

EFT Solutions

EFT Solutions Holdings Limited

(incorporated in the Cayman Islands with limited liability)

HKEx Stock Code : 8062

2024

INTERIM REPORT



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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 Director

Mr. Lo Chun Kit Andrew
(Chairman and Chief Executive Officer)

Non-executive Directors

Ms. Lam Ching Man
Mr. Lui Hin Weng Samuel

Independent Non-executive Directors

Mr. Chow Ka Wo Alex
Mr. Wong Ping Yiu
Dr. Wu Wing Kuen, *B.B.S.*

COMPLIANCE OFFICER

Mr. Lo Chun Kit Andrew

COMPANY SECRETARY

Mr. Li Man Ho

AUTHORISED REPRESENTATIVES

Mr. Lo Chun Kit Andrew
Mr. Li Man Ho

AUDIT COMMITTEE

Mr. Chow Ka Wo Alex *(Chairman)*
Mr. Wong Ping Yiu
Dr. Wu Wing Kuen, *B.B.S.*

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

AUDITOR

KPMG
*Certified Public Accountant
Public Interest Entity Auditor
registered in accordance with
the Accounting and Financial
Reporting Council Ordinance*
8th floor, Prince's Building
10 Chater Road
Central, Hong Kong

Corporate Information

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

08062

COMPANY WEBSITE

www.eftsolutions.com

FINANCIAL HIGHLIGHTS

The board of Directors (the “**Board**”) of the Company is pleased to announce the unaudited condensed consolidated interim results of the Group for the six months ended 30 September 2024 (the “**Reporting Period**”), together with the comparative figures for the corresponding period, as follows:

	For the six months ended		+ / (-)
	30 September		
	2024	2023	
	HK\$'000	HK\$'000	
	(Unaudited)	(Unaudited)	
Revenue	48,804	52,977	(7.9)%
Gross profit	21,860	24,816	(11.9)%
Operating profit	10,525	12,911	(18.5)%
Profit before tax	10,525	12,906	(18.4)%
Profit for the period	9,191	10,847	(15.3)%
Profit attributable to the owners of the Company	9,066	10,648	(14.9)%

	As at		+ / (-)
	30 September		
	2024	31 March 2024	
	HK\$'000	HK\$'000	
	(Unaudited)	(Audited)	
Total current assets	131,615	127,235	3.4%
Total assets	159,438	157,454	1.3%
Net current assets	114,626	112,266	2.1%
Total equity	142,449	142,485	(0.1)%

EARNINGS PER SHARE

	For the six months ended		+ / (-)
	30 September		
	2024	2023	
	HK cents	HK cents	
	(Unaudited)	(Unaudited)	
Earnings per share			
– Basic and diluted	1.89	2.22	(14.9)%

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the six months ended 30 September 2024

	Notes	For the six months ended 30 September	
		2024 HK\$'000 (Unaudited)	2023 HK\$'000 (Unaudited)
Revenue	4	48,804	52,977
Cost of goods sold and services		(26,944)	(28,161)
Gross profit		21,860	24,816
Other income	6	1,183	874
Other losses	7	(314)	(846)
Administrative expenses		(12,204)	(11,933)
Operating profit		10,525	12,911
Finance costs		–	(5)
Profit before tax		10,525	12,906
Income tax expense	8	(1,334)	(2,059)
Profit for the period	9	9,191	10,847
Profit attributable to:			
– Owners of the Company		9,066	10,648
– Non-controlling interests		125	199
		9,191	10,847
Earnings per share			
– Basic and diluted (HK cents)	11	1.89	2.22

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 September 2024

	For the six months ended	
	30 September	
	2024	2023
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Profit for the period	9,191	10,847
Other comprehensive income, net of tax		
<i>Items that may be subsequently reclassified to profit or loss:</i>		
Exchange differences arising on translation of foreign operations	373	(210)
Total comprehensive income for the period	9,564	10,637
Total comprehensive income attributable to:		
Owners of the Company	9,370	10,474
Non-controlling interests	194	163
	9,564	10,637

