canteens are reshaping traditional catering service models through technological innovation. By integrating technologies such as the Internet of Things, big data, and artificial intelligence, smart canteens not only optimize traditional catering processes, but also build a full-chain service system covering "procurement, meal preparation, dining, and health management" to provide corporate employees with efficient, safe, and personalized dining experiences.

One of the core advantages of smart canteens is the precise control of food procurement and safety. With the help of intelligent systems, canteens can realize functions such as automatic review of supplier qualifications, food quality traceability, and dynamic inventory monitoring. It can record the entire process of food from the place of origin to the table to ensure the transparency of the source of food; through the detection of pesticide residues at the time of storage, avoid the storage of food with too high pesticide residue content, and upload the detection data to the system in real time to prevent food poisoning accidents and ensure the safety of users' meals. Smart canteen achieves precise meal preparation/purchase, decrease the waste, strengthen the interaction between students and canteens, and improve students' dining experience and canteen service level in the application of smart canteens for government and enterprises. At the same time, T-linx™ has powerful intelligent cloud platform functions, including canteen management such as procurement, cost, inventory, marketing activities, big data analysis, and personnel authority, to meet the smart upgrade needs of canteens of different types and sizes.



AI Agent ingredient collection and sorting scale

DIRECTORS REPORT

Market and Business Overview (Cont'd)

The person in charge of receiving goods scans his face to enter the system before he has the right to use the sorting scale. The scale can automatically identify the food, weight, take photos for record the quality, tracing the source of the bills, and upload the data to the background in real time. The data recording and transmission function provides detailed data support for canteen management, which helps to optimize procurement plans, adjust the dish structure, etc.

The smart canteen installed high-definition cameras in the food warehouses, food processing rooms, and open stalls of the canteens. Through real-time network transmission and convergence, and AI intelligent analysis technology, the canteens of municipal schools can be patrolled and the food processing process can be reviewed. At the same time, automatic identification and intelligent analysis are carried out for food processing operations and environmental sanitation conditions, and early warning information is generated and statistically recorded for irregular operations such as staff not wearing masks and hats, answering and making phone calls, garbage cans not covered, and rat infestations. The visual integrated school canteen AI intelligent platform ensures the control of every detail of food processing, improves the real-time supervision efficiency and provides a safe and secured dining environment.



The canteen fund compliance supervision platform is a digital platform for fund security monitoring and process optimization, aiming to achieve full-process compliance management of funds through technical means, while promoting home-school cooperation and ensuring the quality of student dining.

DIRECTORS REPORT

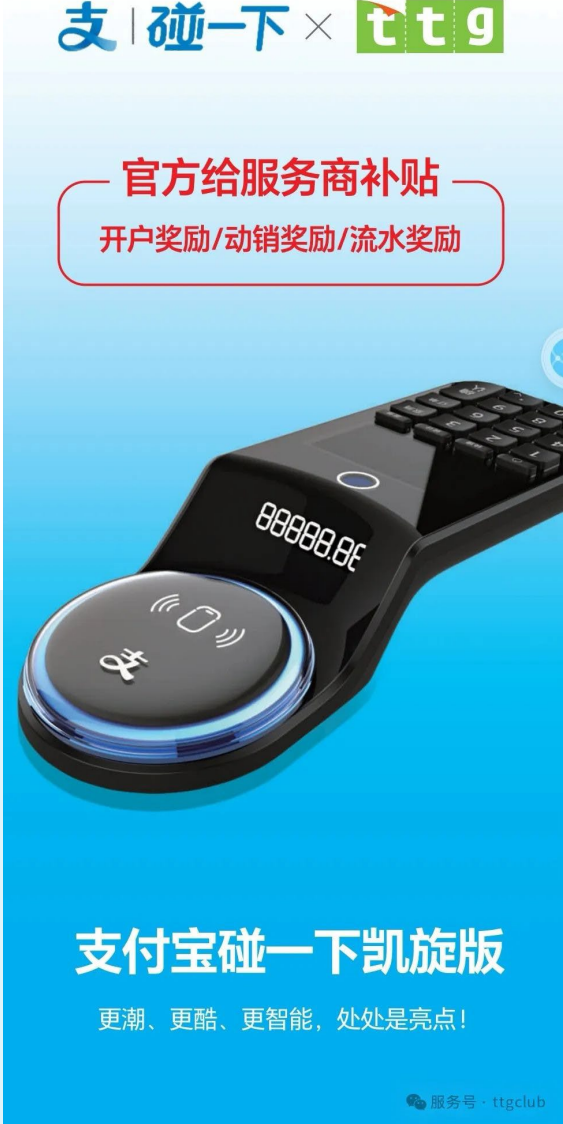
Market and Business Overview (Cont'd)

Tap and Pay differs from the existing “scan and pay” barcode payment method on a technical level. While “scan and pay” relies mainly on the phone’s display and camera to complete the payment operation, “Alipay tap and pay” utilizes the phone’s built-in near-field communication technology (NFC). After the user interacts with the merchant’s device through these sensors, the payment process is completed on the network side. Alipay emphasizes that the two payment methods are equivalent in terms of security.

Alipay’s “tap and pay” device comes in two models: handheld and desktop, which can be used in different store types; the device does not require Wi-Fi, has its own 4G network, and can automatically connect to the cashier system.

Since Alipay launched the “touch and pay” function, it has quickly gained wide attention. Its payment mode, which does not require asking, searching, or interruption, has realized the convenient experience of paying with one touch. Recently, the “touch and pay” function has been fully upgraded, and the heavy release of the triumphant version has once again pushed the consumer experience to a new height. The “touch and pay” technology has helped more banks and merchants upgrade their payments. Taotao Valley has assisted cooperative banks in fully supporting the payment channels of the Interbank Payment System, and the consumer payment experience has been upgraded again.

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DIRECTORS REPORT

Outlook

Despite our achievements, FTC still faces many challenges and difficulties. The rapid development of technology and the adjustment of domestic economic framework have brought pressure on our industry. In this situation, we need to be more sensitive to the pulse of the market, adjust and optimize our business strategies in a timely manner, and respond to various changes and challenges in order to meet the development needs of the market, we will focus on the following aspects.

FTC will further invest in product innovation, research and development in response to China's newest developments in policy orientation. Through market competition in the previous year, it was found that only products that continuously innovate in line with new environments, trends, and policy orientations can meet the needs of banks. We will increase the launch of new products under the new policies, improve product research and design processes, shorten product launch time, and quickly seize policy opportunities. FTC collaborated with banks and the local government to promote economic recovery in response to downturn in the real estate market. FTC is providing product design and research and development for the application of the third-generation social security card in scenario payments nationwide.

FTC will strengthen the construction of regional marketing rights in local living scene commercial districts. In a competitive market, only by creating a regional grid payment market and a competitive and reputable entrance to the local living commercial district can we occupy a place in the minds of regional consumers. FTC will launch a closed-loop payment strategy for users' local living areas in 2025, formulate a scientific and reasonable grid market development plan, collaborate with local banks to expand market channels, and conduct pilot projects.

FTC will also strengthen the construction and development of our talent manpower pool. Talent is the core competitiveness of enterprise development and an important guarantee of our company's continuous innovation and progress. FTC will further improve the talent selection and utilization mechanism, focus on cultivating and motivating outstanding talents, break down innovation barriers, and stimulate employees' innovation potential and enthusiasm. At the same time, FTC will strengthen the comprehensive quality training of employees, enhance their professional skills and teamwork abilities, and provide solid talent support for the development of the company.

The road ahead is full of challenges and opportunities. In the coming years, FTC will devote ourselves wholeheartedly to the payment industry with more enthusiasm and fighting spirit. FTC believes the Company can overcome difficulties and able to embrace greater development and success. Let's join hands and work together to strive for the future development of FTC!

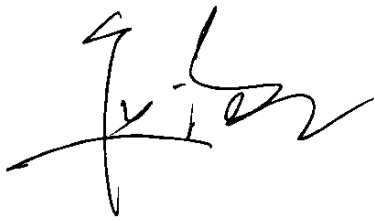
DIRECTORS REPORT

Auditor

Asian Alliance (HK) CPA Limited acted as auditor of FTC and audited the Group's consolidated financial statements for the financial year ended 31 March 2025.

Asian Alliance (HK) CPA Limited retires and, being eligible, offer themselves for re-appointment. A resolution for the re-appointment of Asian Alliance (HK) CPA Limited as auditor of FTC is to be proposed at the forthcoming annual general meeting.

This report is made in accordance with a resolution of directors.



Mr Qiang XIONG
President
FinTech Chain Limited

Shenzhen, 30 June 2025



Mr Chris RYAN
Independent Chairman
FinTech Chain Limited

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STATEMENT BY DIRECTORS

In accordance with a resolution of the Directors of FinTech Chain Limited (the “Company”), we state that:

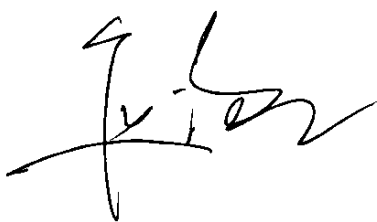
1. In the opinion of the Directors:

- a. The consolidated statement of financial position is drawn up so as to give a true and fair view of the state of affairs of the Company and its subsidiaries (the “Group”) as at 31 March 2025; and
- b. At the date of this statement there are reasonable grounds to believe that the Group and the Company will be able to pay its debts as and when they fall due.

2. In the opinion of the Directors, the consolidated financial statements give a true and fair view of:

- a. The loss and cash flows of the Group for the year ended 31 March 2025; and
- b. The state of affairs of the Group at 31 March 2025.

On behalf of the Board



Mr Qiang XIONG
President
FinTech Chain Limited



Mr Chris RYAN
Independent Chairman
FinTech Chain Limited

Shenzhen, 30 June 2025

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CORPORATE GOVERNANCE

The Board has adopted the fourth edition of the ASX Corporate Governance Principles and Recommendations and has evaluated the Company's current corporate governance policies and practices in light of the ASX Corporate Governance Principles and Recommendations.

This statement sets out the Company's current compliance with the fourth edition of the ASX Corporate Governance Principles and Recommendations (Principles or Recommendations).

The Board is responsible for ensuring the existence of an effective corporate governance environment to safeguard the interests of the Company, its shareholders and other stakeholders. The Board considers that the Company generally complies with the Principles and, where the Company does not comply, this is primarily due to the current relative size of the Company and scale of its current operations. Comments on compliance and departures are set out below.

Principles/recommendations	Does FTC comply?	Particulars of compliance & if not why not
PRINCIPLE 1 – LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT		
Recommendation 1.1 A listed entity should disclose: (a) the respective roles and responsibilities of its board and management; and (b) those matters expressly reserved to the board and those delegated to management.	Complies	The Board's responsibilities are contained in the Company's Board Charter. A copy of the Board Charter is available on the Company's website at www.ttg.hk The functions of the Board and Chairman are specifically set out in the Board Charter. All senior executives are currently on the Board.
Recommendation 1.2 A listed entity should: (a) undertake appropriate checks before appointing a person, or putting forward to security holders a candidate for election, as a director; and (b) provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director.	Complies	The Board will undertake the role of the Nomination and Remuneration Committee relating to the appointment and election of director. The Board regularly reviews its composition and succession plans. It established the skills matrix to guide its assessment of the skills and experience of the current directors and any candidates for the new member of the Board. The Nomination and Remuneration Committee's responsibilities in relation to director appointments are contained in the Nomination and Remuneration Committee Charter. Before appointing a director, the Company undertakes appropriate checks including bankruptcy checks and police checks whenever a new director is appointed or putting forward to security holders as a candidate for election as a director. All material information in relation to whether to elect or re-elect a Director is contained in the Company's notice of annual general meeting and explanatory statement.
Recommendation 1.3 A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.	Complies	The terms and conditions of the appointment of each Director are contained in the letter of appointments and the responsibilities of the Directors are set out in the section 'Board's role and responsibilities' under the Corporate Governance Plan which is available as at: http://www.ttg.hk/en_us/contact_us/investor_relation

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Recommendation 1.4 The company secretary of a listed entity should be accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board.	Complies	The Chairman agrees the agenda of the Board meetings in consultation with the Company Secretary to enable effective decision making and discussion on strategic, operational and compliance issues. The Company Secretary is accountable directly to the Board, through the Chairman, on all matters to do with proper functioning of the Board.
Recommendation 1.5 A listed entity should: (a) have and disclose a diversity policy; (b) through its board or a committee of the board set measurable objectives for achieving gender diversity in the composition of its board, senior executives and workforce generally; and (c) disclose in relation to each reporting period: (1) the measurable objectives set for that period to achieve gender diversity; (2) the entity's progress towards achieving those objectives; and (3) either: (A) the respective proportions of men and women on the board, in senior executive positions and across the whole workforce (including how the entity has defined "senior executive" for these purposes); or (B) if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in and published under that Act. If the entity was in the S&P / ASX 300 Index at the commencement of the reporting period, the measurable objective for achieving gender diversity in the composition of its board should be to have not less than 30% of its directors of each gender within a specified period.	Does not comply	The Board considers that the Company is not currently of a size with a diversity policy. This position will be continuously reviewed at the appropriate stages of the Company's development. Whilst the Company does not have a diversity policy in place, it will be unable to provide measurable objectives for achieving gender diversity set by the board in accordance with the diversity policy and progress towards achieving them. This disclosure will be provided in the Company's annual report once a diversity policy is adopted. As at 31 March 2025, FTC had 8 female employees representing 10% of the total employees and 3 female employees held senior executive positions.

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Recommendation 1.6 A listed entity should: (a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and (b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.	Complies	The Chairman initiates the process of Board, committee and Director performance appraisal. The Board is responsible for the evaluation of its performance and the performance of individual Directors. This internal review is to be conducted on an annual basis and if deemed necessary this internal review will be facilitated by an independent third party The Chairman holds discussion with individual Directors when evaluating their performance. This performance evaluation took place in FY24. The Board takes this evaluation into consideration when recommending Directors for election.
Recommendation 1.7 A listed entity should: (a) have and disclose a process for periodically evaluating the performance of its senior executives; and (b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process. The company secretary of a listed entity should be accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board.	Complies	The Nomination and Remuneration Committees is responsible for reviewing the performance targets for senior management and where appropriate, making recommendations to the Board for approval. At the moment the full board assume the function of the Nomination and Remuneration Committee which means the Board is responsible for the evaluation the performance of individual Directors and other senior executives. This internal review is conducted on an annual basis and if deemed necessary this internal review is facilitated by an independent third party. In accordance with the process disclosed above, the Company conducted the annual performance reviews for its senior executives during the year.

CORPORATE GOVERNANCE

PRINCIPLE 2 – STRUCTURE THE BOARD TO ADD VALUE

Recommendation 2.1 The board of a listed entity should: (a) have a nomination committee which: (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director, and disclose: (3) the charter of the committee; (4) the members of the committee; and (5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.	Partly complies	The Board has established a Nomination and Remuneration Committee. The function of the Nomination and Remuneration Committee is contained in the Nomination and Remuneration Committee Charter which is contained in the Corporate Governance Plan on the Company's website at http://www.ttg.hk/en_us/contact_us/investor_relation The Nomination and Remuneration Committee consists of the entire Board which has the current member of three, namely, Mr Christopher Ryan, non-executive Director, Mr Qiang Xiong, executive Director and Ms Gao Qiuju, executive Director, of which only one member is independent Directors. The Committee is chaired by Mr Chris Ryan, an independent non-executive Director. The Company will review the composition of the Committee on a regular basis and ensure the majority of the members are independent directors during the development of the Company. Details of the committee meeting during the year are contained on page 35 of the annual report.
Recommendation 2.2 A listed entity should have and disclose a board skills matrix setting out the mix of skills and diversity that the board currently has or is looking to achieve in its membership.	Complies	The Board maintains a board skill matrix of the current Directors of the Board. The Company's Board Skills Matrix is contained on page 5 of the annual report.

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Recommendation 2.3 A listed entity should disclose: (1) the names of the directors considered by the board to be independent directors; (2) if a director has an interest, position, association or relationship of the type described in Box 2.3 but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position, association or relationship in question and an explanation of why the board is of that opinion; and (3) the length of service of each director.	Complies	Currently the Board consists of four members, of which Mr Christopher Ryan is independent non-executive Directors. The Board regularly assessed, using the criteria set out in the ASX Corporate Governance Principle and Recommendations, the independence of the Directors in light of their interests, position or relationship disclosed. The appointment and rotation of Directors is governed by the Constitution of the Company and the terms and conditions of each director are contained in the letter of appointment. The nomination and remuneration committee are responsible in monitoring the length of service of current Board members, considering succession planning issues and identifying the likely order of retirement by rotation of Directors. Mr Qiang Xiong, Ms. Gao Qiuju and Mr Christopher Ryan served FTC for 15, 15 and 13 years respectively.
Recommendation 2.4 A majority of the board of a listed entity should be independent directors.	Does not comply	The full Board determines the size and composition of the Board, subject to the limits imposed by the Company's Memorandum and Articles of Association. The Board considers that the Company is not currently of a size nor are its affairs of such complexity to justify the expense of the appointment of a majority of independent non-executive Directors. The Company has structured its Board with a focus on a combination of skill and experience consistent with its operations and size. The Board believes that this is both appropriate and acceptable at this stage for the Company's development. The Board is of the opinion that each Director on the Board holds sufficient experience to make quality independent judgement and decision in their role as Director in the best interests of the Company on all relevant issues.

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Recommendation 2.5 The chair of the board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity.	Does not comply	The Chairman, Mr Qiang XIONG is an executive Director and is not considered independent under the ASX guidelines. The Board believes that having an executive Chairman is good for the business development and decision making in China and the Company has adequate procedures to ensure the independence of the Chairman's decisions. Given the experience of Mr Qiang XIONG and the size and operations of the Company, Mr Qiang Xiong currently occupies the role of both Chief Executive Officer and Chairman. The appointment of Mr Qiang XIONG to both positions will be continuously reviewed at the appropriate stages of the Company's development.
Recommendation 2.6 A listed entity should have a program for inducting new directors and provide appropriate professional development opportunities for directors to develop and maintain the skills and knowledge needed to perform their role as directors effectively.	Complies	The nomination and remuneration committee is responsible to design induction and ongoing training and education programs for the Board to ensure that directors are provided with adequate information regarding the operations of the business, the industry and their legal responsibilities and duties.

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PRINCIPLE 3 – ACT ETHICALLY AND RESPONSIBLY

Recommendation 3.1 A listed entity should: (a) have a code of conduct for its directors, senior executives and employees; and (b) disclose that code or a summary of it.	Complies	The Company's values are included in its Code of Conduct which is available on the Company's website.
Recommendation 3.2 A listed entity should: (a) have and disclose a code of conduct for its directors, senior executives and employees; and (b) ensure that the board or a committee of the board is informed of any material breaches of that code.	Complies	All directors, senior executives, employees and consultants are expected to act with the utmost integrity and objectivity and to enhance the reputation and performance of the Company. A code of conduct has been established requiring directors and employees to act honestly and in good faith, exercise due care and diligence in fulfilling the functions of office, avoid conflicts and make full disclosure of any possible conflict of interest, comply with the law, encourage the reporting and investigating of unlawful and unethical behavior and comply with the securities trading policy. The Code of Conduct is available at http://www.ttg.hk/en_us/contact_us/investor_relation
Recommendation 3.3 A listed entity should: (a) have and disclose a whistleblower policy; and (b) ensure that the board or a committee of the board is informed of any material incidents reported under that policy.	Complied	The Company's whistleblower policy is available on the Company's website. The Audit and Risk Management Committee will receive reports from management for any material incidents and oversee related investigation.
Recommendation 3.4 A listed entity should: (a) have and disclose an anti-bribery and corruption policy; and (b) ensure that the board or a committee of the board is informed of any material breaches of that policy.	Complied	The Company's Anti-Bribery, and Corruption policy is available on the Company's website. The Audit and Risk Management Committee will receive reports from management for any material incidents and oversee related investigation.

