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**EFT Solutions Holdings Limited**  
**俊盟國際控股有限公司**

*(incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 8062)**

**2023 FIRST QUARTERLY RESULTS ANNOUNCEMENT**

The board (the “**Board**”) of directors (the “**Directors**”) of EFT Solutions Holdings Limited (the “**Company**”) is pleased to announce the unaudited condensed consolidated financial results of the Company and its subsidiaries (collectively the “**Group**”) for the three months ended 30 June 2023. This announcement, containing the full text of the 2023 first quarterly report of the Group, complies with the relevant requirements of the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) (the “**GEM Listing Rules**”) in relation to information to accompany preliminary announcement of first quarterly results.

Yours faithfully  
By order of the Board  
**EFT Solutions Holdings Limited**  
**Lo Chun Kit Andrew**  
*Chairman*

Hong Kong, 9 August 2023

*As of the date of this announcement, the Board comprises executive Director Mr. Lo Chun Kit Andrew; non-executive Directors Ms. Lam Ching Man and Mr. Lui Hin Weng Samuel; and independent non-executive Directors Dr. Wu Wing Kuen, B.B.S., Mr. Tso Ping Cheong Brian and Mr. Wong Ping Yiu.*

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

*This announcement will remain on the Stock Exchange’s website at [www.hkexnews.hk](http://www.hkexnews.hk) on the “Latest Company Announcements” page for at least seven days from the date of its posting and be posted on the website of the Company at [www.eftsolutions.com](http://www.eftsolutions.com).*

**EFT Solutions**

**EFT Solutions Holdings Limited**

(incorporated in the Cayman Islands with limited liability)

HKEx Stock Code : 8062



**2023**

**FIRST QUARTERLY REPORT**

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

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

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

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

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# CORPORATE INFORMATION

## BOARD OF DIRECTORS

### Executive Directors

Mr. Lo Chun Kit Andrew  
(*Chairman and Chief Executive Officer*)  
Mr. Lo Chun Wa (resigned on 8 May 2023)

### Non-executive Directors

Ms. Lam Ching Man  
Mr. Lui Hin Weng Samuel

### Independent Non-executive Directors

Dr. Wu Wing Kuen *B.B.S.*  
Mr. Tso Ping Cheong Brian  
Mr. Wong Ping Yiu

## COMPLIANCE OFFICER

Mr. Lo Chun Kit Andrew  
(assumed on 8 May 2023)  
Mr. Lo Chun Wa (resigned on 8 May 2023)

## COMPANY SECRETARY

Mr. Li Man Ho

## AUTHORISED REPRESENTATIVES

Mr. Lo Chun Kit Andrew  
Mr. Li Man Ho

## AUDIT COMMITTEE

Mr. Tso Ping Cheong Brian (*Chairman*)  
Dr. Wu Wing Kuen *B.B.S.*  
Mr. Wong Ping Yiu

## REMUNERATION COMMITTEE

Mr. Wong Ping Yiu (*Chairman*)  
Mr. Lo Chun Kit Andrew  
Dr. Wu Wing Kuen *B.B.S.*

## NOMINATION COMMITTEE

Mr. Lo Chun Kit Andrew (*Chairman*)  
Mr. Wong Ping Yiu  
Dr. Wu Wing Kuen *B.B.S.*

## HONG KONG LEGAL ADVISER

Li & Partners  
22/F, World-Wide House  
Central, Hong Kong

# Corporate Information

## AUDITOR

Elite Partners CPA Limited  
10/F, 8 Observatory Road  
Tsim Sha Tsui, Kowloon  
Hong Kong

## PRINCIPAL BANK

Hang Seng Bank Limited  
9/F, 83 Des Voeux Road Central  
Hong Kong

## REGISTERED OFFICE

Windward 3  
Regatta Office Park  
P.O. Box 1350  
Grand Cayman KY1-1108  
Cayman Islands