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 September 2024

		As at 30 September 2024 HK\$'000 (Unaudited)	As at 31 March 2024 HK\$'000 (Audited)
	Notes		
NON-CURRENT ASSETS			
Property, plant and equipment	12	8,823	10,687
Right-of-use assets		6,484	6,659
Intangible assets		828	1,679
Goodwill		10,578	10,578
Deposits paid	13	336	350
Deferred tax assets		774	266
		27,823	30,219
CURRENT ASSETS			
Inventories		6,615	3,912
Trade and other receivables	13	43,192	60,798
Bank balances and cash		81,808	62,525
		131,615	127,235
CURRENT LIABILITIES			
Trade and other payables	14	13,027	11,444
Lease liabilities		–	27
Tax payable		3,962	3,498
		16,989	14,969
NET CURRENT ASSETS		114,626	112,266
TOTAL ASSETS LESS CURRENT LIABILITIES		142,449	142,485

Condensed Consolidated Statement of Financial Position

As at 30 September 2024

		As at 30 September 2024 HK\$'000 (Unaudited)	As at 31 March 2024 HK\$'000 (Audited)
NON-CURRENT LIABILITIES		-	-
NET ASSETS		142,449	142,485
CAPITAL AND RESERVES			
Share capital	15	4,800	4,800
Share premium and reserves		136,305	136,535
		141,105	141,335
Non-controlling interests		1,344	1,150
TOTAL EQUITY		142,449	142,485

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 September 2024

	Attributable to the owners of the Company					Total	Non-controlling interests	Total equity
	Share capital	Share premium	Special reserve	Exchange reserve	Retained earnings			
	HK\$'000	HK\$'000	HK\$'000 (Note a)	HK\$'000 (Note b)	HK\$'000	HK\$'000	HK\$'000	HK\$'000
As at 1 April 2024 (Audited)	4,800	53,545	(10,228)	96	93,122	141,335	1,150	142,485
Comprehensive income								
Profit for the period	-	-	-	-	9,066	9,066	125	9,191
Other comprehensive income								
Exchange differences arising on translation of the financial statements of foreign subsidiaries	-	-	-	304	-	304	69	373
Total comprehensive income	-	-	-	304	9,066	9,370	194	9,564
Final dividend approved in respect of the previous financial year (Note 10)	-	-	-	-	(9,600)	(9,600)	-	(9,600)
As at 30 September 2024 (Unaudited)	4,800	53,545	(10,228)	400	92,588	141,105	1,344	142,449

Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 September 2024

	Attributable to the owners of the Company					Total	Non-controlling interests	Total equity
	Share capital	Share premium	Special reserve	Exchange reserve	Retained earnings			
	HK\$'000	HK\$'000	HK\$'000 (Note a)	HK\$'000 (Note b)	HK\$'000	HK\$'000	HK\$'000	HK\$'000
As at 1 April 2023 (Audited)	4,800	53,545	(10,228)	(173)	76,291	124,235	718	124,953
Comprehensive income								
Profit for the period	-	-	-	-	10,648	10,648	199	10,847
Other comprehensive income								
Exchange differences arising on translation of the financial statements of foreign subsidiaries	-	-	-	(174)	-	(174)	(36)	(210)
Total comprehensive income	-	-	-	(174)	10,648	10,474	163	10,637
Final dividend approved in respect of the previous financial year (Note 10)	-	-	-	-	(9,600)	(9,600)	-	(9,600)
As at 30 September 2023 (Unaudited)	4,800	53,545	(10,228)	(347)	77,339	125,109	881	125,990

Notes:

- 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 (“EFT Solutions International”), 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.
- Exchange differences relating to the translation of the net assets of the Group’s operations outside Hong Kong from their functional currencies to the Group’s presentation currency are recognised directly in other comprehensive income and accumulated in the exchange reserve. Exchange differences accumulated in the exchange reserve are reclassified to profit or loss on the disposal of the operations outside Hong Kong.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 September 2024

	For the six months ended	
	30 September	
	2024	2023
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
NET CASH GENERATED FROM OPERATING ACTIVITIES	28,976	10,206
NET CASH USED IN INVESTING ACTIVITIES	(142)	(1,061)
NET CASH USED IN FINANCING ACTIVITIES	(9,602)	(9,732)
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	19,232	(587)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	62,525	73,120
EFFECT OF FOREIGN EXCHANGE RATE CHANGES, NET	51	19
CASH AND CASH EQUIVALENTS AT END OF PERIOD	81,808	72,552
ANALYSIS OF CASH AND CASH EQUIVALENTS		
Bank balances and cash	81,808	72,552

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2024

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, 11th Floor, 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 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 condensed consolidated financial statements is Hong Kong dollars ("**HK\$**"), which is the same as the functional currency of the Group.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 September 2024

2. BASIS OF PRESENTATION

The condensed consolidated financial statements have been prepared in accordance with the applicable disclosure requirements of Chapter 18 of the GEM Listing Rules and Hong Kong Accounting Standard 34 (HKAS 34) “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”).