CORPORATE GOVERNANCE

Principle 4 – SAFEGUARD INTEGRITY IN CORPORATE REPORTING

Recommendation 4.1 The board of a listed entity should: (a) have an audit committee which: (1) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and (2) is chaired by an independent director, who is not the chair of the board, and disclose: (3) the charter of the committee; (4) the relevant qualifications and experience of the members of the committee; and (5) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.	Partially complies	The Board has established an Audit and Risk Management Committee The function of the Audit and Risk Management Committee is contained in the Audit and Risk Management Committee Charter which assists with ensuring the integrity and reliability of information prepared for use by the Board and the integrity of the Company's internal controls affecting the preparation and provision of that information in determining policies or inclusion in the financial report. The Company's Audit and Risk Management Committee Charter is contained in the Corporate Governance Plan which is available at: http://www.ttg.hk/en_us/contact_us/investor_relation The Audit and Risk Management Committee currently consists of one member. Mr Chris Ryan is Independent non- Executive Director. The Committee is chaired by the independent Director, Mr Chris Ryan of the Company. The Board considers the current mix of the Committee and the fact that it is chaired by the Mr Chris Ryan who is not chair of the Board is appropriate for the Company given the current size of the Company and the Board, the role of the committee and the skillset of the relevant Directors that sit on the Committee. Details of the relevant qualifications and experience of the members of the committee is contained on pages 4 of the annual report. Details of the committee meeting during the year are contained on page 35 of the annual report.
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Recommendation 4.2 The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.	Complies	Prior to the recommendation to the Board to approve the financial statements, the Audit and Risk Management Committee reviewed the draft financial statements for the year ended 31 March 2024 and considered that the consolidated statements of the financial position gives a true and fair view of the state of affairs of the Company and its subsidiaries as at 31 March 2024 and there are reasonable grounds to believe that the Group and the Company will be able to pay its debts when they fall due as a going concern. During the financial year, the Board requires the Chief Executive Officer and Chief Financial Officer to provide such statement on at least an annual basis. The Board confirmed that it has received these statements from the Chief Executive Officer and Chief Financial Officer
Recommendation 4.3 A listed entity should disclose its process to verify the integrity of any periodic corporate report it releases to the market that is not audited or reviewed by an external auditor	Complies	The Audit and Risk Management Committee is responsible for reporting to the Board on the Company's process to verify the integrity of any periodic corporate report the Company releases to the market that is not audited or reviewed by an external auditor.

PRINCIPLE 5 – MAKE TIMELY AND BALANCED DISCLOSURE

Recommendation 5.1 A listed entity should have and disclose a written policy for complying with its continuous disclosure obligations under the Listing Rules; and	Complies	The Company has established a Continuous Disclosure Policy and Communications Strategy and the Board recognises its duty to ensure that its shareholders and the market are informed of all major developments affecting the Company's state of affairs. The policy is available at : http://www.ttg.hk/en_us/contact_us/investor_relation
Recommendation 5.2 A listed entity should ensure that its board receives copies of all material market announcements promptly after they have been made.	Complies	Under the current process, the Board will receive copies of material announcements promptly after they have been made and properly approved.
Recommendation 5.3 A listed entity that gives a new and substantive investor or analyst presentation should release a copy of the presentation materials on the ASX Market Announcements Platform ahead of the presentation.	Complied	Under the Continuous Disclosure Policy and Communications Strategy, the Company will release to ASX and post on the Company's website before a new or substantive presentation to investor or analysts.

CORPORATE GOVERNANCE

PRINCIPLE 6 – RESPECT THE RIGHTS OF SECURITY HOLDERS

Recommendation 6.1 A listed entity should provide information about itself and its governance to investors via its website.	Complies	The Board recognises its duty to ensure that its shareholders and the market are informed of all major developments affecting the Company's state of affairs. The Company has established on its website where shareholders can find information such as financial statements and major development of the Company as well as all relevant corporate governance material. The relevant page shareholders can access those information is at: http://www.ttg.hk/en_us/contact_us/investor_relation
Recommendation 6.2 A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors.	Complies	Shareholders are encouraged to fully participate at the Annual General Meeting or other General Meeting of the Company to ensure effective two way communication. Shareholders are also able to direct any questions relating to Company's securities to the share registry, Computershare Investor Services Pty Limited.
Recommendation 6.3 A listed entity should disclose the policies and processes it has in place to facilitate and encourage participation at meetings of security holders.	Complies	The communication strategy is contained in the Continuous Disclosure Policy and Communication Strategy and is designed to ensure that shareholders are informed of all relevant developments. Details of the information can be found on the Company's website under the corporate governance landing page: http://www.ttg.hk/en_us/contact_us/investor_relation The Company encourages full participation of shareholders at any General Meeting or the Annual General Meeting. The notice of such meetings will be given in accordance with the Company's Constitution, The HK Companies Ordinances and the ASX Listing Rules. The security holders can attend the meetings in person, appoint a proxy or representative to vote on their behalf at any of the shareholder meetings The Chairman encourages shareholders to ask reasonable questions at any General Meeting or the Annual General Meeting of the Company. The Board makes itself available to all shareholders both before and after the Meetings.
Recommendation 6.4 A listed entity should ensure that all substantive resolutions at a meeting of security holders are decided by a poll rather than by a show of hands.	Complies	The notice of the meetings will be drafted and reviewed by the Company's legal counsel. Any substantial resolutions considered under the ASX Listing Rules will be decided by poll. The Company Registry, Computershare will be appointed as the independently third party to manage and conduct the poll process.
Recommendation 6.5 A listed entity should give security holders the option to receive communications from and send communications to the entity and its security registry electronically.	Complies	All shareholders have the right to access details of their holdings, provide email address contacts and make a certain election via the Company's share registry, Computershare Investor Services Pty Limited by accessing the web site www.computershare.com.au. Shareholders have the right of option of receiving all or a selection of communication electronically.

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PRINCIPLE 7 – RECOGNISE AND MANAGE RISKS

Recommendation 7.1 The board of a listed entity should: (a) have a committee or committees to oversee risk, each of which: (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director, and disclose: (3) the charter of the committee; (4) the members of the committee; and (5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework.	Partially Complies	The Board has established an Audit and Risk Management Committee The function of the Audit and Risk Management Committee is contained in the Audit and Risk Management Committee Charter which assists with ensuring the integrity and reliability of information prepared for use by the Board and the integrity of the Company's internal controls affecting the preparation and provision of that information in determining policies or for inclusion in the financial report. The Company's Audit and Risk Management Committee Charter is contained in the Corporate Governance Plan which is available at: http://www.ttg.hk/en_us/contact_us/investor_relation The Audit and Risk Management Committee currently consists one member. Mr Chris Ryan is Independent non- Executive Director. The Committee is chaired by the independent Director, Mr Chris Ryan of the Company. The Board considers the current mix of the Committee and the fact that it is chaired by Mr Chris Ryan is appropriate for the Company given the current size of the Company and the Board, the role of the committee and the skillset of the relevant Directors that sit on the Committee. Details of the relevant qualifications and experience of the members of the committee is contained on page 4 of the annual report. Details of the committee meeting during the year are contained on page 35 of the annual report.
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Recommendation 7.2 The board or a committee of a board should: (a) Review the entity's risk management framework at least annually to satisfy itself that it continues to be sound; and (b) disclose, in relation to each reporting period, whether such a review has taken place.	Complies	The Audit and Risk Management Committee has reviewed the risk management programme which was developed by senior management and was approved by the Board. The Board receives regular reports from management on progress in addressing and managing risks. The Audit and Risk Management Committee will continue the process to review the risk management framework at least annually and will disclose such review accordingly.
Recommendation 7.3 A listed entity should disclose: (a) if it has an internal audit function, how the function is structured and what role it performs; or (b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.	Partially Complies	The Board considers that the Company is not currently of a size to warrant an internal audit function. The Company has established other internal control functions to prevent operational and financial risks as discussed above which are monitored by the Board and Chief Financial Officer. This position will be reviewed at the appropriate stages of the Company's development.
Recommendation 7.4 A listed entity should disclose whether it has any material exposure to economic, environmental and social sustainability risks and, if it does, how it manages or intends to manage those risks.	Complies	The Company does not have any material exposure to economic, environmental and social sustainability risk. The material risks, if any, will be disclosed at the Directors' Report of the Annual Report.

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PRINCIPLE 8 – REMUNERATE FAIRLY AND RESPONSIBLY

Recommendation 8.1 The board of a listed entity should: (a) have a remuneration committee which: (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director, (3) the charter of the committee; (4) the members of the committee; and (5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.	Partially Complies	The Board has established a Nomination and Remuneration Committee. The function of the Nomination and Remuneration Committee is contained in the Nomination and Remuneration Committee Charter contained in the Corporate Governance Plan which can be available at: http://www.ttg.hk/en_us/contact_us/investor_relation The full Board fulfills the function of the Committee with the members of three, namely, Mr Qiang Xiong the executive Director, Mr Gao Qiuju, executive Director and Mr Chris Ryan, non-executive Director. Of these members, one of the committee are independent director. The Committee is chaired by Mr Chris Ryan, an independent non-executive Director. Given the size, scale and nature of the Company's business, the Board does not consider the non-compliance with the ASX principles and recommendations with respect to the majority of members being independent, to be materially detrimental to the Company. Details of the committee meeting throughout the period are contained on page 35 of the annual report.
Recommendation 8.2 A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.	Complies	Under the Nomination and Remuneration Committee Charter, the Nomination and Remuneration Committee is responsible for determining, reviewing and making recommendations to the Board on the total level of remuneration of non-executive Directors and for individual fees for non-executive Directors and the Chair including any additional fees payable for membership of Board Committees, the total remuneration package for the CEO, executive Director, Company Secretary and the Chief Financial Officer.

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Recommendation 8.3 A listed entity which has an equity-based remuneration scheme should: (a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and (b) disclose that policy or a summary of it.	Does Not Comply	The Company has established an equity-based remuneration scheme which provides eligible employees and advisors with an opportunity to acquire an ownership interest or exposure to an ownership interest in the Company. The issue of any securities according to the scheme is governed by the Incentive Plan Rules. Currently the Company don't have a policy on whether participants are permitted to enter into transactions which limit the economic risk of participating in the scheme. However, the nomination and remuneration committee is responsible in monitoring board members and senior executives to ensure no transactions in associated products are entered into which limit the economic risk of participating in unvested entitlements under any equity-based remuneration scheme.
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PRINCIPLE 9 – Additional recommendations that apply only in certain cases

Recommendation 9.1 A listed entity with a director who does not speak the language in which board or security holder meetings are held or key corporate documents are written should disclose the processes it has in place to ensure the director understands and can contribute to the discussions at those meetings and understands and can discharge their obligations in relation to those documents.	Complied	All the Board or security holder meetings are conducted in English where proper translation if necessary will be provided to Directors and all key corporate documents are provided with summary of Chinese translation to ensure the director understands and can contribute to the discussion at those meetings and can discharge their obligations in relation to those documents.
Recommendation 9.2 A listed entity established outside Australia should ensure that meetings of security holders are held at a reasonable place and time.	Complied	The Company encouraged full participation of shareholder meetings and the shareholders meeting will normally be held in a place and time where majority shareholders can be easily accessed. The Company will try to organise the meetings in its place of establishment or in China head office and using the video conference platform so that investors can observe and participate the meetings in different locations.
Recommendation 9.3 A listed entity established outside Australia, and an externally managed listed entity that has an AGM, should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.	Complied	The Company will ensure external auditors to attend its AGM if possible. In 2024 AGM, the Company invited the external auditors on its AGM who was available at the meeting to answer shareholders' questions regarding the financial statements and conduct of the audit.

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Meetings Attendance Record (financial year from 1/4/2024 to 31/3/2025)

	Board	Audit and Risk Management Committee	Nomination and Remuneration Committee
Number of meetings held for the period	9	4	1
<i>Executive Directors:</i>			
XIONG Qiang	9	N/A	1
GAO Qiuju	9	N/A	1
<i>Non-executive Directors:</i>			
RYAN, Christopher John	9	4	1
HONG, Yupeng	8	3	1

Despite the border restriction, different time zone of where committee members resides and their busy schedule during the financial year from 1 April 2024 to 31 March 2025, the Committee members do fulfilled their obligations by separately oversee the audit and risk management functions of the Company and conducted their own review of the key periodic financials information and discussed separately if required.

Independent Auditor's Report

**TO THE MEMBERS OF
FINTECH CHAIN LIMITED**

(incorporated in Hong Kong with limited liability)

OPINION

We have audited the consolidated financial statements of FinTech Chain Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 42 to 120, which comprise the consolidated statement of financial position as at 31 March 2025, and the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information and other explanatory information.

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

BASIS FOR OPINION

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

MATERIAL UNCERTAINTY RELATED TO GOING CONCERN

We draw attention to Note 3.1 to the consolidated financial statements, which indicates that the Group incurred a net loss attributable to the owners of the Company of RMB6,216,623 for the year ended 31 March 2025 and, as of that date, the Group's current liabilities exceeded its current assets by RMB19,682,146 and the Group had net liabilities of RMB18,518,033. As at the same date, the Group's borrowings due within one year amounted to RMB32,529,808, while its cash and cash equivalents amounted to RMB12,763,026 only. These conditions, along with other matters as set forth in Note 3.1 to the consolidated financial statements, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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Independent Auditor's Report - Continued

KEY AUDIT MATTERS

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

The key audit matter	How our audit addressed the key audit matter
<i>Impairment of trade and other receivables</i> As disclosed in Notes 20 and 32(b) to the consolidated financial statements, as at 31 March 2025, the Group's gross trade receivables, other receivables and deposits and amounts due from associates amounted to RMB24,672,372, RMB2,545,754, and RMB2,645,045 respectively, and allowance of credit losses of RMB6,859,473, RMB1,057,563 and RMB2,645,045 respectively, were included in the Group's consolidated statement of financial position. Impairment losses amounted to RMB4,139,700, RMB7,848 and reversal of impairment of RMB128,310 on trade receivables, other receivables and deposits, and amounts due from associates, respectively, were recognised in the Group's consolidated statement of profit or loss and other comprehensive income for the year ended 31 March 2025. The allowance for credit losses of trade receivables represents the management's best estimates at the end of the reporting period of expected credit losses under Hong Kong Financial Reporting Standard 9/International Financial Reporting Standard 9 <i>Financial Instruments'</i> Expected Credit Loss (the "ECL") Model. As disclosed in Note 32(b) to the consolidated financial statements, the ECL in relation to trade and other receivables are assessed individually for the debtors with significant balances and/or collectively using a provision matrix with appropriate groupings.	Our audit procedures in relation to the management's assessment on allowance for credit losses of trade and other receivables included: • understanding key controls on how the management estimated the credit loss allowance for trade and other receivables; • evaluating the competence, capabilities, independence and objectivity of the independent external valuer engaged by the management, and the scope of the valuer's work; • assessing the reasonableness and appropriateness of the methodology of the ECL model, including the model design and calculation and model inputs in compliance with HKFRS/IFRS 9; • testing the integrity of information used by the management to develop the provision matrix, including ageing analysis of trade receivables as at 31 March 2025, on a sample basis, by comparing individual items in the analysis with the relevant sale invoices and other supporting documents; • challenging management's basis and judgement in determining credit loss allowance on trade receivables as at 31 March 2025, including their identification of significant balances and credit-impaired receivables, the reasonableness of the management's grouping of the remaining debtors into different categories in the provision matrix and the basis of estimated loss rates applied in each category in the provision matrix (with reference to historical default rates and forward-looking information);

Independent Auditor's Report - Continued

KEY AUDIT MATTERS - Continued

The key audit matter - Continued	How our audit addressed the key audit matter - Continued
<i>Impairment of trade and other receivables - Continued</i> The management assessed the ECL based on historical observed default rates and adjusted by forward-looking information that is reasonable and supportable available without undue costs or effort. We consider impairment assessment on trade and other receivables as a key audit matter because of its significance to the consolidated financial statements and the significant estimates and judgement involved in determining the ECL allowance on the trade and other receivables.	Our audit procedures in relation to the management's assessment on allowance for credit losses of trade and other receivables included - Continued: • reviewing the reasonableness of the management's estimation of other receivables in the expected timing of collection and the credit quality of individual debtors, including the background of the debtors and their creditworthiness and collection history; • reviewing the repayment history and settlements received subsequent to the reporting period from the debtors; and • evaluating the disclosures regarding the impairment assessment of trade and other receivables in Note 32(b) to the consolidated financial statements.

Independent Auditor's Report - Continued

OTHER INFORMATION

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

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

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

RESPONSIBILITIES OF DIRECTORS AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

Those charged with governance are responsible for overseeing the Group's financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion solely to you, as a body, in accordance with section 405 of the Hong Kong Companies Ordinance, and our agreed terms of engagements, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

Independent Auditor's Report - Continued

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

Independent Auditor's Report - Continued

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

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

Asian Alliance (HK) CPA Limited.

Asian Alliance (HK) CPA Limited
Certified Public Accountants (Practising)
Chung Chi Chiu
Practising Certificate Number: P06610

8/F., Catic Plaza
8 Causeway Road
Causeway Bay
Hong Kong

30 June 2025

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Consolidated Statement of Profit or Loss and Other Comprehensive Income For the year ended 31 March 2025

	Notes	2025 RMB	2024 RMB
Revenue	5	55,870,019	45,087,590
Cost of sales and services rendered		(36,478,274)	(26,882,417)
Gross profit		19,391,745	18,205,173
Other income and gains, net	7	547,013	1,275,563
Selling expenses		(1,246,885)	(1,178,565)
Impairment losses under expected credit loss model, net of reversal	8	(4,034,813)	(4,013,193)
Research and development expenses		(5,545,739)	(4,998,345)
General and administrative expenses		(14,159,887)	(13,227,901)
Gain on change in fair value of embedded derivatives of convertible bonds, net	24	-	486,611
Finance costs	9	(1,462,244)	(1,679,112)
Loss before tax		(6,510,810)	(5,129,769)
Income tax expense	10	-	-
Loss and total comprehensive expense for the year	11	(6,510,810)	(5,129,769)
Loss and total comprehensive expense for the year attributable to:			
Owners of the Company		(6,216,623)	(4,720,133)
Non-controlling interests		(294,187)	(409,636)
		(6,510,810)	(5,129,769)
Loss per share (RMB)	14		
Basic		(0.0096)	(0.0073)
Diluted		N/A	(0.0073)

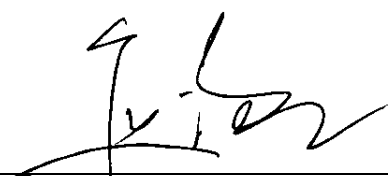
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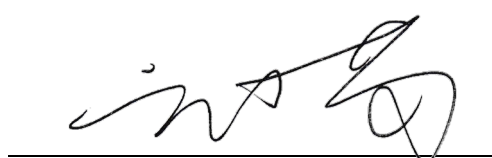
Consolidated Statement of Financial Position

At 31 March 2025

	Notes	2025 RMB	2024 RMB
NON-CURRENT ASSETS			
Plant and equipment	15	644,085	725,697
Intangible assets	16	2,736	21,013
Interests in associates	17	-	-
Right-of-use asset	18	1,847,861	2,391,785
		2,494,682	3,138,495
CURRENT ASSETS			
Inventories	19	404,324	383,976
Trade and other receivables	20	20,787,170	15,661,890
Cash and cash equivalents	21	12,763,026	2,822,904
		33,954,520	18,868,770
CURRENT LIABILITIES			
Trade and other payables	22	17,409,200	12,082,881
Contract liabilities	23	3,175,690	2,629,195
Borrowings	25	32,529,808	15,861,596
Lease liabilities	26	521,968	1,179,193
		53,636,666	31,752,865
NET CURRENT LIABILITIES		(19,682,146)	(12,884,095)
TOTAL ASSETS LESS CURRENT LIABILITIES		(17,187,464)	(9,745,600)
NON-CURRENT LIABILITIES			
Borrowings	25	-	880,000
Lease liabilities	26	1,330,569	1,381,623
		1,330,569	2,261,623
NET LIABILITIES		(18,518,033)	(12,007,223)
CAPITAL AND RESERVES			
Share capital	28	87,189,117	87,189,117
Reserves		(102,555,181)	(96,338,558)
Equity attributable to owners of the Company		(15,366,064)	(9,149,441)
Non-controlling interests	35(b)	(3,151,969)	(2,857,782)
TOTAL DEFICIT		(18,518,033)	(12,007,223)