## HEADQUARTERS AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Workshops B1 & B3  
11/F, Yip Fung Industrial Building  
28-36 Kwai Fung Crescent  
Kwai Chung, New Territories  
Hong Kong

## PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Ocorian Trust (Cayman) Limited  
Windward 3  
Regatta Office Park  
P.O. Box 1350  
Grand Cayman KY1-1108  
Cayman Islands

## HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Link Market Services (Hong Kong) Pty Limited  
Suite 1601, 16/F  
Central Tower  
28 Queen's Road Central  
Hong Kong

## STOCK CODE

8062

## COMPANY WEBSITE

[www.eftsolutions.com](http://www.eftsolutions.com)

## FINANCIAL HIGHLIGHTS

	For the three months ended 30 June		
	2023	2022	
	HK\$'000 (Unaudited)	HK\$'000 (Unaudited)	+ / (-)
Revenue	<b>23,803</b>	28,601	(16.8)%
Gross profit	<b>11,229</b>	13,364	(16.0)%
Operating profit	<b>5,282</b>	6,615	(20.2)%
Profit before tax	<b>5,279</b>	6,615	(20.2)%
Profit for the period	<b>4,666</b>	5,832	(20.0)%
Profit attributable to the owners of the Company	<b>4,536</b>	5,918	(23.4)%

## EARNINGS PER SHARE

	2023	2022	
	HK cents (Unaudited)	HK cents (Unaudited)	
Earnings per share			
– Basic and Diluted	<b>0.95</b>	1.23	(22.8)%

## FIRST QUARTERLY RESULTS

The board of Directors (the “**Board**”) of the Company is pleased to announce the unaudited condensed consolidated quarterly results of the Group for the three months ended 30 June 2023 (the “**Reporting Period**”), together with the comparative unaudited figures for the corresponding period in 2022, as follows:

### CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the three months ended 30 June 2023

		For the three months ended 30 June	
		2023	2022
		HK\$'000	HK\$'000
	Notes	(Unaudited)	(Unaudited)
<b>Revenue</b>	4	<b>23,803</b>	28,601
Cost of goods sold and services		<b>(12,574)</b>	(15,237)
<b>Gross profit</b>		<b>11,229</b>	13,364
Other income		<b>385</b>	–
Other losses		<b>(409)</b>	(1,681)
Administrative expenses		<b>(5,923)</b>	(5,068)
<b>Operating profit</b>		<b>5,282</b>	6,615
Finance costs		<b>(3)</b>	–
<b>Profit before tax</b>		<b>5,279</b>	6,615
Income tax expense	5	<b>(613)</b>	(783)
<b>Profit for the period</b>		<b>4,666</b>	5,832
<b>Profit attributable to:</b>			
– Owners of the Company		<b>4,536</b>	5,918
– Non-controlling interests		<b>130</b>	(86)
		<b>4,666</b>	5,832
<b>Earnings per share for the profit attributable to the owners of the Company:</b>			
– <b>Basic and diluted (HK cents)</b>	6	<b>0.95</b>	1.23



# CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the three months ended 30 June 2023

	For the three months ended 30 June	
	2023	2022
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
<b>Profit for the period</b>	<b>4,666</b>	5,832
<b>Other comprehensive income, net of tax</b>		
<i>Items that may be subsequently reclassified to profit or loss:</i>		
Exchange differences arising on translation of the financial statements of foreign subsidiaries	(41)	(451)
<b>Total comprehensive income for the period</b>	<b>4,625</b>	5,381
<b>Total comprehensive income attributable to:</b>		
– Owners of the Company	<b>4,503</b>	5,501
– Non-controlling interests	<b>122</b>	(120)
	<b>4,625</b>	5,381

# CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the three months ended 30 June 2023

	Share capital HK\$'000	Attributable to the owners of the Company				Retained profits HK\$'000	Total HK\$'000	Non-controlling interests HK\$'000	Total equity HK\$'000
		Share premium HK\$'000	Special reserve HK\$'000 (Note)	Exchange reserve HK\$'000	Exchange reserve HK\$'000				
<b>As at 1 April 2023 (Audited)</b>	4,800	53,545	(10,228)	(173)	76,291	124,235	718	124,953	
<b>Comprehensive income</b>									
Profit for the period	-	-	-	-	4,536	4,536	130	4,666	
<b>Other comprehensive income</b>									
Exchange differences arising on translation of the financial statements of foreign subsidiaries	-	-	-	(33)	-	(33)	(8)	(41)	
Total comprehensive income	-	-	-	(33)	4,536	4,503	122	4,625	
<b>As at 30 June 2023 (Unaudited)</b>	4,800	53,545	(10,228)	(206)	80,827	128,738	840	129,578	
<b>As at 1 April 2022 (Audited)</b>	4,800	53,545	(10,228)	372	71,387	119,876	460	120,336	
<b>Comprehensive income</b>									
Profit for the period	-	-	-	-	5,918	5,918	(86)	5,832	
<b>Other comprehensive income</b>									
Exchange differences arising on translation of the financial statements of foreign subsidiaries	-	-	-	(417)	-	(417)	(34)	(451)	
Total comprehensive income	-	-	-	(417)	5,918	5,501	(120)	5,381	
<b>As at 30 June 2022 (Unaudited)</b>	4,800	53,545	(10,228)	(45)	77,305	125,377	340	125,717	

Note: Special reserve represents the difference between the entire issued shares of EFT Solutions Limited ("EFT") acquired by the Group amounting to HK\$100 and the consideration for acquiring EFT by EFT Solutions International Limited, a wholly-owned subsidiary of the Group, amounting to approximately HK\$10,228,000 pursuant to the reorganisation, the details of which are set out in the prospectus of the Company dated 5 December 2016.

# NOTES TO THE QUARTERLY FINANCIAL INFORMATION

For the three months ended 30 June 2023

## 1. GENERAL

The Company was incorporated as an exempted company and registered in the Cayman Islands with limited liability under the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands on 26 May 2016. Its registered office is located at Ocorian Trust (Cayman) Limited, Windward 3, Regatta Office Park, P.O. Box 1350, Grand Cayman KY1-1108, Cayman Islands. The address of its principal place of business is located at Workshops B1 & B3, 11/F, Yip Fung Industrial Building, 28–36 Kwai Fung Crescent, Kwai Chung, New Territories, Hong Kong.

The Company's shares (the "**Shares**") were listed on GEM of the Stock Exchange on 15 December 2016.

The Company is an investment holding company and its subsidiaries are principally engaged in sales of electronic fund transfer at point-of-sale ("**EFT-POS**") terminals and peripheral devices, provision of EFT-POS system support services, software solution services and embedded system solution services. The Company's parent and ultimate holding company is LCK Group Limited ("**LCK**"), a private company incorporated in the British Virgin Islands (the "**BVI**"). Its ultimate controlling party is Mr. Lo Chun Kit, Andrew ("**Mr. Lo**").

The presentation currency of the quarterly financial information is Hong Kong dollars ("**HK\$**"), which is the same as the functional currency of the Group.

# Notes to the Quarterly Financial Information

For the three months ended 30 June 2023

## 2. BASIS OF PRESENTATION OF QUARTERLY FINANCIAL INFORMATION

The quarterly financial information have been prepared in accordance with the applicable disclosure requirements of Chapter 18 of the GEM Listing Rules.

The amounts included in the quarterly financial information have been computed in accordance with Hong Kong Financial Reporting Standards (“**HKFRSs**”) issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”). However, it does not contain sufficient information to constitute an interim financial statement as defined in HKFRSs.

The quarterly financial information should be read in conjunction with the consolidated financial statements of the Group incorporated in the annual report for the year ended 31 March 2023 (the “**2023 Annual Report**”). The accounting policies and methods of computation adopted are consistent with those followed in the preparation of the 2023 Annual Report.