The amounts included in the condensed consolidated financial statements have been computed in accordance with Hong Kong Financial Reporting Standards (“**HKFRSs**”) issued by the HKICPA.

The condensed consolidated financial statements should be read in conjunction with the consolidated financial statements of the Group incorporated in the annual report for the year ended 31 March 2024 (the “**2024 Annual Report**”). The accounting policies and methods of computation adopted are consistent with those followed in the preparation of the 2024 Annual Report.

The condensed consolidated financial statements 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.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 September 2024

3. APPLICATION OF AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS

During the Reporting Period, the Group has applied the Amendments to References to the Conceptual Framework in HKFRS Standards and the following amendments to HKFRSs issued by the HKICPA, for the first time, which are mandatorily effective for the annual period beginning on or after 1 April 2024 for the preparation of the Group's condensed consolidated financial statements:

Amendments to HKAS 1	Presentation of financial statements: Classification of liabilities as current or non-current (" 2020 amendments ")
Amendments to HKAS 1	Presentation of financial statements: Non-current liabilities with covenants (" 2022 amendments ")
Amendments to HKFRS 16	Leases: Lease liability in a sale and leaseback
Amendments to HKAS 7	Statement of cash flows and HKFRS 7, Financial instruments: Disclosures – Supplier finance arrangements

The application of the amendments to HKFRSs has no material impact on the Group's financial position and financial performance for the current and/or prior periods and/or on the disclosure set out in the Interim Financial Information.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 September 2024

4. REVENUE

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

	For the six months ended 30 September	
	2024	2023
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Sales of EFT-POS terminals and peripheral devices	11,553	14,370
Provision of system support and software solution services	37,251	38,607
	48,804	52,977

5. SEGMENT INFORMATION

Information reported to Mr. Lo, being the chief operating decision maker ("CODM"), for the purpose of resource allocation and assessment of segment performance, focuses on types of goods delivered or services provided.

Specifically, the Group's reportable and operating segments are as follows:

Sale of hardware devices	–	Sales of EFT-POS terminals and peripheral devices
System support and software solution services	–	Provision of system support services and software solution services

No operating segments identified by the CODM have been aggregated in arriving at the reportable segments of the Group.

The accounting policies of the reportable and operating segments are the same as the Group's accounting policies.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 September 2024

5. SEGMENT INFORMATION (continued)

Segment information about these reportable and operating segments is presented below:

For the six months ended 30 September 2024

	Sale of hardware devices HK\$'000 (Unaudited)	System support and software solution services HK\$'000 (Unaudited)	Consolidated HK\$'000 (Unaudited)
Segment revenue – external customers	11,553	37,251	48,804
Segment results	6,490	14,195	20,685
Other income			1,182
Unallocated expenses			(11,342)
Profit before tax			10,525

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 September 2024

5. SEGMENT INFORMATION (continued)

For the six months ended 30 September 2023

	Sale of hardware devices HK\$'000 (Unaudited)	System support and software solution services HK\$'000 (Unaudited)	Consolidated HK\$'000 (Unaudited)
Segment revenue – external customers	14,370	38,607	52,977
Segment results	6,109	18,342	24,451
Other income			874
Unallocated expenses			(12,419)
Profit before tax			12,906

Segment results represent the profit earned by each segment without allocation of certain other income, finance costs, central administrative costs, share of results of an associate and other unallocated expenses including depreciation and amortisation expenses, and directors' remuneration that are not directly attributable to segments as disclosed in the above table. This is the measure reported to the CODM for the purposes of resource allocation and performance assessment.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 September 2024

5. SEGMENT INFORMATION (continued)

Segment assets and liabilities

The following is an analysis of the Group's assets and liabilities by reportable and operating segments:

	As at 30 September 2024 HK\$'000 (Unaudited)	As at 31 March 2024 HK\$'000 (Audited)
Segment assets		
Sale of hardware devices	14,714	23,306
System support and software solution services	46,644	47,890
Total segment assets	61,358	71,196
Unallocated assets	98,080	86,258
Consolidated assets	159,438	157,454
Segment liabilities		
Sale of hardware devices	5,768	3,098
System support and software solution services	5,299	4,013
Total segment liabilities	11,067	7,111
Unallocated liabilities	5,922	7,858
Consolidated liabilities	16,989	14,969