The consolidated financial statements on pages 42 to 120 were approved and authorised for issue by the Board of Directors on 30 June 2025 and are signed on its behalf by:


XIONG QIANG
 Director


GAO QIUJU
 Director

Consolidated Statement of Changes in Equity

For the year ended 31 March 2025

	Attributable to owners of the Company				Non-controlling interests RMB	Total deficit RMB
	Share capital RMB	Share option reserve RMB	Accumulated losses RMB	Sub-total RMB		
At 1 April 2023	87,189,117	-	(91,618,425)	(4,429,308)	(2,448,146)	(6,877,454)
Loss and total comprehensive expense for the year	-	-	(4,720,133)	(4,720,133)	(409,636)	(5,129,769)
At 31 March 2024	87,189,117	-	(96,338,558)	(9,149,441)	(2,857,782)	(12,007,223)
Loss and total comprehensive expense for the year	-	-	(6,216,623)	(6,216,623)	(294,187)	(6,510,810)
At 31 March 2025	87,189,117	-	(102,555,181)	(15,366,064)	(3,151,969)	(18,518,033)

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Consolidated Statement of Cash Flows

For the year ended 31 March 2025

	2025 RMB	2024 RMB
OPERATING ACTIVITIES		
Loss for the year	(6,510,810)	(5,129,769)
Adjustments for:		
Depreciation on plant and equipment	253,690	337,967
Depreciation on right-of-use asset	1,103,715	1,244,108
Amortisation of intangible assets	18,277	15,760
Gain on termination of lease liabilities	(142,953)	-
Interest income	(7,000)	(26,086)
Loss on written-off of plant and equipment	524	740
Impairment loss recognised on trade receivables, net	4,139,700	2,492,467
Impairment loss recognised on other receivables and deposit, net	7,848	108,099
(Reversal of impairment loss) impairment loss recognised on amounts due from associates, net	(128,310)	1,430,852
Impairment loss recognised (reversal of impairment loss) on amount due from a related company	15,575	(18,225)
Finance costs	1,462,244	1,679,112
Gain on change in fair value of embedded derivatives of convertible bonds, net	-	(486,611)
Foreign exchange loss	7,295	773,249
Operating cash flows before movements in working capital	219,795	2,421,663
(Increase) decrease in inventories	(20,348)	243,620
(Increase) decrease in trade and other receivables	(9,160,093)	9,248,073
Increase in contract liabilities	546,495	1,568,357
Increase (decrease) in trade and other payables	5,319,024	(5,130,091)
NET CASH (USED IN) FROM OPERATING ACTIVITIES	(3,095,127)	8,351,622
INVESTING ACTIVITIES		
Interest received	7,000	26,086
Payments for purchase of plant and equipment	(172,602)	(253,403)
NET CASH USED IN INVESTING ACTIVITIES	(165,602)	(227,317)

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Consolidated Statement of Cash Flows - Continued

For the year ended 31 March 2025

	2025 RMB	2024 RMB
FINANCING ACTIVITIES		
New borrowings raised	29,998,476	62,760,000
Repayment of convertible bonds	-	(1,824,000)
Repayment of borrowings	(15,557,212)	(66,661,303)
Interest element of lease rentals paid	(115,296)	(171,847)
Capital element of lease rentals paid	(1,125,117)	(1,012,572)
NET CASH FROM (USED IN) FINANCING ACTIVITIES	13,200,851	(6,909,722)
NET INCREASE IN CASH AND CASH EQUIVALENTS	9,940,122	1,214,583
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	2,822,904	1,608,321
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR, represented by bank balances and cash	12,763,026	2,822,904

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Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

1. GENERAL INFORMATION

FinTech Chain Limited (the "Company") is a limited liability company domiciled and incorporated in Hong Kong. The addresses of its registered office and principal place of business is Unit 1806, 18/F., Gala Place, 56 Dundas Street, Mongkok, Kowloon, Hong Kong.

The Company is an investment holding company and its shares are currently listed on Australian Securities Exchange. Pursuant to Company announcement on 6 June 2025, the Company confirm that following the in-principle decision provided by the Australian Securities Exchange ("ASX") on 19 May 2025 (and announced to the ASX on 23 May 2025) for the removal of the Company from the ASX official list pursuant to ASX Listing Rule 17.11 ("Delisting"), and the lodgement of the formal application for the Delisting by the Company, on 5 June 2025, the ASX agrees to the Delisting of the Company from the ASX subject to compliance with Delisting conditions. For further details refer to the announcement. Its subsidiaries are principally engaged in interconnected services of T-Linx™ Software as a Service ("SaaS") platform including SaaS cloud service which includes provision of system development services and information technology services, SaaS for hardware internet of things ("IoT") which includes sale of point-of-sale machine and other hardware and SaaS for rights/interests/points/marketing/promotion in the People's Republic of China (the "PRC"). At 31 March 2025, the directors of the Company (the "Directors") consider that the immediate and ultimate controlling party of the Company to be Mr. Xiong Qiang.

The consolidated financial statements are presented in Renminbi ("RMB"), which is also the functional currency of the Company.

2. APPLICATION OF NEW AND AMENDMENTS TO IFRS ACCOUNTING STANDARDS / HKFRS ACCOUNTING STANDARDS AND CHANGES IN OTHER ACCOUNTING POLICIES

Amendments to IFRS/HKFRS Accounting Standards that are mandatorily effective for the current year

In the current year, The Group has applied the following amendments to IFRS/HKFRS Accounting Standards issued by the International Accounting Standards Board ("IASB")/Hong Kong Institute of Certified Public Accountants ("HKICPA") for the first time, which are mandatorily effective for the annual period beginning on 1 April 2024 for the preparation of the consolidated financial statements:

Amendments to IFRS 16/HKFRS 16	<i>Lease Liability in a Sale and Leaseback</i>
Amendments to International Accounting Standards ("IAS") 1/Hong Kong Accounting Standards ("HKAS") 1	<i>Classification of Liabilities as Current or Non-current and related amendments to Hong Kong Interpretation 5 (2020)</i>
Amendments to IAS 1/ HKAS 1	<i>Non-current Liabilities with Covenants</i>
Amendments to IAS 7/HKAS 7 and IFRS 7/HKFRS 7	<i>Supplier Finance Arrangements</i>

Except as described below, the application of the new and amendments to IFRS/HKFRS Accounting Standards in the current year had no material impact on the Group's financial positions and performance for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

2. APPLICATION OF NEW AND AMENDMENTS TO IFRS ACCOUNTING STANDARDS / HKFRS ACCOUNTING STANDARDS AND CHANGES IN OTHER ACCOUNTING POLICIES - Continued

Amendments to IFRS/HKFRS Accounting Standards that are mandatorily effective for the current year - continued

Impacts on application of Amendments to IAS 1/HKAS 1 *Classification of Liabilities as Current or Non-current* and related amendments to Hong Kong Interpretation 5 (2020) (the "2020 Amendments") and Amendments to IAS 1/HKAS 1 *Non-current Liabilities with Covenants* (the "2022 Amendments")

The Group has applied the amendments for the first time in the current year.

The 2020 Amendments provide clarification and additional guidance on the assessment of right to defer settlement for at least twelve months from reporting date for classification of liabilities as current or non-current, which:

- specify that the classification of liabilities as current or non-current should be based on rights that are in existence at the end of the reporting period. Specifically, the classification should not be affected by management intentions or expectations to settle the liability within 12 months.
- clarify that the settlement of a liability can be a transfer of cash, goods or services, or the entity's own equity instruments to the counterparty. If a liability has terms that could, at the option of the counterparty, result in its settlement by the transfer of the entity's own equity instruments, these terms do not affect its classification as current or non-current only if the entity recognises the option separately as an equity instrument applying IAS 32/HKAS 32 *Financial Instruments: Presentation*.

For rights to defer settlement for at least twelve months from reporting date which are conditional on the compliance with covenants, the 2022 Amendments specifically clarify that only covenants that an entity is required to comply with on or before the end of the reporting period affect the entity's right to defer settlement of a liability for at least twelve months after the reporting date, even if compliance with the covenant is assessed only after the reporting date. The 2022 Amendments also specify that covenants with which an entity must comply after the reporting date (i.e. future covenants) do not affect the classification of a liability as current or non-current at the reporting date. However, if the entity's right to defer settlement of a liability is subject to the entity complying with covenants within twelve months after the reporting period, an entity discloses information that enables users of financial statements to understand the risk of the liabilities becoming repayable within twelve months after the reporting period. This would include information about the covenants, the carrying amount of related liabilities and facts and circumstances, if any, that indicate that the entity may have difficulties complying with the covenants.

In accordance with the transition provision, the Group has applied the new accounting policy to the classification of liability as current or non-current retrospectively. The application of the amendments in the current year had no material impact on the consolidated financial statements.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

2. APPLICATION OF NEW AND AMENDMENTS TO IFRS ACCOUNTING STANDARDS / HKFRS ACCOUNTING STANDARDS AND CHANGES IN OTHER ACCOUNTING POLICIES - Continued

New and amendments to IFRS/HKFRS Accounting Standards in issue but not yet effective

The Group has not early applied the following new and amendments to IFRS/HKFRS Accounting Standards that have been issued but are not yet effective:

Amendments to IFRS 9/HKFRS 9 and IFRS 7/ HKFRS 7	<i>Amendments to the Classification and Measurement of Financial Instruments³</i>
Amendments to IFRS 9/HKFRS 9 and IFRS 7/ HKFRS 7	<i>Contracts Referencing Nature dependent Electricity³</i>
Amendments to IFRS 1/HKFRS 1	<i>First-time Adoption of Hong Kong Financial Reporting Standards²</i>
Amendments to IFRS 10/HKFRS 10 and IAS 28/HKAS 28	<i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture¹</i>
Amendments to IFRS/HKFRS Accounting Standards	<i>Annual Improvements to IFRS/HKFRS Accounting Standards - Volume 11³</i>
Amendments to IAS 21/HKAS 21	<i>Lack of Exchangeability²</i>
IFRS 18/HKFRS 18	<i>Presentation and Disclosure in Financial Statements⁴</i>

¹ Effective for annual periods beginning on or after a date to be determined.

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

³ Effective for annual periods beginning on or after 1 January 2026.

⁴ Effective for annual periods beginning on or after 1 January 2027.

Except for the new and amendments to IFRS/HKFRS Accounting Standards mentioned below, the Directors anticipate that the application of all other new and amendments to IFRS/HKFRS Accounting Standards will have no material impact on the consolidated financial statements in the foreseeable future.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

2. APPLICATION OF NEW AND AMENDMENTS TO IFRS ACCOUNTING STANDARDS / HKFRS ACCOUNTING STANDARDS AND CHANGES IN OTHER ACCOUNTING POLICIES - Continued

New and amendments to IFRS/HKFRS Accounting Standards in issue but not yet effective - continued

Amendments to IFRS 9/HKFRS 9 and IFRS 7/HKFRS 7 Amendments to the Classification and Measurement of Financial Instruments

The amendments to IFRS/HKFRS 9 clarify the recognition and derecognition for financial asset and financial liability and add an exception which permits an entity to deem a financial liability to be discharged before the settlement date if it is settled in cash using an electronic payment system if, and only if certain conditions are met.

The amendments also provide guidance on the assessment of whether the contractual cash flows of a financial asset are consistent with a basic lending arrangement. The amendments specify that an entity should focus on what an entity is being compensated for rather than the compensation amount. Contractual cash flows are inconsistent with a basic lending arrangement if they are indexed to a variable that is not a basic lending risk or cost. The amendments state that, in some cases, a contingent feature may give rise to contractual cash flows that are consistent with a basic lending arrangement both before and after the change in contractual cash flows, but the nature of the contingent event itself does not relate directly to changes in basic lending risks and costs. Furthermore, the description of the term “non-recourse” is enhanced and the characteristics of “contractually linked instruments” are clarified in the amendments.

The disclosure requirements in IFRS/HKFRS 7 in respect of investments in equity instruments designated at fair value through other comprehensive income are amended. In particular, entities are required to disclose the fair value gain or loss presented in other comprehensive income during the period, showing separately those related to investments derecognised during the reporting period and those related to investments held at the end of the reporting period. An entity is also required to disclose any transfers of the cumulative gain or loss within equity related to the investments derecognised during the reporting period. In addition, the amendments introduce the requirements of qualitative and quantitative disclosure of contractual terms that could affect the contractual cash flow based on a contingent event not directly relating to basic lending risks and cost.

The amendments are effective for annual reporting periods beginning on or after 1 January 2026, with early application permitted. The application of the amendments is not expected to have significant impact on the financial position and performance of the Group.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

2. APPLICATION OF NEW AND AMENDMENTS TO IFRS ACCOUNTING STANDARDS / HKFRS ACCOUNTING STANDARDS AND CHANGES IN OTHER ACCOUNTING POLICIES - Continued

New and amendments to IFRS/HKFRS Accounting Standards in issue but not yet effective
- continued

IFRS 18/HKFRS 18 Presentation and Disclosure in Financial Statements

IFRS/HKFRS 18 *Presentation and Disclosure in Financial Statements*, which sets out requirements on presentation and disclosures in financial statements, will replace IAS/HKAS 1 *Presentation of Financial Statements*. This new IFRS/HKFRS Accounting Standards, while carrying forward many of the requirements in IAS/HKAS 1, introduces new requirements to present specified categories and defined subtotals in the statement of profit or loss; provide disclosures on management-defined performance measures in the notes to the financial statements and improve aggregation and disaggregation of information to be disclosed in the financial statements. In addition, some IAS/HKAS 1 paragraphs have been moved to IAS/HKAS 8 and IFRS/HKFRS 7. Minor amendments to IAS/HKAS 7 *Statement of Cash Flows* and IAS/HKAS 33 *Earnings per Share* are also made.

IFRS/HKFRS 18, and amendments to other standards, will be effective for annual periods beginning on or after 1 January 2027, with early application permitted. The application of the new standard is expected to affect the presentation of the statement of profit or loss and disclosures in the future financial statements. The Group is in the process of assessing the detailed impact of IFRS/HKFRS 18 on the Group's consolidated financial statements.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION

3.1 Basis of preparation of consolidated financial statements

The consolidated financial statements have been prepared in accordance with IFRS Accounting Standards issued by the IASB. As HKFRS Accounting Standards issued by the HKICPA are derived from and consistent with IFRS Accounting Standards, these consolidated financial statements also comply with HKFRS Accounting Standards. For the purpose of preparation of the consolidated financial statements, information is considered material if such information is reasonably expected to influence decisions made by primary users. In addition, the consolidated financial statements include applicable disclosures required by the Hong Kong Companies Ordinance.

As stated in the consolidated financial statements, the Group reported a net loss attributable to the owners of the Company of RMB6,216,623 for the year ended 31 March 2025 and, as of that date, the Group's current liabilities exceeded its current assets by RMB19,682,146 and the Group had net liabilities of RMB18,518,033. As at the same date, the Group's borrowings due within one year amounted to RMB32,529,808, while its cash and cash equivalents amounted to RMB12,763,026 only. These conditions indicate the existence of material uncertainties which may cast significant doubt about the Group's ability to continue as a going concern. In view of such circumstances, the Directors have given careful consideration to the future liquidity and performance of the Group and its available sources of financing in assessing whether the Group will have sufficient financial resources to continue as a going concern after taking into consideration the followings:

- (1) The management have been implementing various strategies to broaden the customer base and revenue of the Group;
- (2) In April 2025, the Group has obtained a banking facilities amounting to RMB8,000,000 to maintain stable resource available for the sustainable operation of the Group. Ms. Ling Fang, the wife of an executive director, Mr. Xiong Qiang, agreed to undertake the loan facilities by acting as guarantor. Ms. Ling Fang charged guarantee fee at 2% per annum according to the guaranteed amount;
- (3) Mr. Xiong Qiang has undertaken to provide adequate funds to enable the Group to meet its liabilities and to settle financial obligations to third parties as and when they fall due. Therefore, the Group can continue as a going concern and carry on its business without a significant curtailment of operations for the next twelve months from 31 March 2025. In addition, Mr. Xiong Qiang through Ms. Ling Fang, a person acting in concert, provided a loan of RMB12,000,000 to the Group as at 31 March 2025 to support the financial obligation of the Group and undertake not to demand for repayment of RMB12,000,000 until such time when the repayment will not affect the ability of the Company to repay other creditor in the ordinary course of business.

The Directors have reviewed the Group's cash flow projections prepared by the management which covered a period of not less than twelve months from 31 March 2025 on the basis that the Group's aforementioned plans and measures will be successful, and are satisfied that the Group will have sufficient working capital to meet its financial obligations as and when they fall due within the twelve months from 31 March 2025. Accordingly, the Directors consider that it is appropriate to prepare the consolidated financial statements on a going concern basis.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION - Continued

3.1 Basis of preparation of consolidated financial statements - continued

The consolidated financial statements do not include any adjustments that would result from the failure of the Group to obtain sufficient future funding. Should the Group be unable to continue to operate as a going concern, adjustments would have to be made to reduce the carrying amounts of the assets of the Group to their recoverable amounts, to provide for further liabilities which might arise and to reclassify non-current assets and liabilities as current assets and liabilities, respectively.

The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies set out below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of IFRS/HKFRS 2 *Share-based Payment*, leasing transactions that are accounted for in accordance with IFRS/HKFRS 16 *Leases*, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in IAS/HKAS 2 *Inventories* or value in use in IAS/HKAS 36 *Impairment of Assets*.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION - Continued

3.2 Material accounting policy information

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Group gains control until the date when the Group ceases to control the subsidiary.

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

Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Non-controlling interests in subsidiaries are presented separately from the Group's equity therein, which represent present ownership interests entitling their holders to a proportionate share of net assets of the relevant subsidiaries upon liquidation.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION - Continued

3.2 Material accounting policy information - continued

Investments in associates

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

The results and assets and liabilities of associates are incorporated in these consolidated financial statements using the equity method of accounting. The financial statements of associates used for equity accounting purposes are prepared using uniform accounting policies as those of the Group for like transactions and events in similar circumstances.

Under the equity method, an investment in an associate is initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate. Changes in net assets of the associate other than profit or loss and other comprehensive income are not accounted for unless such changes resulted in changes in ownership interest held by the Group. When the Group's share of losses of an associate exceeds the Group's interest in that associate (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate.

An investment in an associate is accounted for using the equity method from the date on which the investee becomes an associate. On acquisition of the investment in an associate, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately in profit or loss in the period in which the investment is acquired.

The Group assesses whether there is an objective evidence that the interest in an associate may be impaired. When any objective evidence exists, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with IAS/HKAS 36 as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognised is not allocated to any asset, including goodwill, that forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with IAS/HKAS 36 to the extent that the recoverable amount of the investment subsequently increases.

When the Group ceases to have significant influence over an associate, it is accounted for as a disposal of the entire interest in the investee with a resulting gain or loss being recognised in profit or loss. When the Group retains an interest in the former associate and the retained interest is a financial asset within the scope of IFRS/HKFRS 9, the Group measures the retained interest at fair value at that date and the fair value is regarded as its fair value on initial recognition. The difference between the carrying amount of the associate and the fair value of any retained interest and any proceeds from disposing of the relevant interest in the associate is included in the determination of the gain or loss on disposal of the associate. In addition, the Group accounts for all amounts previously recognised in other comprehensive income in relation to that associate on the same basis as would be required if that associate had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognised in other comprehensive income by that associate would be reclassified to profit or loss on the disposal of the related assets or liabilities, the Group reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) upon disposal / partial disposal of the relevant associate.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION - Continued

3.2 Material accounting policy information - continued

Investments in associates - continued

When the Group reduces its ownership interest in an associate but the Group continues to use the equity method, the Group reclassifies to profit or loss the proportion of the gain or loss that had previously been recognised in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be reclassified to profit or loss on the disposal of the related assets or liabilities.