The quarterly financial information have been prepared on the historical cost basis. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

## 3. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS

During the Reporting Period, the Group has adopted all the new and revised HKFRSs issued by the HKICPA that are relevant to its operations and effective for its accounting year beginning on 1 April 2023. HKFRSs comprise Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“**HKASs**”), and Interpretations.

There has been no significant change to the accounting policy applied in these unaudited condensed consolidated financial statements for the Reporting Period presented as a result of adoption of these amendments.

## Notes to the Quarterly Financial Information

For the three months ended 30 June 2023

### 4. REVENUE

An analysis of the Group's revenue is as follows:

	For the three months ended 30 June	
	2023	2022
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Sales of EFT-POS terminals and peripheral devices	5,354	11,531
Provision of system support and software solution services	18,449	17,070
	23,803	28,601

### 5. INCOME TAX EXPENSE

	For the three months ended 30 June	
	2023	2022
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Current income tax		
– Hong Kong profits tax	646	1,040
– Overseas income tax	248	56
Total current income tax	894	1,096
Deferred income tax	(281)	(313)
Total tax charge for the period	613	783

# Notes to the Quarterly Financial Information

For the three months ended 30 June 2023

## 5. INCOME TAX EXPENSE (continued)

Hong Kong Profits Tax has been provided for at the rate of 8.25% on the estimated assessable profits which is less or equivalent to HK\$2,000,000 and 16.5% on the estimated assessable profits which is more than HK\$2,000,000 (2022: 8.25% on the estimated assessable profits which is less or equivalent to HK\$2,000,000 and 16.5% on the estimated assessable profits which is more than HK\$2,000,000).

Tax on overseas profits in Australia, Macau and PRC has been calculated at the prevailing tax rate based on existing legislation, interpretations and practices in the respective countries thereof.

The Group is not subject to any income tax in the Cayman Islands and the BVI pursuant to the rules and regulations in those jurisdictions.

## 6. EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share for both periods is based on the following data:

	For the three months ended 30 June	
	2023	2022
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
<b>Earnings</b>		
Earnings for the purposes of basic and diluted earnings per share	4,536	5,918
	'000	'000
	(Unaudited)	(Unaudited)
<b>Number of shares</b>		
Weighted average number of ordinary shares for the purpose of basic and diluted earnings per share	480,000	480,000

The diluted earnings per share for both periods were the same as basic earnings per share as there were no potential outstanding shares for both periods.

# Notes to the Quarterly Financial Information

For the three months ended 30 June 2023

## 7. RELATED PARTY TRANSACTIONS

During the three months ended 30 June 2022 and 2023, the Group entered into the following significant transactions with related parties:

Name of related party	Nature of transactions	2023 HK\$'000	2022 HK\$'000
Affinity Corporation Limited (Note 1)	Rental expenses paid	84	84
EFT Payments (Asia) Limited (Note 1)	Sales of EFT-POS terminals and peripheral devices (Note 2)	920	1,133
	Provision of EFT-POS system support services	2,185	2,223
	Referral fee paid	436	-
	Acquisition of fixed asset	-	6
Fillen Limited (Note 1)	Rental expenses paid	150	150
LCKB Company Limited (Note 1)	Rental expenses paid	96	96
Mr. Lo	Rental expenses paid	212	245
Ms. Lam Ching Man ("Ms. Lam") (Note 3)	Rental expenses paid	81	81

Notes:

1. Mr. Lo is the ultimate shareholder of Affinity Corporation Limited, EFT Payments (Asia) Limited, Fillen Limited and LCKB Company Limited.
2. The prices were made with reference to transactions prices of EFT-POS terminals products of comparable quality, quantity, specifications and delivery deadline and arrangements offered to at least 2 independent third parties in the ordinary and usual course of business.
3. Ms. Lam is a non-executive Director and the spouse of Mr. Lo.

# MANAGEMENT DISCUSSION AND ANALYSIS

## FINANCIAL REVIEW

### Overview

During the Reporting Period, the Group recorded revenue of approximately HK\$23.8 million which represented a decrease of approximately 16.8% compared with approximately HK\$28.6 million in the corresponding period in 2022.