When a group entity transacts with an associate of the Group, profits and losses resulting from the transactions with the associate are recognised in the consolidated financial statements only to the extent of interests in the associate that are not related to the Group.

Revenue from contracts with customers

The Group recognises revenue when (or as) a performance obligation is satisfied, i.e. when "control" of the goods or services underlying the particular performance obligation is transferred to the customer.

A performance obligation represents a good or service (or a bundle of goods or services) that is distinct or a series of distinct goods or services that are substantially the same.

Control is transferred over time and revenue is recognised over time by reference to the progress towards complete satisfaction of the relevant performance obligation if one of the following criteria is met:

- the customer simultaneously receives or consumes the benefits provided by the Group's performance as the Group performs;
- the Group's performance creates or enhances an asset that the customer controls as the Group performs; or
- the Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

Otherwise, revenue is recognised at a point in time when the customer obtains control of the distinct good or service.

Sale-related warranties associated with goods cannot be purchased separately and they serve as an assurance that the goods sold comply with agreed-upon specifications. Accordingly, the Group accounts for warranties in accordance with IAS/HKAS 37 *Provisions, Contingent Liabilities and Contingent Assets* which is consistent with its previous accounting treatment.

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

A contract liability represents the Group's obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION - Continued

3.2 Material accounting policy information - continued

Revenue from contracts with customers - continued

Contracts with multiple performance obligations (including allocation of transaction price)

For contracts that contain more than one performance obligations, the Group allocates the transaction price to each performance obligation on a relative stand-alone selling price basis.

The stand-alone selling price of the distinct good or service underlying each performance obligation is determined at contract inception. It represents the price at which the Group would sell a promised good or service separately to a customer. If a stand-alone selling price is not directly observable, the Group estimates it using appropriate techniques such that the transaction price ultimately allocated to any performance obligation reflects the amount of consideration to which the Group expects to be entitled in exchange for transferring the promised goods or services to the customer.

Over time revenue recognition: measurement of progress towards complete satisfaction of a performance obligation

Output method

The progress towards complete satisfaction of a performance obligation is measured based on output method, which is to recognise revenue on the basis of direct measurements of the value of the goods or services transferred to the customer to date relative to the remaining goods or services promised under the contract, that best depict the Group's performance in transferring control of goods or services.

As a practical expedient, if the Group has a right to consideration in an amount that corresponds directly with the value of the Group's performance completed to date, the Group recognises revenue in the amount to which the Group has the right to invoice.

Sale with a right of return / exchange

For a sale of products with a right of return/exchange for dissimilar products, the Group recognises all of the following:

- (a) revenue for the transferred products in the amount of consideration to which the Group expects to be entitled (therefore, revenue would not be recognised for the products expected to be returned/exchanged);
- (b) a refund liability/ contract liability; and
- (c) an asset (and corresponding adjustment to cost of sales) for its rights to recover products from customers and are presented as right to return goods asset.

Existence of significant financing component

In determining the transaction price, the Group adjusts the promised amount of consideration for the effects of the time value of money if the timing of payments agreed (either explicitly or implicitly) provides the customer or the Group with a significant benefit of financing the transfer of goods or services to the customer. In those circumstances, the contract contains a significant financing component. A significant financing component may exist regardless of whether the promise of financing is explicitly stated in the contract or implied by the payment terms agreed to by the parties to the contract.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION - Continued

3.2 Material accounting policy information - continued

Revenue from contracts with customers - continued

Existence of significant financing component - continued

For contracts where the period between payment and transfer of the associated goods or services is less than one year, the Group applies the practical expedient of not adjusting the transaction price for any significant financing component.

Principal versus agent

When other party is involved in providing goods or services to a customer, the Group determines whether the nature of its promise is a performance obligation to provide the specified goods or services itself (i.e. the Group is a principal) or to arrange for those goods or services to be provided by the other party (i.e. the Group is an agent).

The Group is a principal if it controls the specified good or service before that good or service is transferred to a customer.

The Group is an agent if its performance obligation is to arrange for the provision of the specified good or service by another party. In this case, the Group does not control the specified good or service provided by another party before that good or service is transferred to the customer. When the Group acts as an agent, it recognises revenue in the amount of any fee or commission to which it expects to be entitled in exchange for arranging for the specified goods or services to be provided by the other party.

Leases

Definition of lease

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

For contracts entered into or modified on or after the date of initial application of IFRS/HKFRS 16 or arising from business combinations, the Group assesses whether a contract is or contains a lease based on the definition under IFRS/HKFRS 16 at inception, modification date or acquisition date, as appropriate. Such contract will not be reassessed unless the terms and conditions of the contract are subsequently changed.

The Group as a lessee

Allocation of consideration to components of a contract

For a contract that contains a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

Short-term leases

The Group applies the short-term lease recognition exemption to leases of certain offices in PRC that have a lease term of 12 months or less from the commencement date and do not contain a purchase option. Lease payments on short-term leases are recognised as expense on a straight-line basis or another systematic basis over the lease term.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION - Continued

3.2 Material accounting policy information - continued

Leases - continued

The Group as a lessee - continued

Right-of-use assets

The cost of right-of-use asset includes:

- the amount of the initial measurement of the lease liability;
- any lease payments made at or before the commencement date, less any lease incentives received;
- any initial direct costs incurred by the Group; and
- an estimate of costs to be incurred by the Group in dismantling and removing the underlying assets, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liability.

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

The Group presents right-of-use assets as a separate line item on the consolidated statement of financial position.

Refundable rental deposits

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

Lease liability

At the commencement date of a lease, the Group recognises and measures the lease liability at the present value of lease payments that are unpaid at that date. In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable.

The lease payments include:

- fixed payments (including in-substance fixed payments) less any lease incentives receivable;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable by the Group under residual value guarantees;

Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION - Continued

3.2 Material accounting policy information - continued

Leases - continued

The Group as a lessee - continued

Lease liability - continued

The lease payments include:- continued

- the exercise price of a purchase option if the Group is reasonably certain to exercise the option; and
- payments of penalties for terminating a lease, if the lease term reflects the Group exercising an option to terminate the lease.

After the commencement date, lease liability are adjusted by interest accretion and lease payments.

The Group remeasures lease liability (and makes a corresponding adjustment to the related right-of-use assets) whenever:

- the lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the related lease liability is remeasured by discounting the revised lease payments using a revised discount rate at the date of reassessment.
- the lease payments change due to changes in market rental rates following a market rent review/expected payment under a guaranteed residual value, in which cases the related lease liability is remeasured by discounting the revised lease payments using the initial discount rate.

The Group presents lease liability as a separate line item on the consolidated statement of financial position.

The Group as a lessor

Classification and measurement of leases

Leases for which the Group is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards incidental to ownership of an underlying asset to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

Rental income from operating leases is recognised in profit or loss on a straight-line basis over the term of the relevant lease. Initial direct cost incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset, and such costs are recognised as an expense on a straight-line basis over the lease term.

Rental income which are derived from the Group's ordinary course of business are presented as revenue.

Refundable rental deposits

Refundable rental deposits received are accounted for under IFRS/HKFRS 9 and initially measured at fair value. Adjustments to fair value at initial recognition are considered as additional lease payments from lessees.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION - Continued

3.2 Material accounting policy information - continued

Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recognised at the rates of exchanges prevailing on the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

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

Borrowing costs

All borrowings costs are recognised in profit or loss in the period in which they are incurred.

Government grants

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants related to income are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable. All government grants are presented under "other income and gains, net".

Employee benefits

Retirement benefit costs

Payments to state-managed retirement benefit schemes are recognised as an expense when employees have rendered service entitling them to the contributions.

Termination benefits

A liability for a termination benefit is recognised at the earlier of when the group entity can no longer withdraw the offer of the termination benefit and when it recognises any related restructuring costs.

Short-term employee benefits

Short-term employee benefits are recognised at the undiscounted amount of the benefits expected to be paid as and when employees rendered the services. All short-term employee benefits are recognised as an expense unless another IFRS/HKFRS requires or permits the inclusion of the benefit in the cost of an asset.

A liability is recognised for benefits accruing to employees (such as wages and salaries, annual leave and sick leave) after deducting any amount already paid.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION - Continued

3.2 Material accounting policy information - continued

Share-based payments

Equity-settled share-based payment transactions

Share options granted to employees

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date.

The fair value of the equity-settled share-based payments determined at the grant date without taking into consideration all non-market vesting conditions is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity (share option reserve).

At the end of the reporting period, the Group revises its estimates of the number of equity instruments expected to vest based on assessment of all relevant non-market vesting conditions. The impact of the revision of the original estimates during, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to share option reserve. For share options that vest immediately at the date of grant, the fair value of the share options granted is expensed immediately to profit or loss.

When share options are exercised, the amount previously recognised in share option reserve will be transferred to share premium. When the share options are forfeited after the vesting date or are still not exercised at the expiry date, the amount previously recognised in share option reserve will be transferred to accumulated losses.

Share options granted to non-employees

Equity-settled share-based payments transactions with parties other than employees are measured at the fair values of the services received, except where the fair value cannot be reliably measured, in which case they are measured at fair value of the share options granted, measured at the date the entity obtains the services. The fair values of the services received are recognised as expenses (unless the services qualify for recognition as assets).

Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

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

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

Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION - Continued

3.2 Material accounting policy information - continued

Taxation - continued

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

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

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rate (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

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

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

For leasing transactions in which the tax deductions are attributable to the lease liability, the Group applies IAS/HKAS 12 requirements to right-of-use assets and lease liability separately. Temporary differences on initial recognition of the relevant right-of-use assets and lease liability are not recognised due to application of the initial recognition exemption. Temporary differences arising from subsequent revision to the carrying amounts of right-of-use assets and lease liability, resulting from remeasurement of lease liability and lease modifications, that are not subject to initial recognition exemption are recognised on the date of remeasurement or modification.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied to the same taxable entity by the same taxation authority.

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

Plant and equipment

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

Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION - Continued

3.2 Material accounting policy information - continued

Plant and equipment - continued

Depreciation is recognised so as to write-off the cost of assets less their residual values over their estimated useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and any accumulated impairment losses. Amortisation for intangible assets with finite useful lives is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less any subsequent accumulated impairment losses.

Cash and cash equivalents

Cash and cash equivalents presented on the consolidated statement of financial position include:

- (a) cash, which comprises of cash on hand and demand deposits, excluding bank balances that are subject to regulatory restrictions that result in such balances no longer meeting the definition of cash; and
- (b) cash equivalents, which comprises of short-term (generally with original maturity of three months or less), highly liquid investments that are readily convertible to a known amount of cash and which are subject to an insignificant risk of changes in value. Cash equivalents are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes.

For the purposes of the consolidated statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts which are repayable on demand and form an integral part of the Group's cash management. Such overdrafts are presented as short-term borrowings in the consolidated statement of financial position.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost of inventories are determined on a first-in first-out method. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale. Costs necessary to make the sale include incremental costs directly attributable to the sale and non-incremental costs which the Group must incur to make the sale.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION - Continued

3.2 Material accounting policy information - continued

Financial instruments

Financial assets and financial liabilities are recognised when a group entity becomes a party to the contractual provisions of the instrument. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place.

Financial assets and financial liabilities are initially measured at fair value except for trade receivables arising from contracts with customers which are initially measured in accordance with IFRS/HKFRS 15. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets or financial liabilities at fair value through profit or loss ("FVTPL")) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognised immediately in profit or loss.

The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating interest income and interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts and payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset or financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Interest income which are derived from the Group's ordinary course of business are presented as revenue.

Financial assets

Classification and subsequent measurement of financial assets

Financial assets that meet the following conditions are subsequently measured at amortised cost:

- the financial asset is held within a business model whose objective is to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets that meet the following conditions are subsequently measured at fair value through other comprehensive income ("FVTOCI"):

- the financial asset is held within a business model whose objective is achieved by both selling and collecting contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are subsequently measured at FVTPL, except that initial recognition of a financial asset the Group may irrevocably elect to present subsequent changes in fair value of an equity investment in other comprehensive income ("OCI") if that equity investment is neither held for trading nor contingent consideration recognised by an acquirer in a business combination to which IFRS/HKFRS 3 *Business Combinations* applies.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION - Continued

3.2 Material accounting policy information - continued

Financial instruments - continued

Financial assets - continued

Classification and subsequent measurement of financial assets - continued

A financial asset is held for trading if:

- it has been acquired principally for the purpose of selling in the near term; or
- on initial recognition it is a part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

In addition, the Group may irrevocably designate a financial asset that are required to be measured at the amortised cost or FVTOCI as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch.

Amortised cost and interest income

Interest income is recognised using the effective interest method for financial assets measured subsequently at amortised cost. Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired (see below). For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset from the next reporting period. If the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset from the beginning of the reporting period following the determination that the asset is no longer credit-impaired.

Impairment of financial assets subject to impairment assessment under IFRS/HKFRS 9

The Group performs impairment assessment under expected credit loss ("ECL") model on financial assets (including trade and other receivables and bank balances) which are subject to impairment assessment under IFRS/HKFRS 9. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition.

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of the relevant instrument. In contrast, 12-month ECL ("12m EC") represents the portion of lifetime ECL that is expected to result from default events that are possible within 12 months after the reporting date. Assessments are done based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current conditions at the reporting date as well as the forecast of future conditions.

The Group always recognises lifetime ECL for trade receivables.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION - Continued

3.2 Material accounting policy information - continued

Financial instruments - continued

Financial assets - continued

Impairment of financial assets subject to impairment assessment under IFRS/HKFRS 9 - continued

For all other instruments, the Group measures the loss allowance equal to 12m ECL, unless there has been a significant increase in credit risk since initial recognition, in which case the Group recognises lifetime ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition.

(i) Significant increase in credit risk

In assessing whether the credit risk has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

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

- an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- significant deterioration in external market indicators of credit risk, e.g. a significant increase in the credit spread, the credit default swap prices for the debtor;
- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- an actual or expected significant deterioration in the operating results of the debtor; and
- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

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

Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION - Continued

3.2 Material accounting policy information - continued

Financial instruments - continued

Financial assets - continued

Impairment of financial assets subject to impairment assessment under IFRS/HKFRS 9 - continued

(i) Significant increase in credit risk - continued

Despite the foregoing, the Group assumes that the credit risk on a debt instrument has not increased significantly since initial recognition if the debt instrument is determined to have low credit risk at the reporting date. A debt instrument is determined to have low credit risk if (i) it has a low risk of default, (ii) the borrower has a strong capacity to meet its contractual cash flow obligations in the near term and (iii) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations. The Group considers a debt instrument to have low credit risk when it has an internal or external credit rating of "investment grade" as per globally understood definitions.

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

(ii) Definition of default

For internal credit risk management, the Group considers an event of default occurs when information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collaterals held by the Group).

(iii) Credit-impaired financial assets

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

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

Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION - Continued

3.2 Material accounting policy information - continued

Financial instruments - continued

Financial assets - continued

Impairment of financial assets subject to impairment assessment under IFRS/HKFRS 9 - continued

(iv) Write-off policy

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

(v) Measurement and recognition of ECL

The measurement of ECL is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data and forward-looking information. Estimation of ECL reflects an unbiased and probability-weighted amount that is determined with the respective risks of default occurring as the weights.

Generally, the ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and the cash flows that the Group expects to receive, discounted at the effective interest rate determined at initial recognition.

Interest income is calculated based on the gross carrying amount of the financial asset unless the financial asset is credit-impaired, in which case interest income is calculated based on amortised cost of the financial asset.

Derecognition of financial assets

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

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION - Continued

3.2 Material accounting policy information - continued

Financial instruments - continued

Financial liabilities and equity

Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

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

Financial liabilities

All financial liabilities are subsequently measured at amortised cost using effective interest method or at FVTPL.

Financial liabilities at amortised cost

Financial liabilities including trade and other payables, other borrowings and lease liabilities are subsequently measured at amortised cost, using the effective interest method.

Convertible bonds

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

At the date of issue, both the debt component and derivative components are recognised at fair value. In subsequent periods, the debt component of the convertible bonds is carried at amortised cost using the effective interest method. The derivative component is measured at fair value with changes in fair value recognised in profit or loss.

Transaction costs that relate to the issue of the convertible bonds are allocated to the debt and derivative components in proportion to their relative fair values. Transaction costs relating to the derivative component are charged to profit or loss immediately. Transaction costs relating to the debt component are included in the carrying amount of the debt portion and amortised over the period of the convertible bonds using the effective interest method.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION - Continued

3.2 Material accounting policy information - continued

Financial instruments - continued

Financial liabilities and equity - continued

Derecognition/ modification of financial liabilities

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

When the contractual terms of a financial liability are modified, the Group assesses whether the revised terms result in a substantial modification from original terms taking into account all relevant facts and circumstances including qualitative factors. If qualitative assessment is not conclusive, the Group considers that the terms are substantially different if the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received, and discounted using the original effective interest rate, is at least 10 per cent different from the discounted present value of the remaining cash flows of the original financial liability. Accordingly, such modification of terms is accounted for as an extinguishment, any costs or fees incurred are recognised as part of the gain or loss on the extinguishment. The exchange or modification is considered as non-substantial modification when such difference is less than 10 per cent.

For non-substantial modifications of financial liabilities that do not result in derecognition, the carrying amount of the relevant financial liabilities will be calculated at the present value of the modified contractual cash flows discounted at the financial liabilities' original effective interest rate. Transaction costs or fees incurred are adjusted to the carrying amount of the modified financial liabilities and are amortised over the remaining term. Any adjustment to the carrying amount of the financial liability is recognised in profit or loss at the date of modification.

Impairment loss on plant and equipment, right-of-use assets and intangible assets

At the end of the reporting period, the Group reviews the carrying amounts of its plant and equipment, right-of-use assets and intangible assets with finite useful lives to determine whether there is any indication that these assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the relevant asset is estimated in order to determine the extent of the impairment loss (if any).

The recoverable amount of plant and equipment, right-of-use assets and intangible assets are estimated individually. When it is not possible to estimate the recoverable amount individually, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

In testing a cash-generating unit for impairment, corporate assets are allocated to the relevant cash-generating unit when a reasonable and consistent basis of allocation can be established, or otherwise they are allocated to the smallest group of cash generating units for which a reasonable and consistent allocation basis can be established. The recoverable amount is determined for the cash-generating unit or group of cash-generating units to which the corporate asset belongs, and is compared with the carrying amount of the relevant cash-generating unit or group of cash-generating units.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION - Continued

3.2 Material accounting policy information - continued

Impairment loss on plant and equipment, right-of-use assets and intangible assets - continued

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset (or a cash-generating unit) for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or a cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or a cash-generating unit) is reduced to its recoverable amount. For corporate assets or portion of corporate assets which cannot be allocated on a reasonable and consistent basis to a cash-generating unit, the Group compares the carrying amount of a group of cash-generating units, including the carrying amounts of the corporate assets or portion of corporate assets allocated to that group of cash-generating units, with the recoverable amount of the group of cash-generating units. In allocating the impairment loss, the impairment loss is allocated first to reduce the carrying amount of any goodwill (if applicable) and then to the other assets on a pro-rata basis based on the carrying amount of each asset in the unit or the group of cash-generating units. The carrying amount of an asset is not reduced below the highest of its fair value less costs of disposal (if measurable), its value in use (if determinable) and zero. The amount of the impairment loss that would otherwise have been allocated to the asset is allocated pro-rata to the other assets of the unit or the group of cash-generating units. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit or a group of cash-generating units) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or a cash-generating unit or a group of cash-generating units) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle that obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (where the effect of the time value of money is material).

Warranties

Provisions for the expected cost of assurance-type warranty obligations under the relevant contracts with customers for sale of goods are recognised at the date of sale of the relevant products, at the directors' best estimated of the expenditure required to settle the Group's obligation.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

4. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in Note 3.2, the Directors are required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

Critical judgements in applying accounting policies

The following are the critical judgements, apart from those involving estimations (see below), the Directors have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the consolidated financial statements.

(i) *Principal versus agent consideration (agent)*

The Group is considered as an agent for its contracts with customers relating to sales of SaaS for marketing/promotion services as the Group did not obtain the control over the services before passing on to customers taking into consideration indicators such as the Group is not primarily responsible for fulfilling the promise and not exposed to any risk. When the Group satisfies the performance obligation, the Group recognises a commission revenue in the amount it expects to be entitled as specified in the contracts, which amount to 7% to 15% of the gross amount of consideration as specified in the contracts.

During the year ended 31 March 2025, the Group recognised commission revenue relating to sales of SaaS for marketing/promotion services amounted to RMB1,059,650 (2024: RMB724,682).

(ii) *Going concern and liquidity*

As explained in Note 3.1 to the consolidated financial statements, the financial position and financial performance of the Group indicate the existence of a material uncertainty which may cast significant doubt on the Group's ability to continue as a going concern. The assessment of the going concern assumptions involves making judgement by the Directors, at a particular point of time, about the future outcome of events or conditions which are inherently uncertain. The Directors consider that the Group has ability to continue as a going concern and the major conditions that may cast significant doubt about the going concern assumptions are set out in Note 3.1 to the consolidated financial statements.

Key sources of estimation uncertainty

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

Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

4. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY - Continued

Key sources of estimation uncertainty - continued

(i) Provision of ECL for financial assets

Impairment loss on trade receivables, other receivables and deposits, amount(s) due from associates/ a related company and bank balances represent managements' best estimate of losses incurred at the reporting date under ECL models. Management assesses whether the credit risk of trade and other receivables have increased significantly since their initial recognition. The Group is required to exercise judgement in making assumptions and estimates when calculating impairment loss, including any observable data indicating that there is a measurable decrease in the estimated future cash flows from trade and other receivables portfolio and historical loss experience on the basis of the relevant observable data that reflects current economic conditions.

The measurement of the ECL involves significant management judgments and assumptions, primarily including the selection of appropriate models and determination of relevant key measurement parameters, criteria for determining whether or not there was a significant increase in credit risk or a default was incurred, economic indicators for forward-looking measurement, and the application of economic scenarios and weightings, management consideration due to significant uncertain factors not covered in the models and the estimated future cash flows. The information about the ECL are disclosed in Note 32(b).

(ii) Leases - Estimating the incremental borrowing rate

The Group cannot readily determine the interest rate implicit in a lease, and therefore, it uses an incremental borrowing rate ("IBR") to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group "would have to pay", which requires estimation when no observable rates are available (such as for subsidiaries that do not enter into financing transactions) or when it needs to be adjusted to reflect the terms and conditions of the lease (for example, when leases are not in the subsidiary's functional currency). The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates (such as the subsidiary's stand-alone credit rating).

5. REVENUE

Disaggregation of revenue from contracts with customers

	2025 RMB	2024 RMB
Types of goods and services		
SaaS cloud service	34,364,836	23,477,949
SaaS for hardware IoT	19,719,411	20,047,695
SaaS for rights/interests/points/marketing/promotion	1,059,650	724,682
Total	55,143,897	44,250,326
Timing of revenue recognition		
Over time	1,739,784	1,908,884
A point in time	53,404,113	42,341,442
Total	55,143,897	44,250,326

Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

5. REVENUE - Continued

	2025 RMB	2024 RMB
Geographical markets		
Mainland China	55,143,897	44,250,326

Set out below is the reconciliation of the revenue from contracts with customers with the amount disclosed in segment information:

	Notes	2025 RMB	2024 RMB
SaaS cloud service		34,364,836	23,477,949
SaaS for hardware IoT		19,719,411	20,047,695
SaaS for rights/interests/points/marketing/promotion		1,059,650	724,682
Revenue from contracts with customer	(a)	55,143,897	44,250,326
Leases of point-of-sale machines	(b)	726,122	837,264
Total revenue		55,870,019	45,087,590

Notes:

- (a) For the provision of SaaS cloud service, it includes the provision of system development services and information technology services.

Provision of system development services

It mainly included the development of T-Linx™ SaaS platform for banks and other customers for a fixed annual service fee. Revenue is recognised over the period of the contract by reference to the progress of work performed and acknowledged by the customers.

Provision of information technology services

It mainly represents the service fee at a rate of 2-3 basis points of the total transaction volume processed through T-Linx™ SaaS platform by customers or service fee at a fixed amount per month. Revenue is recognised at the time the service is rendered.

For the SaaS for hardware IoT, it is the sale of SaaS service related hardware. Revenue is recognised when the control of the machines is transferred to customers.

For SaaS for rights/interests/points/marketing/promotion, it is a value-added service provided to customers, which helps customer to obtain brand exposure and enhance the cross-selling opportunities for customers with other partners. Revenue is recognised at the time service is rendered.

All revenue contracts are for periods of one year or less. As permitted under IFRS/HKFRS 15, the transaction price allocated to these unsatisfied contracts is not disclosed.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

5. REVENUE - Continued

Notes: - continued

(b) Leases

	2025 RMB	2024 RMB
For operating leases:		
Lease payments of point-of-sale machines that are fixed	726,122	837,264

6. SEGMENT INFORMATION

The Group manages its business by divisions which organised from services perspective.

Information reported to the board of directors of the Company (the "Board"), being the chief operating decision maker, for the purpose of resources allocation and performance assessment, the Group's operating activities are attributable to a single operating segment as the revenue is derived from interconnected services of T-Linx™ SaaS platform including SaaS cloud service, SaaS for hardware IoT and SaaS for rights/interests/points/marketing/promotion. Accordingly, no segment analysis is presented other than entity-wide disclosures.

Geographical information

The Group's operations are located in the PRC.

Information about the Group's revenue from external customers is presented based on the location of the operations.

	Revenue from external customers	
	2025 RMB	2024 RMB
PRC	55,870,019	45,087,590

Information about major customers

An analysis of revenue from customers contributing 10% or more of the Group's total revenue is as follows:

	2025 RMB	2024 RMB
Customer A	8,066,044	5,561,867
Customer B	N/A ¹	4,880,751
Customer C	6,205,304	N/A ¹

¹The corresponding revenue did not contribute over 10% of the total revenue of the Group.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

7. OTHER INCOME AND GAINS, NET

	2025 RMB	2024 RMB
Interest income on bank deposits	7,000	26,086
Sundry income	61,938	88,673
Government grants (Note a)	171,217	1,160,804
Gain on termination of lease liabilities (Note 18)	142,953	-
Litigation compensation received (Note 36)	163,906	-
	547,014	1,275,563

Note:

During the year ended 31 March 2025, the Group obtained grants of RMB171,217 (2024: RMB1,160,804) in aggregate from several government authorities in the PRC for the purpose of encouragement of development of new and high-tech industry, innovation industry, the labour market and Small and Medium-sized Enterprises.

There are no unfulfilled conditions or contingencies attached to these grants recognised in profit or loss.

8. IMPAIRMENT LOSSES UNDER EXPECTED CREDIT LOSS MODEL, NET OF REVERSAL

	2025 RMB	2024 RMB
Impairment losses, net of reversal, recognised on:		
- trade receivables	4,139,700	2,492,467
- other receivables and deposits	7,848	108,099
- amounts due from associates	(128,310)	1,430,852
- amount due from a related company	15,575	(18,225)
	4,034,813	4,013,193

Details of impairment assessment are set out in Note 32(b).

9. FINANCE COSTS

	2025 RMB	2024 RMB
Interests on:		
Convertible bonds	-	596,483
Other borrowings	654,620	561,620
Bank borrowings	455,399	251,643
Lease liabilities	115,296	171,847
	1,225,315	1,581,593
Financial guarantee service fee (Note 34(c)(iv))	236,929	97,519
	1,462,244	1,679,112

Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

10. INCOME TAX EXPENSE

Hong Kong Profit Tax is calculated at 16.5% of the estimated assessable profit for both years.

No provision of taxation in Hong Kong has been made as the group entities in Hong Kong did not generate any assessable profits for both years ended 31 March 2025 and 2024.

Except for Shenzhen Tao-taogu Information Technology Co., Ltd. ("STIT"), a wholly-owned subsidiary of the Company, the other PRC subsidiaries are subject to PRC corporate income tax at 25%. Pursuant to a notice issued by the tax authority on 5 April 2012, STIT is exempted from PRC corporate income tax (the "EIT") for the first two years starting from the first year of profitable operations after offsetting prior year losses, followed by a 50% reduction for the next three years. No provision of taxation in STIT has been made as the assessable profits of STIT were wholly absorbed by tax losses brought forward for both years ended 31 March 2025 and 2024.

No provision for the EIT has been made in the consolidated financial statements for the other PRC subsidiaries as those subsidiaries sustained a tax loss during the year (2024: Nil).

The tax charge for the years can be reconciled to the loss before tax per the consolidated statement of profit or loss and other comprehensive income as follows:

	2025 RMB	2024 RMB
Loss before tax	(6,510,810)	(5,129,769)
Income tax at applicable tax rates	(1,274,503)	(1,133,091)
Tax effect of non-taxable income	(39,509)	(370,563)
Tax effect of non-deductible expenses	1,734,763	1,159,001
Utilisation of tax loss previously not recognised	(1,481,682)	(1,094,838)
Tax effect of tax losses not recognised	1,060,931	1,439,491
Income tax expense	-	-

Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

11. LOSS FOR THE YEAR

Loss for the year has been arrived at after charging:

	Notes	2025 RMB	2024 RMB
Auditor's remuneration			
- audit services		324,590	430,083
- non-audit services		258,789	280,322
Cost of inventories sold		11,042,870	10,038,063
Cost of services rendered		25,435,404	16,844,354
Cost of sales and services rendered		36,478,274	26,882,417
Amortisation of intangible assets		18,277	15,760
Depreciation on plant and equipment		253,690	337,967
Depreciation on right-of-use asset		1,103,715	1,244,108
Total depreciation and amortisation	(b)	1,375,682	1,597,835
Net foreign exchange loss		7,295	773,249
Loss on written-off of plant and equipment		524	740
Staff cost (including directors' emoluments (Note 12))	(a)		
- Salaries and allowances		18,162,790	16,176,536
- Contribution to defined contribution retirement plan		1,175,736	1,174,793
		19,338,526	17,351,329

Notes:

- (a) Staff costs amounted to RMB7,704,022 (2024: RMB6,631,886), RMB634,733 (2024: RMB401,819), RMB5,771,910 (2024: RMB4,998,345) and RMB5,227,861 (2024: RMB5,319,279) have been included in cost of sales and service rendered, selling expenses, research and development expenses and general and administrative expenses respectively.
- (b) Total depreciation and amortisation of RMB64,446 (2024: RMB56,872) and RMB1,311,236 (2024: RMB1,540,963) have been included in cost of sales and service rendered and general and administrative expenses respectively.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

12. DIRECTORS' EMOLUMENTS

Directors' emoluments disclosed pursuant to applicable Hong Kong Companies Ordinance are as follows:

2025				
Note	Directors' fees RMB	Salaries and allowance RMB	Contribution to defined contribution retirement plan RMB	Total RMB
Executive directors				
Xiong Qiang	-	859,121	17,657	876,778
Gao Qiuju	-	327,488	14,909	342,397
Non-executive directors				
Ryan, Christopher John	-	-	-	-
Hong Yupeng	3	-	-	-
	-	1,186,609	32,566	1,219,175
2024				
Note	Directors' fees RMB	Salaries and allowance RMB	Contribution to defined contribution retirement plan RMB	Total RMB
Executive directors				
Xiong Qiang	-	774,210	17,669	791,879
Gao Qiuju	-	329,932	13,367	343,299
Non-executive directors				
Ryan, Christopher John	-	-	-	-
Hong Yupeng	3	-	-	-
	-	1,104,142	31,036	1,135,178

Notes:

- The executive directors' emoluments shown above were for their services in connection with the management of the affairs of the Company and the Group.
- The non-executive directors' emoluments shown above were for their services as directors of the Company.
- Retired on 30 December 2024.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

13. DIVIDENDS

No dividends were paid or proposed for ordinary shareholders of the Company during the year ended 31 March 2025, nor have any dividend been proposed since the end of reporting period (2024: Nil).

14. LOSS PER SHARE

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

Loss:	2025 RMB	2024 RMB
Loss for the year attributable to owners of the Company for the purpose of basic loss per share	(6,216,623)	(4,720,133)
Effect of dilutive potential ordinary shares:		
Convertible bonds	-	883,121
Loss for the purpose of diluted loss per share	(6,216,623)	(3,837,012)
Number of shares	2025	2024
Weighted average number of ordinary shares for the purpose of basic loss per share	650,769,591	650,769,591
Effect of dilutive potential ordinary shares:		
Convertible bonds	-	19,593,712
Weighted average number of ordinary shares for the purpose of diluted loss per share	650,769,591	670,363,303

Note:

For the years ended 31 March 2024, the computation of diluted loss per share does not assume the conversion of the Company's outstanding convertible bonds since their assumed exercise would result in a decrease in loss per share from operations.

No diluted loss per share for the year ended 31 March 2025 were presented as there were no potential ordinary shares in issue.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

15. PLANT AND EQUIPMENT

	Computer equipment RMB	Point-of- sales machines RMB	Furniture and fixtures RMB	Leasehold improvements RMB	Total RMB
COST					
At 1 April 2023	4,547,677	1,790,616	272,344	90,078	6,700,715
Additions	23,314	230,089	-	-	253,403
Written-off	(14,777)	-	-	-	(14,777)
At 31 March 2024	4,556,214	2,020,705	272,344	90,078	6,939,341
Additions	77,266	53,982	-	41,354	172,602
Written-off	(12,900)	-	-	-	(12,900)
At 31 March 2025	4,620,580	2,074,687	272,344	131,432	7,099,043
ACCUMULATED DEPRECIATION					
At 1 April 2023	4,056,540	1,590,161	168,082	74,931	5,889,714
Charge for the year	107,277	120,560	102,721	7,409	337,967
Written-off	(14,037)	-	-	-	(14,037)
At 31 March 2024	4,149,780	1,710,721	270,803	82,340	6,213,644
Charge for the year	110,311	136,615	-	6,764	253,690
Written-off	(12,376)	-	-	-	(12,376)
At 31 March 2025	4,247,715	1,847,336	270,803	89,104	6,454,958
CARRYING AMOUNTS					
At 31 March 2025	372,865	227,351	1,541	42,328	644,085
At 31 March 2024	406,434	309,984	1,541	7,738	725,697

The above items of plant and equipment, after taking into account the residual values, are depreciated on straight-line basis at the following rates per annum:

Computer equipment	20% to 50% per annum
Leasehold improvements	Over the shorter of the term of the lease or 20% per annum
Furniture and fixtures	20% per annum
Point-of-sales machines	40% to 45% per annum

As at 31 March 2025, the Group leased out the point-of-sales machines with carrying amount of RMB227,351 (2024: RMB309,984) under operating leases. The lease does not include contingent rentals.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

16. INTANGIBLE ASSETS

	Computer software RMB (Note a)	Trademarks RMB (Note b)	Total RMB
COST			
At 1 April 2023, 31 March 2024 and 31 March 2025	111,847	295,913	407,760
ACCUMULATED AMORTISATION AND IMPAIRMENT LOSS			
At 1 April 2023	75,074	295,913	370,987
Amortisation for the year	15,760	-	15,760
At 31 March 2024	90,834	295,913	386,747
Amortisation for the year	18,277	-	18,277
At 31 March 2025	109,111	295,913	405,024
CARRYING AMOUNTS			
At 31 March 2025	2,736	-	2,736
At 31 March 2024	21,013	-	21,013

Notes:

- The computer software has a finite useful life and is thereafter carried at cost less accumulated amortisation and impairment losses. It is amortised on a straight-line basis over 3 years.
- The trademarks with cost of RMB295,913 have an indefinite useful life. On initial recognition, the Directors are of the opinion that the Group has the ability to use the trademarks continuously and the trademarks are expected to contribute to net cash inflows of existing business indefinitely. As a result, the trademarks are considered by the management of the Group as having an indefinite useful life. Subsequent to the acquisition of trademarks, the Directors changed their business strategy by focusing on new business development. The Directors considered the recoverable amount of the trademarks was less than its carrying amount, therefore, the trademarks were fully impaired in prior year.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

17. INTERESTS IN ASSOCIATES

	2025 RMB	2024 RMB
Cost of investments	4,811,752	4,811,752
Share of post-acquisition losses and other comprehensive expense	(4,811,752)	(4,811,752)
Share of net assets	-	-

The particulars of all associates of the Group, which are unlisted corporate entities, are as follows:

Name of associate	Place of incorporation and type of legal entity	Principal activities and place of operation	Registered capital	Proportion of ownership interest held by the Group		Proportion of voting rights held by the Group	
				2025	2024	2025	2024
Shenzhen Intelligent Preferential Pay Company Limited* ("IPP") (深圳市智慧付信息技术有限公司) (Note)	PRC, limited liability company	Provision of e-commerce, information technology consultancy services, electronic promotion services and electronic messaging information services	RMB2,000,000	32.5%	32.5%	32.5%	32.5%
Shenzhen Dashouhou Information Technology Co., Ltd.* (深圳市大售后信息技术有限公司)	PRC, limited liability company	Provision of e-commerce system development and information technology services	RMB1,000,000	47.5%	47.5%	47.5%	47.5%
TTG Fintech Services Limited	Hong Kong, limited liability company	Provision of e-commerce system development and information technology services	HK\$1,000,000	40%	40%	40%	40%

* The English translation of the company name is for reference only. The official name of these companies is in Chinese.

Note: IPP operates in the PRC and is a strategic partner of the Group in developing the information technology services sector where IPP has an established customer base.

All of the associates of the Group are accounted for using the equity method in the consolidated financial statements.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

17. INTERESTS IN ASSOCIATES - Continued

Summarised financial information of material associate

Summarised financial information in respect of the Group's material associate is set out below. The summarised financial information below represents amounts shown in the associate's financial statements prepared in accordance with IFRS Accounting Standards and HKFRS Accounting Standards.

IPP	2025 RMB	2024 RMB
Current assets	60,933	85,066
Current liabilities	(6,404,283)	(6,457,558)
Net liabilities	(6,343,350)	(6,372,492)
Revenue	671,134	950,162
Loss and total comprehensive expense for the year	(45,634)	(456,347)
Dividends received from the associate during the year	-	-

Reconciliation of the above summarised financial information to the carrying amount of the interest in an associate recognised in the consolidated financial statements:

	2025 RMB	2024 RMB
Net liabilities of IPP	(6,343,350)	(6,372,492)
Proportion of the Group's ownership interest in IPP	32.5%	32.5%
Carrying amount of the Group's interest in IPP	-	-

Aggregate information of associates that are not individually material

	2025 RMB	2024 RMB
Aggregate carrying amount of individually immaterial associates in the consolidated financial statements	-	-
Aggregate amount of the Group's share of these associates	-	-
Loss and total comprehensive expense for the year	-	-

	2025 RMB	2024 RMB
The unrecognised share of loss of associates for the year	17,393	265,811
Cumulative unrecognised share of loss of associates	3,666,564	3,649,171

The Group discontinued recognising its share of further losses which exceeds its interests in all associates.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

18. RIGHT-OF-USE ASSET

	Leased properties RMB	
As at 31 March 2025		
Carrying amount		1,847,861
As at 31 March 2024		
Carrying amount		2,391,785
For the year ended 31 March 2025		
Depreciation charge		(1,103,715)
For the year ended 31 March 2024		
Depreciation charge		(1,244,108)
	2025 RMB	2024 RMB
Expense relating to short-term leases	133,503	107,531
Total cash outflow for leases	1,373,916	1,291,950
Additions to right-of-use assets	1,899,191	3,539,843

For both years, the Group leases office for its operations. Lease contract is entered into for fixed term of 3 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. In determining the lease term and assessing the length of the non-cancellable period, the Group applies the definition of a contract and determines the period for which the contract is enforceable.

During the year ended 31 March 2025, the Group renewed the lease agreement with lease term of three years. The Group recognised right-of-use asset of RMB1,899,191 (2024: RMB3,539,843) and lease liability of RMB1,899,191 (2024: RMB3,539,843).

The Group regularly entered into short-term leases for office located in several places to cater for the customers' need. As at 31 March 2025 and 2024, the portfolio of short-term leases is similar to the portfolio of short-term leases to which the short-term lease expense disclosed above.