The Group recorded a profit for the period of approximately HK\$5.8 million and HK\$4.7 million for the three months ended 30 June 2022 and 2023 respectively, which represented a decrease of approximately 19.0% mainly due to the decrease in revenue and gross profit from sales of EFT-POS terminals and peripheral devices.

### Revenue

Revenue of approximately HK\$28.6 million and HK\$23.8 million were recognised for the three months ended 30 June 2022 and 2023 respectively, which represented a decrease of approximately 16.8%. This was mainly due to the decrease in sales of EFT-POS terminals and peripheral devices.

For sales of EFT-POS terminals and peripheral devices, revenue of approximately HK\$11.5 million and HK\$5.4 million were recognised for the three months ended 30 June 2022 and 2023 respectively, which represented a significant decrease of approximately 53.0% mainly due to decrease in the number of EFT-POS terminals sold.

For provision of system support and software solution services, revenue of approximately HK\$17.1 million and HK\$18.4 million were recognised for the three months ended 30 June 2022 and 2023 respectively, which represented an increase of approximately 7.6% mainly due to the increase of the provision of system support services.

### Costs of Goods Sold and Services

Costs of goods sold and services primarily consisted of costs of inventories recognised as expense, cost of independent service providers, tools and consumables, salaries and benefits, freight and transportation, rent, local travelling and telephone and utilities expense. Costs of goods sold and services were approximately HK\$15.2 million and HK\$12.6 million for the three months ended 30 June 2022 and 2023 respectively, which represented a decrease of approximately 17.1% mainly due to the decrease in cost of inventories sold.



# Management Discussion and Analysis

## Gross Profit and Gross Profit Margin

The overall gross profit were approximately HK\$13.4 million and HK\$11.2 million for the three months ended 30 June 2022 and 2023 respectively, which represented a decrease of approximately 16.4%. Such decrease of gross profit was primarily due to decrease of the sales of EFT-POS terminals for the three months ended 30 June 2023 as compared to the three months ended 30 June 2022. The overall gross profit margin increase from approximately 46.7% for the three months ended 30 June 2022 to approximately 47.2% for the three months ended 30 June 2023. Such increase of approximately 0.5 percentage points was due to the Group record higher profit margin in market of software solutions service in the current period.

## Staff Costs and Directors' Remuneration

Staff costs and directors' remuneration of approximately HK\$6.0 million and HK\$5.6 million were recorded for the three months ended 30 June 2022 and 2023 respectively, which represented a decrease of approximately 6.7% due to the decrease of staff salaries in current period.

## Other Administrative Expenses

Other administrative expenses (excluding staff costs and directors' remuneration) are comprised mainly of advertising, auditors' remuneration, depreciation, amortisation of intangible assets, legal and professional fees and office expenses.

Other administrative expenses for the three months ended 30 June 2022 and 2023 were approximately HK\$3.7 million and HK\$4.4 million respectively, which represents an increase of approximately 18.9% mainly due to the increase of depreciation and amortization in the current period.

## Other Losses

Other losses for the three months ended 30 June 2022 and 2023 were approximately HK\$1.7 million and HK\$0.4 million respectively, which mainly represented the movement of allowance for credit losses and the net exchange loss.

## Profit for the Period

The Group recorded profit for the period of approximately HK\$5.8 million and HK\$4.7 million for the three months ended 30 June 2022 and 2023 respectively. Such decrease was mainly due to the decrease of the revenue and gross profit.

# Management Discussion and Analysis

## FINANCIAL POSITION, LIQUIDITY AND FINANCIAL RESOURCES

The Group adopts a prudent cash and financial management policy. In order to achieve better cost control and minimise the costs of funds, the Group's treasury activities are centralised and cash is generally deposited with major banks in Hong Kong and denominated mostly in Hong Kong dollars.