19. INVENTORIES

	2025 RMB	2024 RMB
Point of sales machines and related accessories	404,324	383,976

Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

20. TRADE AND OTHER RECEIVABLES

	Notes	2025 RMB	2024 RMB
Trade receivables			
- Contract with customers		24,495,072	14,105,753
- Leases		177,300	209,940
		24,672,372	14,315,693
Less: allowance for credit losses		(6,859,473)	(2,719,773)
	(a)	17,812,899	11,595,920
Other receivables	(b)	1,858,994	2,403,056
Amounts due from associates (Note 34(c))	(c)	2,645,045	2,773,355
Amount due from a related company (Note 34(c))	(c)	20,000	20,000
Prepayments and deposits		1,850,147	2,372,061
Value added tax recoverable		322,693	324,993
		6,696,879	7,893,465
Less: allowance for credit losses		(3,722,608)	(3,827,495)
Other receivables, net of allowance		2,974,271	4,065,970
		20,787,170	15,661,890

All the trade and other receivables are expected to be recovered within one year or recognised as expense within one year.

Notes:

(a) As at 1 April 2023, trade receivables from contract with customers amounted to RMB21,550,024.

As at 31 March 2025, the credit term of trade receivables ranged from 3 months to 12 months (2024: 3 months to 12 months).

The following is an aged analysis of trade receivables net of allowance for credit losses, presented based on the invoice dates:

	2025 RMB	2024 RMB
- Current to 30 days past due	15,179,555	9,172,999
- 31 - 90 days past due	848,047	868,881
- 91 - 365 days past due	106,353	184,563
- Over 1 year past due	1,678,944	1,369,477
	17,812,899	11,595,920

As at 31 March 2025, included in the Group's trade receivables balance are debtors with aggregate gross amount of RMB9,277,154 (2024: RMB5,427,801) which are past due at the reporting date. Out of the past due balances, RMB7,327,394 (2024: RMB3,501,663) has been past due 90 days or more and is not considered as in default by considering the ongoing business relationship, repayment history and expected future settlements. The Group does not hold any collateral over these balances.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

20. TRADE AND OTHER RECEIVABLES - Continued

Notes: - continued

- (b) Included in the Group's other receivable balance are (i) amounts advanced to staffs and independent third parties with aggregated gross amount of RMB554,514 (2024: RMB987,775); and (ii) prepayment to a payment platform related to the business of SaaS for marketing/promotion of RMB73,616 (2024: RMB94,016).

The amounts advanced to staffs and independent third parties are unsecured, interest-free and repayable on demand.

- (c) The amounts due from associates and a related company are unsecured, interest-free and repayable on demand.

- (d) Details of impairment assessment of trade and other receivables are set out in Note 32(b).

21. CASH AND CASH EQUIVALENTS

Cash and cash equivalents include demand deposits and short-term deposits for the purpose of meeting the Group's short-term cash commitment, which carry interest at market rates ranging from 0% to 0.35% per annum (2024: from 0% to 0.35% per annum).

Included in the bank balance and cash of the Group as at 31 March 2025 was an amount of RMB11,937,066 (2024: RMB1,998,788) which is subject to foreign exchange control regulations and are not freely transferable.

However, under the PRC's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through authorised banks to conduct foreign exchange business.

Details of impairment assessment of bank balances are set out in Note 32(b).

22. TRADE AND OTHER PAYABLES

	Notes	2025 RMB	2024 RMB
Trade payables	(a)	5,375,950	4,525,164
Other payables and accruals	(b)	8,446,965	3,378,986
Deposits received	(c)	1,564,194	1,610,993
Amount due to a former director (Note 34(c))	(d)	307,839	1,401,354
Amount due to a director (Note 34(c))	(d)	411,612	78,956
Amount due to a related party (Note 34(c))	(d)	109,808	109,808
Financial liabilities measured at amortised cost		16,216,368	11,105,261
Other tax levies payables		1,192,832	977,620
		17,409,200	12,082,881

Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

22. TRADE AND OTHER PAYABLES - Continued

Notes:

- (a) The credit period of trade payable is 30-90 days.
- (b) Material balances included in other payables and accruals are as follow:
 - (i) accrued salaries with aggregate carrying amount of RMB2,930,358 (2024: RMB717,581); and
 - (ii) advance from customers of RMB2,907,856 (2024: RMBNil) in relation to marketing/promotion for SaaS.
- (c) Deposits received are rental deposits of point-of-sales machine with aggregate carrying amount of RMB1,564,194 (2024: RMB1,610,993).
- (d) The amounts due to a former director, a director and related party are unsecured, interest free and repayable on demand.

23. CONTRACT LIABILITIES

	Notes	2025 RMB	2024 RMB
SaaS cloud service	a	327,916	482,486
SaaS for hardware IoT	b	2,847,774	2,146,709
		3,175,690	2,629,195

As at 1 April 2023, contract liabilities amounted RMB1,060,838.

Contract liabilities, that are not expected to be settled within the Group's normal operating cycle, are classified as current and non-current based on the Group's earliest obligation to transfer goods or services to the customers.

The following table shows how much of the revenue recognised relates to carried-forward contract liabilities:

For the year ended 31 March 2025

	SaaS cloud service RMB	SaaS for hardware IoT RMB
Revenue recognised that was included in the contract liabilities balance at the beginning of the year	349,080	1,501,583

Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

23. CONTRACT LIABILITIES - Continued

For the year ended 31 March 2024

	SaaS cloud service RMB	SaaS for hardware IoT RMB
Revenue recognised that was included in the contract liabilities balance at the beginning of the year	363,485	272,221

Notes:

Typical payment terms which impact the amount of contract liabilities recognised are as follows:

(a) SaaS cloud service

i) Provision of system development services

The Group receives 50% to 100% of the contract value as deposit from customers when they sign the agreement with customers. Contract liabilities represent the receipts in advance from customers which is recognised as revenue over time according to the progress of work performance.

ii) Provision of information technology services

The Group receives 50% to 100% of the contract value as deposit from customers when they sign the agreement with customers. Contract liabilities represent the receipts in advance from customers which is recognised as revenue at a point in time when the services are rendered.

(b) SaaS for hardware IoT

The Group receives 100% of the contract value as deposit from customers when they sign the agreement with customers. Contract liabilities represent the receipts in advance from customers which is recognised as revenue at a point in time when the good is delivered.

During the year ended 31 March 2025, the increase in contract liabilities in the current year was mainly due to certain number of contracts were signed with customers close to the end of the reporting date resulting an increase in contract liabilities of RMB701,065 (2024: RMB1,661,097).

Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

24. CONVERTIBLE BONDS

(a) Movement of the components of the convertible bonds

The movement in the liability and derivative components of the convertible bonds during the years ended 31 March 2025 and 2024 are set out below:

	Notes	Liability component RMB	Derivative component		Net RMB	Total RMB
			Gross RMB	Deferred day one gain RMB		
At 1 April 2023		17,472,991	-	465,484	465,484	17,938,475
Transfer to other borrowings	(i) &(ii)	(16,997,596)	-	-	-	(16,997,596)
Repayment	(i)	(1,824,000)	-	-	-	(1,824,000)
Amortisation of deferred day one gain in profit or loss		-	-	(486,611)	(486,611)	(486,611)
Exchange movement		752,122	-	21,127	21,127	773,249
Interest expenses (Note 9)		596,483	-	-	-	596,483
At 31 March 2024 and 2025		-	-	-	-	-
Total gain for the year included in profit or loss on change in fair value of embedded derivatives of convertible bonds						
- Year ended 31 March 2024		-	-	(486,611)	(486,611)	(486,611)

Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

24. CONVERTIBLE BONDS - Continued

(a) Movement of the components of the convertible bonds - continued

Notes:

During the year ended 31 March 2024

- (i) Maturity of convertible bond with principal amount of HK\$15,000,000 issued on 28 April 2017 ("CB 2")

The CB 2 matured on 28 April 2023. The Company has repaid RMB1,824,000 (equivalent to HK\$2,000,000) to CB 2 holder and reclassified the remaining balance of RMB11,856,000 (equivalent to HK\$13,000,000) as other borrowing which carried fixed interest of 6% per annum, unsecured and is repayable on demand. The Company has fully repaid the other borrowing of RMB11,856,000 (equivalent to HK\$13,000,000) in cash in June 2023.

- (ii) Maturity of convertible bond with principal amount of USD716,000 issued on 10 January 2023 ("CB 6")

The CB 6 matured on 9 January 2024. The Company reclassified the remaining balance of RMB5,141,596 (equivalent to USD716,000) as other borrowing which carried fixed interest of 6% per annum, unsecured and the maturity date is 9 January 2025.

(b) Major terms of convertible bonds

Convertible bond	Notes	Issue date	Date of maturity	Principal amount	Effective interest rate of liability component	Conversion price per share AUD
CB 2	24(a)(i)	28/4/2017	28/4/2023	HK\$15,000,000	10.82%	0.20
CB 6	24(a)(ii)	10/1/2023	9/1/2024	USD716,000	13.38%	0.20

All the convertible bonds are zero coupon bonds.

The principal amount of convertible bonds can be converted into ordinary shares of the Company at an original conversion price (the "Conversion Price") per share, subject to adjustment, upon giving 30 days' notice by the holders of the convertible bonds (the "Holders") to the Company, before the maturity date. The actual total number of ordinary shares can be converted depend on the exchange rate at one day before the conversion.

The ordinary shares to be converted by the Holders carry the same right as the existing shareholders of the Company. If there is dilution of existing shares, the Holders can apply the new ordinary shares on a pro-rata basis to retain their shareholdings. The issuance price of new ordinary shares is not lower than the Conversion Price. If the issuance price of new ordinary shares is lower than the Conversion Price, the Holders can then convert more shares as if the Conversion Price is the same as the issuance price of new ordinary shares.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

24. CONVERTIBLE BONDS - Continued

(c) Conversion at the option of the Holders

The Company will, at the option of the Holders convert all the convertible bonds upon maturity.

The fair value of the convertible bonds was determined by an independent qualified valuer. The fair value of the embedded derivatives (conversion and early redemption component) of the convertible bonds was determined using the binomial valuation model. The residual value represents the fair value of the liability component upon the issuance of convertible bonds which was calculated at the present value of the redemption amount, at 100% of the principal amount.

The fair value of the embedded derivatives of the convertible bonds was determined using the binomial model, and inputs into the model at the relevant dates were as follows:

	Year ended 31 March 2024	
	At issue date	
	CB 2	CB 6
Share price (AUD)	0.06	0.03
Conversion price (AUD)	0.20	0.20
Risk free interest rate	1.80%	3.386%
Time to maturity (year)	6	1
Expected volatility	45%	59.56%
Expected dividend yield	0%	0%

There was no gain or loss on change in fair value of embedded derivatives of the convertible bonds for the year ended 31 March 2024 and amortisation of deferred day one gain of RMB486,611 were recognised as "Gain on change in fair value of embedded derivatives of convertible bonds, net" in the consolidated statement of profit or loss and other comprehensive income. The related interest expense of the liability component of the convertible bonds for the year ended 31 March 2024 amounted to RMB596,483, which was calculated using the effective interest method.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

25. BORROWINGS

	Notes	2025 RMB	2024 RMB
Bank loans, secured	(a) to (c)	17,998,476	10,000,000
Other borrowings, unsecured	(d) to (g)	14,531,332	6,741,596
		32,529,808	16,741,596

	Bank loans		Other borrowings		Total	
	2025 RMB	2024 RMB	2025 RMB	2024 RMB	2025 RMB	2024 RMB
The carrying amounts of the above borrowings are repayable*						
- Within one year	-	-	14,531,332	5,861,596	14,531,332	5,861,596
- Within a period of more than one year but not exceeding two years	-	-	-	720,000	-	720,000
- Within a period of more than two years but not exceeding five years	-	-	-	160,000	-	160,000
	-	-	14,531,332	6,741,596	14,531,332	6,741,596
The carrying amounts of above borrowings that contain a repayment on demand clause (shown under current liabilities) but repayable:						
- Within one year	17,998,476	10,000,000	-	-	17,998,476	10,000,000
- Within a period of more than one year but not exceeding two years	-	-	-	-	-	-
	17,998,476	10,000,000	-	-	17,998,476	10,000,000
Total borrowings	17,998,476	10,000,000	14,531,332	6,741,596	32,529,808	16,741,596
Less: Amounts due within one year shown under current liabilities	(17,998,476)	(10,000,000)	(14,531,332)	(5,861,596)	(32,529,808)	(15,861,596)
Amounts shown under non-current liabilities	-	-	-	880,000	-	880,000

Notes:

- On 16 November 2023, the Group entered into a bank loan agreement on the principal amount of RMB10,000,000, which carried fixed interest of 3.9% per annum, secured by personal guarantees of Ms. Ling Fang and Mr. Xiong Qiang and was fully repaid in November 2024.
- On 3 April 2024, the Group has entered into a loan facility of RMB8,000,000 with China Guangfa Bank. The Group has drawn down an aggregate amount of RMB7,998,476 from April 2024 to March 2025, which carried fixed interest rates with reference to loan prime rate by The People's Bank of China at 3.45% per annum, secured by a personal guarantee from Ms. Ling and is repayable within 1 year from the date of drawdown.
- On 31 March 2025, the Group entered into a bank loan agreement on the principal amount of RMB10,000,000, which carried fixed interest of 3.55% per annum, secured by personal guarantees of Ms. Ling Fang and Mr. Xiong Qiang and is repayable on 27 March 2026.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

25. BORROWINGS - Continued

Notes: - continued

- (d) On 9 June 2023, Ms. Ling Fang, the wife of Mr. Xiong Qiang provided a long-term loan of RMB11,100,000 to the Company, of which all have been used to settle the existing convertible bond. Pursuant to the loan agreement ("Loan Agreement 1") dated 9 June 2023, the borrowing from Ms. Ling Fang is unsecured, carried fixed interest rate at 6% per annum and is repayable in 5 years by installments. The Group settled RMB9,500,000 during the year ended 31 March 2024. And the outstanding loan of RMB1,600,000 was fully settled in November 2024. Details have been disclosed in Note 34(b) and 34(c)(ii).
- (e) On 28 October 2024, Ms. Ling Fang, provided a loan of RMB12,000,000 to the Company. Pursuant to the loan agreement ("Loan Agreement 2") dated 28 October 2024, the borrowing from Ms. Ling Fang is unsecured, carried fixed interest rate at 6% per annum and is repayable on demand. Details have been disclosed in Note 34(b) and 34(c)(iii).
- (f) In addition to the Loan Agreement 1 and 2, Ms. Ling Fang agreed to provide a personal guarantee to financial institutions which granted loan facility to the Group. Ms. Ling Fang charged the guarantee fee at 2% per annum according to the guaranteed amount during the year ended 31 March 2025 and 31 March 2024. Details have been disclosed in Note 34(b) and 34(c)(iv).
- (g) On 9 January 2024, the CB 6 matured and the principal amount of RMB5,141,596 (equivalent to USD716,000) was reclassified as borrowing. On the same date, the Company and CB 6 holder signed a loan agreement on the principal amount of USD716,000, which carried fixed interest rate of 6% per annum, unsecured and wholly repayable on 9 January 2025. The Company settled partial amount of RMB2,610,264 (equivalent to USD358,000) during the year ended 31 March 2025 and the remaining balance of RMB2,531,332 (equivalent to USD358,000) has been extended to 9 January 2026.

26. LEASE LIABILITIES

	2025 RMB	2024 RMB
Lease liabilities payable:		
Within one year	521,968	1,179,193
Within a period of more than one year but not more than two years	1,330,569	1,381,623
	1,852,537	2,560,816
Less: Amount due for settlement within 12 months shown under current liabilities	(521,968)	(1,179,193)
Amount due for settlement after 12 months shown under non-current liabilities	1,330,569	1,381,623

The weighted average incremental borrowing rate applied to lease liability is 5.439% - 7.615% (2024: 5.439%).

During the year ended 31 March 2025, lease liabilities of approximately RMB1,482,353 with related right-of-use assets of approximately RMB1,339,400 are terminated on 21 March 2025, and there is gain on termination of lease liabilities of approximately RMB142,953.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

27. DEFERRED TAX

At the end of the reporting period, the Group has estimated unused tax loss of approximately RMB42,370,307 (2024: RMB49,790,500) and approximately HK\$9,953,485 (2024: HK\$9,953,485) available for offset against future profits in the PRC and Hong Kong respectively. No deferred tax asset has been recognised in respect of the unused tax losses due to the unpredictability of future profits stream. The tax losses arising from STIT will expire in 10 years according to the announcement issued by State Taxation Administration of the People's Republic of China. The tax losses arising from other PRC operations will expire in five years after the relevant accounting year end. The tax losses arising from Hong Kong do not expire under current tax legislation.

Under the EIT Law of the PRC with effect from 1 January 2008 onwards, non-resident enterprises without an establishment or place of business in the PRC or which have an establishment or place of business but the relevant income is not effectively connected with the establishment or a place of business in the PRC will be subject to withholding income tax at the rate of 10% on various types of passive income such as dividends derived from source in the PRC. The Group is liable to withholding taxes on dividend distributed by its subsidiaries established in the PRC with the applicable tax rate of 10%. No provision for deferred tax has been made in this aspect as the subsidiaries sustained tax loss for the years.

28. SHARE CAPITAL

	Number of ordinary shares	HK\$	RMB equivalent
Issued and fully paid:			
At 31 March 2024 and 31 March 2025	650,769,591	117,194,865	87,189,117

29. RETIREMENT BENEFITS PLANS

The Group maintains various retirement schemes for its employees. The retirement scheme for employees of the Company and its PRC subsidiaries is a mandatory central pension scheme organised by the PRC government, the assets of which are held separately from those of the Group. Contributions made are based on a percentage of the eligible employees' salaries and charged as expenses when the employees have rendered services entitling them to the contribution. The employer contributions vest fully once they are made. The Group operates a Mandatory Provident Fund Scheme for all qualifying employees in Hong Kong. Under the scheme, the employer and its employees are each required to make contributions to the plan at 5% of the employee's relevant income, subject to a cap of monthly relevant income of HK\$30,000. The assets of the schemes are held separately from those of the Group, in fund under the control of trustees. The Group contributes 5% (2024: 5%) of relevant payroll costs to the scheme, capped at HK\$1,500 (2024: HK\$1,500) per month, to the Mandatory Provident Fund Scheme, which contribution is matched by employees.

The total expense recognised in profit or loss of approximately RMB1,175,736 (2024: RMB1,174,793) represents contributions paid and payable to these plans by the Group at rates specified in the rules of the plans. As at 31 March 2025, no contributions due in respect of the year ended 31 March 2025 (2024: Nil) had not been paid over to the plans.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

30. CAPITAL COMMITMENTS

At the end of the reporting periods, the Group had the following capital commitment:

	2025 RMB	2024 RMB
Contracted but not provided for:		
- Capital contribution to subsidiaries	11,856,000	11,856,000
- Capital contribution to other investments	1,500,000	1,500,000
	13,356,000	13,356,000

31. CAPITAL RISK MANAGEMENT

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern while maximising the return to owners through the optimisation of the debt and equity balance. The management reviews the capital structure by considering the cost of capital and the risks associated with each class of capital. In view of this, the Company will balance its overall capital structure through the payment of dividends, new share issues as well as the issue of new debt as it sees fit and appropriate. The Group's overall strategy remains unchanged from prior year.

During the years ended 31 March 2025 and 2024, the Group's strategy was to maintain the gearing ratio as low as feasible.

The gearing ratio at the end of the reporting period was as follows:

	2025 RMB	2024 RMB
Borrowings	32,529,808	16,741,596
Less: Cash and cash equivalents	(12,763,026)	(2,822,904)
Net debt	19,766,782	13,918,692
Total deficit	(18,518,033)	(12,007,223)
Total adjusted capital	1,248,749	1,911,469
Gearing ratio	15.83	7.28

Neither the Company nor its subsidiaries are subject to externally imposed capital requirements.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

32. FINANCIAL INSTRUMENTS

(a) Categories of financial instruments

	2025 RMB	2024 RMB
Financial assets		
Amortised cost	32,064,116	16,411,298
Financial liabilities		
Amortised cost	50,598,713	30,407,673

(b) Financial risk management objectives and policies

The Group's major financial instruments include trade and other receivables, cash and cash equivalents, trade and other payables, bank and other borrowing and lease liabilities. Details of the financial instruments are disclosed in respective notes. The risks associated with these financial instruments include market risk (currency risk and interest rate risk), credit risk and liquidity risk. The policies on how to mitigate these risks are set out below. The Directors manage and monitor these exposures to ensure appropriate measures are implemented on a timely and effective manner.