As at 30 June 2023, the Group had net current assets of approximately HK\$96.4 million (as at 31 March 2023: net current assets of approximately HK\$91.3 million) including cash and cash equivalents of approximately HK\$76.7 million as at 30 June 2023 (as at 31 March 2023: approximately HK\$73.1 million).

As at 30 June 2023, the gearing ratio (calculated on the basis of total bank borrowings divided by the total equity as at the end of the year) of the Group was nil (as at 31 March 2023: Nil).

## PLEDGE OF ASSETS

As at 30 June 2023, the Group did not have any pledged assets (as at 31 March 2023: Nil).

## CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES

As at 30 June 2023, the Group did not have any significant capital commitment (as at 31 March 2023: Nil).

As at 30 June 2023, the Group did not have any significant capital expenditures (as at 31 March 2023: Nil).

As at 30 June 2023, the Group did not have any significant contingent liabilities (as at 31 March 2023: Nil).

# Management Discussion and Analysis

## SIGNIFICANT INVESTMENTS, MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES AND CAPITAL ASSETS

The Group did not have any significant investments, material acquisitions and disposals of subsidiaries and capital assets as at 30 June 2023 and up to the date of this report.

## PLANS FOR MATERIAL INVESTMENTS AND ACQUISITIONS

The Group did not have any plans for material investments and acquisitions as at 30 June 2023 and up to the date of this report.

## DIVIDEND

The Board does not recommend the payment of any dividend for the Reporting Period (for the three months ended 30 June 2022: Nil).

## BUSINESS REVIEW

The Group has continued to take a leading position as an innovative EFT-POS solution provider focusing on sales of EFT-POS terminals and peripheral devices, the provision of EFT-POS system support services, software solution services and embedded system solution services in Hong Kong.

We are confident in positioning ourselves as a major link between EFT-POS terminal manufacturers and acquirers (i.e. acquiring bank or payment processor that processes credit or debit card payments on behalf of a merchant) to provide total EFT-POS solutions, which includes sales of EFT-POS terminals and peripheral devices services, as well as the development of softwares that comply with electronic payment standards acceptance certification, installation and ongoing maintenance and repair services of EFT-POS terminals.

The Group will continue to provide customised project-based software solution services so as to further capture the ongoing growing opportunities and expand our local market share in the EFT-POS terminal market. We will also continue to provide sales of EFT-POS terminals and peripheral devices services to acquirers as well as merchants. The Group continued its efforts in developing the sales of EFT-POS terminals and peripheral devices, provision of EFT-POS system support services, software solution services and embedded system solution services.

## Management Discussion and Analysis

We expect there to be ample opportunities for growth in provision of EFT-POS terminals and peripheral devices and provision of EFT-POS system support services and software solution services under the rapid development of the digital payment market, especially the popularity of the QR code payment, Faster Payment System (“**FPS**”) and e-wallet payment system.

The Group will strive its best effort to achieve business growth and contribute our expertise in Hong Kong on its endeavor to transform itself into a smart city. The Group aims to further expand our market shares and strengthen our market position in EFT-POS sales, system support and software solution industries by increasing its capabilities and offering diverse and high quality one-stop integrated services.

# DISCLOSURE OF INTERESTS AND OTHER INFORMATION

## DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES OR DEBENTURES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS

As at 30 June 2023, the interests and short positions of the Directors and chief executive of the Company in the Shares and underlying shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) which were notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or which were recorded in the register required to be kept by the Company under Section 352 of the SFO, or which were, pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules, notified to the Company and the Stock Exchange, were as follows:

### Interests in the Shares of the Company

Name	Capacity	Notes	Long position	
			Total interests in ordinary Shares	Percentage of total number of issued Shares
Mr. Lo	Interest in a controlled corporation	1	348,455,000	72.59%
	Beneficial owner		2,765,000	0.58%
Ms. Lam	Interest of spouse	2	351,220,000	73.17%

Notes:

1. Mr. Lo is interested in the entire issued share capital of LCK and he is therefore deemed to be interested in the 348,455,000 Shares held by LCK by virtue of the SFO.
2. Ms. Lam is the spouse of Mr. Lo and she is therefore deemed to be interested in the Shares held by Mr. Lo by virtue of the SFO.