Market risk

(i) Currency risk

The Group is exposed to currency risk primarily through other receivables, other payables, cash and cash equivalents and borrowings that are denominated in a foreign currency, i.e. a currency other than the functional currency of the operations to which the transactions relate. The currencies giving rise to this risk are primarily HK\$, United States Dollars ("US\$") and Australia Dollars ("AUD").

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

Exposure to foreign currencies (expressed in RMB)

	Assets		Liabilities	
	2025 RMB	2024 RMB	2025 RMB	2024 RMB
AUD	4,071	4,551	-	-
US\$	1,233	27,445	(2,531,332)	(5,141,596)
HK\$	742,347	2,101,325	(457,524)	(457,524)

The Group currently does not have any foreign currency hedging policy. However, the management of the Group monitors foreign exchange exposure and will consider hedging its significant foreign currency exposure should the need arise.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

32. FINANCIAL INSTRUMENTS - Continued

(b) Financial risk management objectives and policies - continued

Market risk - continued

(i) Currency risk - continued

Sensitivity analysis

The Company is mainly exposed to the currency of AUD, US\$ and HK\$.

The following table details the Group's sensitivity to a 5% (2024: 5%) change in RMB against AUD, US\$ and HK\$ 5% (2024: 5%) is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjust their translation at the end of the reporting period for a 5% (2024: 5%) change in the foreign currency rates. A positive number below indicates a decrease in pre-tax loss for the year and a negative number indicates an increase in pre-tax loss for the year if RMB appreciates 5% against the foreign currencies. There would be an equal and opposite impact on pre-tax loss for the year if RMB depreciates 5% against the relevant foreign currencies.

	2025 RMB	2024 RMB
AUD	(204)	(228)
US\$	126,505	255,708
HK\$	(14,241)	(82,190)

(ii) Interest rate risk

The Group is exposed to fair value interest rate risk in relation to fixed-rate borrowing as detailed in Note 25 and lease liabilities as detailed in Note 26. The Group is also exposed to cash flow interest rate risk in relation to variable-rate bank balances as detailed in Note 21.

The Group currently does not have any interest rate hedging policy. However, the management monitors interest exposure and will consider hedging significant interest rate exposure should the need arise.

Bank balances are excluded from sensitive analysis as the Directors consider that the exposure of cash flow interest rate risk arising from variable-rate bank balances is insignificant.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

32. FINANCIAL INSTRUMENTS - Continued

(b) Financial risk management objectives and policies - continued

(iii) Credit risk and impairment assessment

Credit risk refers to the risk that the Group's counterparties default on their contractual obligations resulting in financial losses to the Group. The Group's credit risk is primarily attributable to trade receivables, other receivables and deposits, amount(s) due from associates/ a related company and bank balances. The Group does not hold any collateral or other credit enhancements to cover its credit risk associated with its financial assets.

Trade receivables

The management of the Group manages and analyses the credit risk for each of their new and existing customers before standard payment terms and conditions are offered. The management assesses the credit quality of each customer based on customer background information, financial position, past experience and relevant factors. The Group also reviews from time to time the credit rating of the customers.

The Group's concentration of credit risk by geographical locations is mainly in PRC, which accounted for 100% (2024: 100%) of the total trade receivables as at 31 March 2025. In order to minimise the credit risk, the management of the Group has delegated a team responsible for determination of credit limits and credit approvals.

In addition, the Group performs impairment assessment under ECL model on trade receivables individually. The Group has applied the simplified approach in IFRS/HKFRS 9 to measure the loss allowance at lifetime ECL. The Group applied internal credit risk rating for its customers as part of the Group's credit risk management. Impairment loss, net of reversal, of RMB4,139,700 (2024: RMB2,492,467) was recognised during the year. Details of the quantitative disclosures are set out below in this note.

Other receivables and deposits

For other receivables and deposits, the Directors make periodic individual assessment on the recoverability of other receivables and deposits based on historical settlement records, past experience, and also quantitative and qualitative information that is reasonable and supportive forward-looking information. For those other receivables that the Directors believe that there is no significant increase in credit risk of these amounts since initial recognition, the Group provided impairment based on 12m ECL. For those other receivables that there is significant increase in credit risk since initial recognition, the Directors provided impairment based on lifetime ECL.

Impairment loss of RMB7,848 (2024: RMB108,099) was recognised during the year. Details of the quantitative disclosures are set out below in this note.

Amounts due from associates

The Group regularly monitors the business performance of the associates. The Group's credit risks in these balances are mitigated through the value of the assets held by these entities and the power to participate the relevant activities of these entities. For those amounts due from associates that the Directors believe that there are no increase in credit risk since initial recognition, the Group provided impairment based on lifetime ECL (not credit impaired). For those amounts due from associates that are past due or there is significant increase in credit risk since initial recognition, the Directors provide impairment based on lifetime ECL (credit-impaired). Reversal of impairment loss of RMB128,310 (2024: impairment loss, net of reversal, of RMB1,430,852) was recognised during the year. Details of the quantitative disclosures are set out below in this note.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

32. FINANCIAL INSTRUMENTS - Continued

(b) Financial risk management objectives and policies - continued

(iii) Credit risk and impairment assessment - continued

Amount due from a related company

The Directors make periodic individual assessment on the recoverability of amount due from a related company based on historical settlement records, past experience, and also quantitative and qualitative information that is reasonable and supportive forward-looking information. For the year ended 31 March 2025, a impairment loss of RMB15,575 (2024: reversal of impairment loss of RMB18,225) was recognised. Details of the quantitative disclosures are set out below in this note.

Bank balances

Credit risk on bank balances is limited because the counterparties are reputable banks with high credit ratings assigned by international credit agencies. The Group assessed 12m ECL for bank balances by reference to information relating to probability of default and loss given default of the respective credit rating grades published by external rating agencies. The 12m ECL on bank balances is considered to be insignificant and therefore no loss allowance was recognised.

The Group's internal credit risk grading assessment comprises the follow categories:

Internal credit rating	Description	Trade receivables	Other financial assets
Low risk	The counterparty has a low risk of default and does not have any past-due amounts	Lifetime ECL - not credit-impaired	12m ECL
Watch list	Debtor frequently repays after due dates but usually settle in full	Lifetime ECL - not credit-impaired	12m ECL
Doubtful	There have been significant increases in credit risk since initial recognition through information developed internally or external resources	Lifetime ECL - not credit-impaired	Lifetime ECL - not credit-impaired
Loss	There is evidence indicating the asset is credit impaired	Lifetime ECL - credit-impaired	Lifetime ECL - credit-impaired
Write-off	There is evidence indicating that the debtor is in severe financial difficulty and the Group has no realistic prospect of recovery	Amount is written-off	Amount is written-off

Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

32. FINANCIAL INSTRUMENTS - Continued

(b) Financial risk management objectives and policies - continued

(iii) Credit risk and impairment assessment - continued

The table below details the credit risk exposures of the Group's financial assets, which are subject to ECL assessment:

	Note	External credit rating	Internal credit rating	12-month or lifetime ECL	2025 Gross carrying amount RMB		2024 Gross carrying amount RMB	
Financial assets at amortised costs								
Bank balances	21	Aa2-Ba3	N/A	12m ECL	12,760,795		2,820,683	
Trade receivables	20	N/A	Low risk	Lifetime ECL (not credit-impaired)	2,786,538		10,423,487	
			Watch list	Lifetime ECL (not credit-impaired)	14,140,002		965,778	
			Loss	Lifetime ECL (credit-impaired)	7,745,832	24,672,372	2,926,428	14,315,693
Other receivables and deposits	20	N/A	Low risk Loss	12m ECL	1,858,996		2,049,949	
				Lifetime ECL (credit-impaired)	686,758	2,545,754	976,665	3,026,614
Amounts due from associates	20	N/A	Loss	Lifetime ECL (credit-impaired)	2,645,045		2,773,355	
Amount due from a related company	20	N/A	Low risk	12m ECL	20,000		20,000	

Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

32. FINANCIAL INSTRUMENTS - Continued

(b) Financial risk management objectives and policies - continued

(iii) Credit risk and impairment assessment - continued

	Expected average loss rate	Gross carrying amount RMB	ECL allowance RMB	Net carrying amount RMB
As at 31 March 2025				
Trade receivables				
- Current to 30 days past due	3.98%	15,808,162	(628,607)	15,179,555
- 31 - 90 days past due	44.82%	1,536,816	(688,769)	848,047
- 91 - 365 days past due	52.32%	223,070	(116,717)	106,353
- Over 1 year past due	76.37%	7,104,324	(5,425,380)	1,678,944
		24,672,372	(6,859,473)	17,812,899
As at 31 March 2024				
Trade receivables				
- Current to 30 days past due	4.35%	9,590,312	(417,313)	9,172,999
- 31 - 90 days past due	29.00%	1,223,718	(354,837)	868,881
- 91 - 365 days past due	59.84%	459,570	(275,007)	184,563
- Over 1 year past due	54.98%	3,042,093	(1,672,616)	1,369,477
		14,315,693	(2,719,773)	11,595,920

Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

32. FINANCIAL INSTRUMENTS - Continued

(b) Financial risk management objectives and policies - continued

(iii) Credit risk and impairment assessment - continued

Note 1:

The Group performs impairment assessment under ECL model on trade receivables individually. The following tables show the movement in lifetime ECL that has been recognised for trade receivables under the simplified approach:

	Lifetime ECL (not credit- impaired) RMB	Lifetime ECL (credit- impaired) RMB	Total RMB
At 1 April 2023	227,306	-	227,306
Changes due to financial instruments recognised as at 1 April 2023:			
- Transfer to lifetime ECL (credit-impaired)	(48,596)	48,596	-
- Impairment losses recognised	50,048	2,200,882	2,250,930
- Impairment losses reversed	(161,226)	-	(161,226)
New financial assets originated	185,205	217,558	402,763
At 31 March 2024	252,737	2,467,036	2,719,773
Changes due to financial instruments recognised as at 1 April 2024:			
- Transfer to lifetime ECL (credit-impaired)	(49,164)	49,164	-
- Impairment losses recognised	782,574	3,333,161	4,115,735
- Impairment losses reversed	(177,739)	(212,529)	(390,268)
New financial assets originated	116,690	297,543	414,233
At 31 March 2025	925,098	5,934,375	6,859,473

Change in loss allowance for trade receivables are mainly due to:

	2025	
	Increase (decrease) in lifetime ECL (not credit- impaired) RMB	Increase (decrease) in lifetime ECL (credit- impaired) RMB
Change in parameters	782,574	3,333,161
New trade receivables with gross carrying amount of RMB7,835,816	116,690	297,543
Settlement of trade receivables	(177,739)	(212,529)

Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

32. FINANCIAL INSTRUMENTS - Continued

(b) Financial risk management objectives and policies - continued

(iii) Credit risk and impairment assessment - continued

Note 1: - continued

Change in loss allowance for trade receivables are mainly due to: - continued

	2024	
	Increase (decrease) in lifetime ECL (not credit- impaired) RMB	Increase (decrease) in lifetime ECL (credit- impaired) RMB
Change in parameters	50,048	2,200,882
New trade receivables with gross carrying amount of RMB4,922,173	185,205	217,558
Settlement of trade receivables	(161,226)	-

Note 2:

The following tables show reconciliation of loss allowances that has been recognised for other receivables and deposits:

	12m ECL RMB	Lifetime ECL (not credit- impaired) RMB	Lifetime ECL (credit- impaired) RMB	Total RMB
At 1 April 2023	106,863	334,753	500,000	941,616
Changes due to financial instruments recognised as at 1 April:				
- Transfer to lifetime ECL (credit-impaired)	(5,763)	(334,753)	340,516	-
- Impairment losses recognised	28,616	-	136,148	164,764
- Impairment losses reversed	(60,367)	-	-	(60,367)
New financial assets originated	3,702	-	-	3,702
At 31 March 2024	73,051	-	976,664	1,049,715
Changes due to financial instruments recognised as at 1 April:				
- Transfer to lifetime ECL (credit-impaired)	(65,585)	-	65,585	-
- Impairment losses recognised	15,463	-	37,009	52,472
- Impairment losses reversed	(1,085)	-	(50,479)	(51,564)
New financial assets originated	6,940	-	-	6,940
At 31 March 2025	28,784	-	1,028,779	1,057,563

Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

32. FINANCIAL INSTRUMENTS - Continued

(b) Financial risk management objectives and policies - continued

(iii) Credit risk and impairment assessment - continued

Note 2: - continued

Change in loss allowance for other receivables and deposits are mainly due to:

	2025	
	Increase (decrease) in 12m ECL RMB	Increase in lifetime ECL (credit- impaired) RMB
Change in parameters	15,463	37,009
Settlement of other receivables	(1,085)	(50,479)
New other receivables with gross carrying amount of RMB136,420	6,940	-
	2024	
	Increase (decrease) in 12m ECL RMB	Increase in lifetime ECL (credit- impaired) RMB
Change in parameters	28,616	136,148
Settlement of other receivables	(60,367)	-
New other receivables with gross carrying amount of RMB201,863	3,702	-

Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

32. FINANCIAL INSTRUMENTS - Continued

(b) Financial risk management objectives and policies - continued

(iii) Credit risk and impairment assessment - continued

Note 3:

The following tables show reconciliation of loss allowances that has been recognised for amounts due from associates:

	Lifetime ECL (not credit- impaired) RMB	Lifetime ECL (credit- impaired) RMB	Total RMB
At 1 April 2023	757,673	584,830	1,342,503
Changes due to financial instruments recognised as at 1 April:			
- Reversal of impairment losses recognised	(322,368)	(5,494)	(327,862)
- Transfer to lifetime ECL (credit- impaired)	(435,305)	435,305	-
- Impairment losses recognised	-	1,758,714	1,758,714
At 31 March 2024	-	2,773,355	2,773,355
Changes due to financial instruments recognised as at 1 April:			
- Reversal of impairment losses recognised	-	(128,310)	(128,310)
At 31 March 2025	-	2,645,045	2,645,045

Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

32. FINANCIAL INSTRUMENTS - Continued

(b) Financial risk management objectives and policies - continued

(iii) Credit risk and impairment assessment - continued

Note 3: - continued

Change in loss allowance for amounts due from associates are mainly due to:

	2025	
	Decrease in lifetime ECL (not credit- impaired) RMB	(Decrease) increase in lifetime ECL (credit- impaired) RMB
Change in parameters	-	(128,310)
	2024	
	Decrease in lifetime ECL (not credit- impaired) RMB	(Decrease) increase in lifetime ECL (credit- impaired) RMB
Settlement from associates of RMB1,622,088	(322,368)	(5,494)
Change in parameters	-	1,758,714

Note 4:

The following tables show reconciliation of loss allowances that has been recognised for amount due from a related company:

	12m ECL RMB
At 1 April 2023	22,650
Changes due to financial instruments recognised as at 1 April:	
- Reversal of impairment losses recognised	(21,925)
- Impairment losses recognised	3,700
At 31 March 2024	4,425
Changes due to financial instruments recognised as at 1 April:	
- Impairment losses recognised	15,575
At 31 March 2025	20,000

Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

32. FINANCIAL INSTRUMENTS - Continued

(b) Financial risk management objectives and policies - continued

(iii) Credit risk and impairment assessment - continued

Note 4: - continued

Change in loss allowance for amount due from a related company is mainly due to:

	2025	2024
	(Decrease)	(Decrease)
	increase in	increase in
	12m ECL	12m ECL
	RMB	RMB
Settlement of amount due from a related company of RMB604,628	-	(21,925)
Change in parameters	15,575	3,700

Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

32. FINANCIAL INSTRUMENTS - Continued

(b) Financial risk management objectives and policies - continued

(iv) Liquidity risk

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

The Group is exposed to liquidity risk as the Group had net current liabilities of RMB19,682,146 as at 31 March 2025. The liquidity of the Group primarily depends on the future funding being available and the ability of the Group to meet its financial obligations as they fall due. Details of which are set out in Note 3.1 to the consolidated financial statements.

The following table details the Group's remaining contractual maturity for its financial liabilities. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The table includes both interest and principal cash flows. The maturity dates for other non-derivative financial liabilities are based on the agreed repayment dates.

	2025			Carrying amount RMB
	Within 1 year or on demand RMB	More than 1 year but less than 5 years RMB	Total contractual undiscounted cash flow RMB	
Trade and other payables	16,216,368	-	16,216,368	16,216,368
Bank and other borrowings	36,359,620	-	36,359,620	32,529,808
Lease liabilities	644,825	1,437,960	2,082,785	1,852,537
	53,220,813	1,437,960	54,658,773	50,598,713

	2024			Carrying amount RMB
	Within 1 year or on demand RMB	More than 1 year but less than 5 years RMB	Total contractual undiscounted cash flow RMB	
Trade and other payables	11,105,261	-	11,105,261	11,105,261
Bank and other borrowings	16,433,065	933,533	17,366,598	16,741,596
Lease liabilities	1,289,371	1,423,709	2,713,080	2,560,816
	28,827,697	2,357,242	31,184,939	30,407,673

(c) Fair value measurements of financial instruments

The Directors consider that the carrying amounts of other financial assets and financial liabilities recorded at amortised cost in the consolidated financial statements approximate their values.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

33. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

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

	Lease liabilities RMB	Bank borrowings RMB	Other borrowings RMB	Convertible bonds RMB	Total RMB
At 1 April 2023	33,545	-	2,734,521	17,938,475	20,706,541
Non-cash changes:					
Exchange adjustments	-	-	-	773,249	773,249
Finance costs	171,847	349,162	561,620	596,483	1,679,112
Gain on change in fair value of embedded derivatives of convertible bonds	-	-	-	(486,611)	(486,611)
Addition to new lease	3,539,843	-	-	-	3,539,843
Transfer to other borrowings	-	-	16,997,596	(16,997,596)	-
	3,711,690	349,162	17,559,216	(16,114,475)	5,505,593
Changes from cash flow:					
New borrowings raised	-	51,660,000	11,100,000	-	62,760,000
Repayment of lease liabilities	(1,184,419)	-	-	-	(1,184,419)
Repayment of borrowings	-	(42,009,162)	(24,652,141)	-	(66,661,303)
Repayment of convertible bonds	-	-	-	(1,824,000)	(1,824,000)
	(1,184,419)	9,650,838	(13,552,141)	(1,824,000)	(6,909,722)
At 31 March 2024	2,560,816	10,000,000	6,741,596	-	19,302,412
Non-cash changes:					
Finance costs	115,296	692,328	654,620	-	1,462,244
Addition to new lease	1,899,191	-	-	-	1,899,191
Termination of right-of-use asset	(1,482,353)	-	-	-	(1,482,353)
	532,134	692,328	654,620	-	1,879,082
Changes from cash flow:					
New borrowings raised	-	17,998,476	12,000,000	-	29,998,476
Repayment of lease liabilities	(1,240,413)	-	-	-	(1,240,413)
Repayment of borrowings	-	(10,692,328)	(4,864,884)	-	(15,557,212)
	(1,240,413)	7,306,148	7,135,116	-	13,200,851
At 31 March 2025	1,852,537	17,998,476	14,531,332	-	34,382,345

Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

34. MATERIAL RELATED PARTY TRANSACTIONS

Save as disclosed elsewhere in these consolidated financial statements, the Group has entered into the following material related party transactions during the year.

(a) Transactions with key management personnel

All members of key management personnel are the Directors. The remuneration paid to them during the year were disclosed in Note 12 to the consolidated financial statements.