Save as disclosed above, as at 30 June 2023, none of the Directors or chief executives of the Company has any interest or short position in the shares, underlying shares or debentures of the Company or any of its associated corporations which were notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he will be taken or deemed to have under the SFO), or was required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein or which was required, pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules, to be notified to the Company and the Stock Exchange.

## Disclosure of Interests and Other Information

### SUBSTANTIAL SHAREHOLDERS' INTERESTS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY

As at 30 June 2023, to the knowledge of the Directors, Shareholders (other than the Directors or chief executive of the Company) who had interests or short positions in the shares, underlying shares or debentures of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO were as follows:

Name	Capacity	Note	Long position	
			Number of ordinary Shares	Percentage of total number of issued Shares
LCK	Beneficial owner	1	348,455,000	72.59%

Note:

1. The entire issued share capital of LCK is legally and beneficially owned by Mr. Lo who is deemed to be interested in the Shares held by LCK by virtue of the SFO.

Save as disclosed above, as at 30 June 2023, to the knowledge of the Directors, the Company has not been notified by any persons (other than the Directors or chief executive of the Company) who had interests or short positions in the shares, underlying shares or debentures of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO.

# Disclosure of Interests and Other Information

## RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed above, at no time during the Reporting Period and up to the date of this report, have the Directors and the chief executive of the Company and their respective close associates (as defined under the GEM Listing Rules) had any interest in, or had been granted, or exercised any rights to subscribe for shares or underlying shares of the Company and/or its associated corporations (within the meaning of the SFO).

Save as disclosed above, at no time during the Reporting Period and up to the date of this report was the Company, any of its subsidiaries, its associated companies or its holding companies a party to any arrangements to enable the Directors or the chief executive of the Company to hold any interests or short positions in the shares or underlying shares in, or debentures of, the Company and/or its associated corporations (within the meaning of the SFO).

## DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTEREST IN COMPETING BUSINESS

For the Reporting Period and up to the date of this report, none of the Directors, nor the substantial Shareholders of the Company nor their respective close associates (as defined under the GEM Listing Rules) had any interests (other than their interest in the Company or its subsidiaries) in any business which competed or may compete, either directly or indirectly, with the business of the Group or any other conflicts of interests with the Group.

## DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS OF SIGNIFICANCE

Save as disclosed in Note 7 to the quarterly financial information in this report, there were no other transactions, arrangements or contracts of significance in relation to the Group's business to which the Company or any of its subsidiaries was a party and in which a Director had a material interest, whether directly or indirectly, subsisted at the end of or at any time during the period under review.

## Disclosure of Interests and Other Information

### CONTRACTS OF SIGNIFICANCE WITH CONTROLLING SHAREHOLDERS

Save as disclosed in Note 7 to the quarterly financial information in this report, for the Reporting Period, there had been no contract of significance between the Company or any of its close associates and a Controlling Shareholder (as defined in the GEM Listing Rules) or any of its subsidiaries, nor any contract of significance for the provision of services to/from the Company or any of its subsidiaries from/to a controlling shareholder or any of their close associates.

### COMPLIANCE WITH DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted a code of conduct regarding securities transactions (the “**Model Code**”) by the Directors on terms no less exacting than the required standard of dealings set out in Rules 5.48 to 5.67 of the GEM Listing Rules. The Company has confirmed that, having made specific enquiry of all the Directors, the Company was not aware of any non-compliance with the required standard as set out in the code of conduct regarding the directors' securities transactions for the Reporting Period.

Pursuant to Rule 5.66 of the GEM Listing Rules, the Directors have also requested any employee of the Company or director or employee of a subsidiary of the Company who, because of his/her office or employment in the Company or a subsidiary, is likely to possess inside information in relation to the securities of the Company, not to deal in securities of the Company when he/she would be prohibited from dealing by the Model Code as if he/she was a Director.

### COMPLIANCE WITH CODE OF CORPORATE GOVERNANCE

The Company is committed to maintaining a high standard of corporate governance in emphasising a quality board of directors, sound risk management and internal control, transparency and accountability with a view to enhance corporate value and to safeguard the interests of all the Shareholders and the Company as a whole.

The Board continues to monitor and review the Company's corporate governance and makes necessary changes at appropriate time.



## Disclosure of Interests and Other Information

The Board has adopted the principles, the code provisions of Corporate Governance Code (the “**CG Code**”) and the recommended best practices contained in Appendix 15 to the GEM Listing Rules. In accordance with the requirements of the GEM Listing Rules, the Company has established an Audit Committee (“**Audit Committee**”), a Nomination Committee and a Remuneration Committee with specific written terms of reference. During the Reporting Period and up to the date of this report, the Company has complied with all the code provisions of the CG Code as set out in Appendix 15 to the GEM Listing Rules except for the deviations as follows:

Code provision C.2.1 of the CG Code stipulates that the roles of chairman and chief executive should be separate and should not be performed by the same individual. Mr. Lo is the Chairman and the CEO of the Company. In view that Mr. Lo has been assuming day-to-day responsibilities in operating and managing the Group since 2008 and the rapid development of the Group, the Board believes that with the support of Mr. Lo’s extensive experience and knowledge in the business of the Group, vesting the roles of both Chairman and CEO of the Company in Mr. Lo strengthens the solid and consistent leadership and thereby allows for efficient business planning and decision which is in the best interest to the Group. The Board considers that the deviation from code provision C.2.1 of the CG Code is appropriate in such circumstances.

Notwithstanding the above, the Board believes that the balance of power and authority is adequately ensured by the operation of the Board which comprises experienced and high-caliber individuals, with three of them being independent non-executive Directors.

### AUDIT COMMITTEE AND REVIEW OF FINANCIAL STATEMENTS

The Audit Committee was established by the Board on 23 November 2016 with written terms of reference in compliance with the GEM Listing Rules. Members of the Audit Committee currently comprise Mr. Tso Ping Cheong Brian (Chairman of the Audit Committee), Dr. Wu Wing Kuen *B.B.S.* and Mr. Wong Ping Yiu, all of them being independent non-executive Directors. The primary duties of the Audit Committee include, but are not limited to, (a) monitoring the integrity of the Company’s financial statements, (b) reviewing the Company’s financial controls, internal control and risk management systems, and (c) reviewing the Group’s financial and accounting policies and practices.

The unaudited condensed consolidated financial statements have not been audited.

## Disclosure of Interests and Other Information

The Audit Committee with the management of the Group has reviewed the unaudited condensed consolidated quarterly report of the Group for the Reporting Period, this quarterly report, the accounting principles and policies adopted by the Group, and other financial reporting matters. The Audit Committee is satisfied that such results complied with the applicable accounting standards, the requirements under the GEM Listing Rules and other applicable legal requirements, and that adequate disclosures have been made.

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

During the Reporting Period and up to the date of this report, neither the Company nor any of its subsidiaries have purchased, sold or redeemed any of the Company's listed securities.

By order of the Board

#### **EFT Solutions Holdings Limited**

##### **Lo Chun Kit Andrew**

*Chairman and Chief Executive Officer*

9 August 2023

*As of the date of this report, the Board comprises executive Director Mr. Lo Chun Kit Andrew; non-executive Directors Ms. Lam Ching Man and Mr. Lui Hin Weng Samuel; and independent non-executive Directors Mr. Tso Ping Cheong Brian, Mr. Wong Ping Yiu and Dr. Wu Wing Kuen, B.B.S..*

*This report will remain on the Stock Exchange's website at [www.hkexnews.hk](http://www.hkexnews.hk) on the "Latest Company Announcements" page for at least seven days from the date of its posting and be posted on the website of the Company at [www.eftsolutions.com](http://www.eftsolutions.com).*