(b) Transactions with other related parties

During the years, the Group entered into the following material transactions with other related parties:

Name of related party	Nature of transaction	Relationship	2025 RMB	2024 RMB
IPP	Technical services fee expenses Purchase of point-of-sale machines	Associate	600,540 38,407	- 41,062
Ms. Ling Fang	Interest paid (Note (c)(ii) &(iii)) Financial guarantee service fee (Note (c))(iv))	Related party	369,403 236,929	386,301 97,519
Shenzhen Bozhong Communication Technology Company Limited ("Shenzhen Bozhong") *	Technical services fee expenses (Note (c)(v))	Related party	766,132	1,443,224
(深圳市伯仲通信技術有限公司)				

* The English name is for identification only

The transactions were conducted at terms and conditions mutually agreed between the relevant parties. The Directors are of the opinion that these related party transactions were conducted in the ordinary course of business of the Group.

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Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

34. MATERIAL RELATED PARTY TRANSACTIONS - Continued

(c) The Group had the following material balances with related parties:

Name of related party	Notes	2025 RMB	2024 RMB
Amount due to a director:			
- Mr. Xiong Qiang	(i)	(411,612)	(78,956)
Amount due from a related company:			
- Shenzhen Bozhong	(i), (v)&(vi)	-	15,575
Other borrowing:			
- Ms. Ling Fang	(ii), (iii)&(iv)	(12,000,000)	(1,600,000)
Amount due to a related party:			
- Mr. Ling Song	(i)&(v)	(109,808)	(109,808)
Amounts due from associates			
- IPP	(i) & (vi)	-	-
- TTG Fintech Service Limited	(i) & (vi)	-	-
		-	-
Amount due to a former director:			
- Mr. Chow Ki Shui Louie	(i)	(307,839)	(1,401,354)

Notes:

- (i) The amounts are unsecured, interest free and repayable on demand.
- (ii) On 9 June 2023, Ms. Ling Fang, the wife of Mr. Xiong Qiang provided a long-term loan of RMB11,100,000 to the Company, of which all have been used to settle the existing convertible bond. Pursuant to the loan agreement ("Loan Agreement 1") dated 9 June 2023, the borrowing from Ms. Ling Fang is unsecured, carried fixed interest rate at 6% per annum and is repayable in 5 years by installments. The Group settled RMB9,500,000 during the year ended 31 March 2024. And the outstanding loan of RMB1,600,000 was fully settled in November 2024.
- (iii) On 28 October 2024, Ms. Ling Fang, provided a loan of RMB12,000,000 to the Company. Pursuant to the loan agreement ("Loan Agreement 2") dated 28 October 2024, the borrowing from Ms. Ling Fang is unsecured, carried fixed interest rate at 6% per annum and is repayable on demand.
- (iv) In addition to the Loan Agreement 1 and 2, Ms. Ling Fang agreed to provide a personal guarantee to financial institutions which granted loan facility to the Group. Ms. Ling Fang charged the guarantee fee at 2% per annum according to the guaranteed amount during the year ended 31 March 2025 and 31 March 2024.
- (v) Mr. Ling Song is a supervisor of 深圳市淘淘谷電子商務有限公司, a subsidiary of the Company. He is also the director and major shareholder of Shenzhen Bozhong and is a close family member of a director of the Company. The maximum outstanding balance of amount due from a related company is RMB15,575 during the year ended 31 March 2025 (2024: RMB601,978).
- (vi) The amounts represent the balance net of allowance for credit losses.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

35. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY

General information of subsidiaries

Details of the principal subsidiaries directly and indirectly held by the Company at the end of the reporting period are set out below:

Name of subsidiary	Place of establishment and business	Principal activities	Particulars of issued and paid up registered capital	Proportion of ownership interest held by the Company				Proportion of voting power held by the Company			
				Directly 2025	Indirectly 2025	Directly 2024	Indirectly 2024	Directly 2025	Indirectly 2025	Directly 2024	Indirectly 2024
STIT* (深圳市淘淘谷信息技術有限公司)	PRC (Wholly foreign - owned enterprise)	Provision of system development and information technology services	Paid up registered capital of HK\$58,000,000 (2024: HK\$62,000,000) (Note(c)(i))	100%	-	100%	-	100%	-	100%	-
Shenzhen Tao-taogu E-commerce Co., Limited.* (深圳市淘淘谷電子商務有限公司) ("STEC")#	PRC (Domestic-funded)	Provision of E-commerce system development and information technology services	Paid up registered capital of RMB1,000,000 (2024: RMB1,000,000) (Note(c)(ii))	-	(Note (a))	-	(Note (a))	-	(Note (a))	-	(Note (a))
Shenzhen Tao-taogu Investment Co., Limited.* (深圳市淘淘谷投資有限公司) ("ST Investment")#	PRC (Domestic-funded)	Provision of investment management and consultancy services	Paid up registered capital of RMB1,000,000 (2024: RMB1,000,000)	-	(Note (b))	-	(Note (b))	-	(Note (b))	-	(Note (b))
Jiangxi Tao-taogu E-commerce Co., Limited* (江西淘淘谷電子商務有限公司) ("JTEC")#	PRC (Domestic-funded)	Investment holding	Paid up registered capital of RMB200,000 (2024: RMB200,000) (Note(c)(iii))	-	92%	-	92%	-	92%	-	92%
Jiangxi Kelaihui E-commerce Co., Limited* (江西客來惠信息技術有限公司) ("JKLH")#	PRC (Domestic-funded)	Sales of accessories of point-of-sales machine	Nil paid up registered capital (2024: Nil) (Note(c)(iv))	-	92%	-	92%	-	92%	-	92%

* English name is for identification purpose only

Wholly domestic - owned enterprise

Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

35. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY - Continued

General information of subsidiaries - continued

The above table lists the subsidiaries of the Company which, in the opinion of the Directors, principally affected results, assets or liabilities of the Group. To give details of other subsidiaries would, in the opinion of the Directors, result in particulars of excessive length.

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

Notes:

- (a) On 2 July 2013, STIT, a wholly-owned subsidiary of the Company, entered into an agreement (the "Agreement") with Mr. Xiong Qiang, a director and a shareholder of the Company and Ms. Ling Fang, the wife of Mr. Xiong Qiang to obtain control in STEC, a company established in the PRC. The Group does not hold any ownership interests in STEC. However, based on the terms of the Agreement under which STEC was acquired, the Group receives substantially all of the returns related to its operations and net assets and has the power to direct STEC's activities that most significantly affect these returns.
- (b) The Group does not hold any ownership interests in ST Investment. However, based on the terms of agreement under which ST Investment was established, the Group receives substantially all of the returns related to its operations and net assets and has the power to direct ST Investment's activities that most significantly affect these returns.
- (c)
 - (i) As at 31 March 2025, the registered capital of STIT was HK\$58,000,000 (2024: HK\$62,000,000) of which HK\$58,000,000 (2024: HK\$62,000,000) was paid up.
 - (ii) As at 31 March 2025, the registered capital of STEC was RMB2,000,000 (2024: RMB2,000,000) of which RMB1,000,000 (2024: RMB1,000,000) was paid up.
 - (iii) As at 31 March 2025, the registered capital of JTEC was RMB2,000,000 (2024: RMB2,000,000) of which RMB200,000 (2024: RMB200,000) was paid up.
 - (iv) As at 31 March 2025, the registered capital of JKLH was RMB10,000,000 (2024: RMB10,000,000) of which RMBNil (2024: RMBNil) was paid up.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

35. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY - Continued

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

The table below shows details of non-wholly owned subsidiaries of the Group that have material non-controlling interests ("NCI"):

Name	Place of incorporation and principal place of business	Proportion of ownership interests and voting rights held by non-controlling interests		Loss allocated to non-controlling interests		Accumulated non-controlling interests	
		2025	2024	2025 RMB	2024 RMB	2025 RMB	2024 RMB
JTEC (Note (i))	PRC	8%	8%	(144,367)	(184,391)	(1,166,449)	(1,022,082)
JKLH (Note (ii))	PRC	8%	8%	(149,820)	(225,245)	(1,985,520)	(1,835,700)
				(294,187)	(409,636)	(3,151,969)	(2,857,782)

Notes:

(i) JTEC

JTEC, a 92% (2024: 92%) owned subsidiary of the Company, has material non-controlling interests ("NCI"). Summarised financial information in relation to the NCI of JTEC, before intra-group eliminations, is presented below:

	2025 RMB	2024 RMB
JTEC		
Revenue	152,104	-
Loss and total comprehensive expense for the year	(1,804,591)	(2,304,884)
Loss and total comprehensive expense attributable to NCI of JTEC	(144,367)	(184,391)
Dividends paid to NCI of JTEC	-	-
Cash flows used in operating activities	(19)	(662)
Cash flows from investing activities	5	10
Net cash outflow	(14)	(652)
Non-current assets	358,968	363,765
Current assets	33,927	33,927
Current liabilities	(14,973,513)	(13,173,719)
Net liabilities	(14,580,618)	(12,776,027)
NCI of JTEC	(1,166,449)	(1,022,082)

Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

35. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY - Continued

Details of non-wholly owned subsidiaries that have material non-controlling interests - continued

Notes:- continued

(ii) JKLH

JKLH, a 92% (2024: 92%) owned subsidiary of the Company, has material NCI. Summarised financial information in relation to the NCI of JKHL, before intra-group eliminations, is presented below:

	2025 RMB	2024 RMB
JKLH		
Revenue	489,271	18,537
Loss and total comprehensive expense for the year	(1,872,750)	(2,815,554)
Loss and total comprehensive expense attributable to NCI of JKLH	(149,820)	(225,245)
Dividends paid to NCI of JKLH	-	-
Cash flows used in operating activities	(9,968)	(8,623)
Net cash outflow	(9,968)	(8,623)
Non-current assets	43,825	60,116
Current assets	5,759,162	4,102,095
Current liabilities	(30,621,984)	(27,108,458)
Net liabilities	(24,818,997)	(22,946,247)
NCI of JKLH	(1,985,520)	(1,835,700)

Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

36. LITIGATION

As disclosed in the Company's announcements dated 12 August 2022, the Company has discovered that the cashier of a subsidiary of the Company (the "Cashier"), was suspected of having misappropriated certain funds of the Group (the "Investigation"). The Company conducted a detailed review of its banking records to ascertain the extent of the misappropriation of the Group's funds by the Cashier. Based on such records obtained by the Company and its internal assessment, the Company believes that an aggregate amount of up to approximately RMB13,436,000 has been misappropriated by the Cashier.

On 12 August 2022, the Company had commenced criminal proceedings in the People's Court of Nanshan District of Shenzhen (the "Nanshan Court") against the Cashier for the misappropriation of cash. On 31 December 2022, the Nanshan Court issued a criminal judgment on the lawsuit, ruling that the Cashier should compensate the Company for the loss of RMB13,197,117 and should be jailed for 6 years. During the year ended 31 March 2025, the Company have received the compensation of RMB163,906.

On 23 September 2023, the Company commenced civil proceedings in the People's Court of Luo Hu District of Shenzhen (the "Luo Hu Court") against the spouse of the Cashier for assisting on money laundering amounting to RMB3,461,704. At 31 March 2024, the civil proceedings are still in progress.

On 30 April 2025, the Company commenced civil proceedings in the People's Court of Huidong County of Guangdong Province (the "Huidong Court") against the spouse of the Cashier for assisting on money laundering amounting to RMB 9,736,013. The Huidong Court judged that the litigation was dismissed and the litigation was transferred to the Ministry of Public Security of the People's Republic of China for handling.

Notes to the Consolidated Financial Statements

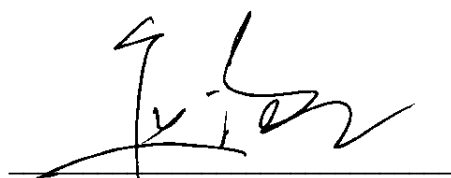
For the year ended 31 March 2025

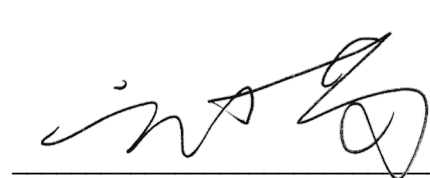
37. STATEMENT OF FINANCIAL POSITION AND RESERVES OF THE COMPANY

Statement of financial position of the Company

	2025 RMB	2024 RMB
NON-CURRENT ASSETS		
Interests in a subsidiary	-	-
Investment in an associate	-	-
	-	-
CURRENT ASSETS		
Trade and other receivables	-	1,311,423
Bank balances and cash	825,960	824,116
	825,960	2,135,539
CURRENT LIABILITIES		
Other payables	2,169,226	1,414,925
Other borrowing	2,531,332	5,141,596
Amount due to a director	335,727	-
Amount due to subsidiary	1,123,942	340,496
	6,160,227	6,897,017
NET CURRENT LIABILITIES	(5,334,267)	(4,761,478)
TOTAL ASSETS LESS CURRENT LIABILITIES	(5,334,267)	(4,761,478)
NET LIABILITIES	(5,334,267)	(4,761,478)
CAPITAL AND RESERVES		
Share capital	87,189,117	87,189,117
Reserves	(92,523,384)	(91,950,595)
TOTAL DEFICIT	(5,334,267)	(4,761,478)

The Company's statement of financial position was approved and authorised for issue by the Board of Directors on 30 June 2025 and are signed on its behalf by:


XIONG QIANG
Director


GAO QIUJU
Director

Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

37. STATEMENT OF FINANCIAL POSITION AND RESERVES OF THE COMPANY

- Continued

Movement of reserves of the Company

	Accumulated losses RMB	Total RMB
At 1 April 2023	(89,995,514)	(89,995,514)
Loss and total comprehensive expense for the year	(1,955,081)	(1,955,081)
At 31 March 2024	(91,950,595)	(91,950,595)
Loss and total comprehensive expense for the year	(572,789)	(572,789)
At 31 March 2025	(92,523,384)	(92,523,384)

ADDITIONAL ASX INFORMATION FOR CDI HOLDERS

Issued capital

As at 23 June 2025, the Company had 650,769,591 ordinary fully paid shares on issue, of which 650,769,588 shares have been converted to CHESS Depositary Interests (CDI's) and were traded on the ASX. There is no shares/CDI's that are currently under trading restrictions.

There is no on-market buy back currently in place.

Substantial shareholders

The following shareholders have disclosed a substantial shareholding notice to ASX. As at 23 June 2025, the Company has received no further update in relation to these substantial shareholdings.

Name	Number of shares	% of total issued shares
Xiong Qiang & Associates	223,699,435	34.37
Hoi Ping Happy Cheung & Associates	106,249,435	16.33

The above substantial shareholders details are based on the notification last received from the substantial shareholders prior to the date of this annual report.

Distribution of Shareholders/CDI holders

There were 783 CDI holders as at 23 June 2025. Each CDI holder is entitled to one vote for each security held.

Range	Total holders	Units	% Units
1 - 1,000	49	14,169	0.00
1,001 - 5,000	217	784,588	0.12
5,001 - 10,000	145	1,206,562	0.19
10,001 - 100,000	249	8,741,591	1.34
100,001 Over	123	640,022,678	98.35
Rounding			0.00
Total	783	650,769,588	100.00

There are 709 CDI holders who hold less than a marketable parcel. The top 20 shareholders hold 91.96% of the Company's share capital.

Voting Rights

The voting rights are that each CDI holder is entitled to 1 vote per CDI at a meeting of members.

ADDITIONAL ASX INFORMATION FOR CDI HOLDERS

Top twenty CDI holders as at 23 June 2025

Rank	Name	Units	% Units
1	QIANG XIONG	213,699,434	32.84
2	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	119,435,081	18.35
3	HOI PING HAPPY CHEUNG	105,500,000	16.21
4	BNP PARIBAS NOMS PTY LTD	34,889,051	5.36
5	MIN LAO	27,770,835	4.27
6	CITICORP NOMINEES PTY LIMITED	27,170,258	4.18
7	BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT>	10,611,651	1.63
8	LING FANG	10,000,000	1.54
9	BNP PARIBAS NOMINEES PTY LTD <CLEARSTREAM>	9,634,099	1.48
10	STRADBROKE PLAZA PTY LTD <RYAN RETIREMENT FUND A/C>	7,581,000	1.16
11	VENSUP PTY LTD <EDIN SUPERFUND A/C>	6,000,000	0.92
12	VENICS PTY LTD <EDIN A/C>	5,087,637	0.78
13	YANGUI XIONG	5,000,000	0.77
14	HUEI LING GRACE CHEN	3,333,800	0.51
15	MR FEN CHEN	2,500,000	0.38
16	MR LINYAN WU	2,264,026	0.35
17	MR PAUL FRANCIS LUXTON	2,096,010	0.32
18	MS SHU HUI ZHANG	2,000,000	0.31
19	MERRILL LYNCH (AUSTRALIA) NOMINEES PTY LIMITED	1,944,345	0.30
20	NETWEALTH INVESTMENTS LIMITED <SUPER SERVICES A/C>	1,924,092	0.30
Totals: Top 20 holders of Ordinary Fully Paid Shares (Total)		598,441,319	91.96
Total Remaining Holders Balance		52,328,269	8.04

ADDITIONAL ASX INFORMATION FOR CDI HOLDERS

FTC's Place of Incorporation

As FTC is incorporated in Hong Kong and not established in Australia, its corporate activities (apart from the offering of securities in Australia) are not regulated by the Corporations Act of the Commonwealth of Australia or by the Australian Securities and Investments Commission but instead are regulated by the Hong Kong Companies Ordinance and the Financial Services and the Treasury Bureau. FTC is not subject to Chapters 6, 6A, 6B and 6C of the Corporations Act 2001 in Australia. The following information is provided as required to be provided to ASX on an annual basis to disclose the limitations on acquisition on securities.

Takeovers

The Hong Kong Code on Takeovers and Mergers (the "Takeovers Code") regulates takeovers and mergers in Hong Kong and applies to public companies in Hong Kong. The Takeovers Code provides that when a person, or two or more persons acting in concert collectively:

- acquire 30% or more of the voting rights of a company; or
- hold not less than 30% but more than 50% of the voting rights of the company and acquires more than 2% of the voting rights of a company from the lowest percentage holding of that person or persons collectively within a 12-month period,

then a general offer must be made to all other shareholders of the company.

Compulsory Acquisition

Schedule 13 of the Hong Kong Companies Ordinance sets out the right to buy out minority shareholders. If within four months of making an offer to buy shares, a company has acquired 90% in value of the shares, the acquiring company may give notice to the remaining shareholders that it desires to acquire their shares. Provided that notice is given within five months of the original offer, the acquiring company is entitled and bound to acquire those shares on the same terms as the offer.

Substantial holder notices

Part XV of the Hong Kong Securities and Futures Ordinance requires the disclosure by substantial shareholders, directors, shadow directors and chief executives of a listed corporation (collectively "Corporate Insiders") of their interests in the securities of a listed corporation when their interests reach the notifiable percentage level. The notifiable percentage level is an interest in shares of an aggregate nominal value of 5% or more of the relevant shares in the listed corporation.

CORPORATE DIRECTORY

Fintech Chain Limited

ARBN: 158 702 400

Principal place of business in the PRC

Unit 1201, Building B, Aote innovation center
No. 10 Qiongyu Road, south of Beihuan Avenue,
Nanshan District, Shenzhen 518000, PRC

Representative office in Australia

Investorlink Group Limited Level 26, 56 Pitt Street
Sydney NSW 2000

Registered office, principal share registrar and transfer office

1806 Gala Place
56 Dundas Street
Kowloon, Hong Kong

Australia branch share registrar and transfer office

Computershare Investor Services Pty Limited Yarra Falls
452 Johnston Street
Abbotsford VIC 3067

Board of Directors

XIONG Qiang (President & Chief Executive Officer)
GAO Qiuju (Vice President & Deputy Chief Executive Officer)
Christopher John Ryan (Independent Chairman & Non-Executive Director)

Company Secretaries

GAO Qiuju

Audit and Risk Management Committee

RYAN Christopher John (Independent Chairman & Non-Executive Director)

Nomination and Remuneration Committee

RYAN Christopher John (Chairman of Committee)
XIONG Qiang (President & Chief Executive Officer)
GAO Qiuju (Vice President & Deputy Chief Executive Officer)

Auditor

Asian Alliance (HK) CPA Limited

Website

www.ttg.hk