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 September 2024

5. SEGMENT INFORMATION *(continued)*

Segment assets and liabilities *(continued)*

For the purposes of monitoring segment performances and allocating resources between segments:

- all assets are allocated to operating segments other than property, plant and equipment, right-of-use assets, intangible assets, certain prepayment and deposits, and bank balances and cash that are not attributable to respective segment.
- all liabilities are allocated to operating segments other than certain other payables and accrued expenses and tax payable that are not attributable to respective segment.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 September 2024

5. SEGMENT INFORMATION *(continued)*

Other segment information

As at 30 September 2024

	Sale of hardware devices HK\$'000	System support and software solution services HK\$'000	Unallocated HK\$'000	Consolidated HK\$'000
<i>Amounts included in the measure of segment profit or loss or segment assets:</i>				
Impairment loss of trade receivables, net of reversal	94	220	–	314
Written-off of obsolete inventories, net of reversal	(42)	–	–	(42)
Amortisation of intangible assets	–	866	–	866
<i>Amounts regularly provided to the CODM but not included in the measure of segment profit or loss or segment assets:</i>				
Depreciation of property, plant and equipment	–	–	2,910	2,910
Depreciation of right-of-use assets	–	–	150	150
Additions to non-current assets (Note)	–	–	1,044	1,044

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 September 2024

5. SEGMENT INFORMATION (continued)

Other segment information (continued)

As at 30 September 2023

	Sale of hardware devices HK\$'000	System support and software solution services HK\$'000	Unallocated HK\$'000	Consolidated HK\$'000
<i>Amounts included in the measure of segment profit or loss or segment assets:</i>				
Impairment loss of trade receivables, net of reversal	98	360	–	458
Written-off of obsolete inventories, net of reversal	(152)	–	–	(152)
Amortisation of intangible assets	–	1,012	–	1,012
<i>Amounts regularly provided to the CODM but not included in the measure of segment profit or loss or segment assets:</i>				
Depreciation of property, plant and equipment	–	–	3,208	3,208
Depreciation of right-of-use assets	–	–	150	150
Additions to non-current assets (Note)	–	–	2,841	2,841

Note: Non-current assets include property, plant and equipment, right-of-use asset and intangible assets.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 September 2024

5. SEGMENT INFORMATION (continued)

Geographical information

Non-current assets by geographical location

An analysis of the Group's non-current assets by geographical location is as follows:

	As at 30 September 2024 HK\$'000 (Unaudited)	As at 31 March 2024 HK\$'000 (Audited)
Hong Kong (place of domicile)	14,854	17,623
Macau	11,348	11,469
Australia	511	511
	26,713	29,603

Note: Non-current assets excluded deposit and prepayment and deferred tax assets.

Revenue by geographical location

An analysis of the Group's revenue from external customers by geographical location, determined based on the shipment destination for the sale of hardware devices and the location of services rendered for system support and software solution services are detailed below:

	For the six months ended 30 September	
	2024 HK\$'000 (Unaudited)	2023 HK\$'000 (Unaudited)
Hong Kong	40,963	45,233
Australia	3,920	3,740
Macau	2,218	2,302
Others	1,703	1,702
	48,804	52,977

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 September 2024

6. OTHER INCOME

	For the six months ended	
	30 September	
	2024	2023
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Income from delivery cost recharged to customers	1	8
Bank interest income	892	862
Net exchange gain	289	–
Others	1	4
	1,183	874

7. OTHER LOSSES

	For the six months ended	
	30 September	
	2024	2023
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Net exchange losses	–	388
Impairment loss on trade receivables, net	314	458
	314	846

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 September 2024

8. INCOME TAX EXPENSE

	For the six months ended	
	30 September	
	2024	2023
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Current tax:		
Hong Kong Profits Tax	1,694	2,207
Overseas income tax	148	397
Total current income tax	1,842	2,604
Deferred income tax	(508)	(545)
Total tax change for the period	1,334	2,059

The provision for Hong Kong Profits Tax for 2024 is calculated at 16.5% (2023: 16.5%) of the estimated assessable profits for the year, except for one subsidiary of the Group which is a qualifying corporation under the two-tiered Profits Tax rate regime.

For this subsidiary, the first HK\$2 million of assessable profits are taxed at 8.25% and the remaining assessable profits are taxed at 16.5%. The provision for Hong Kong Profits Tax for this subsidiary was calculated at the same basis in 2023.

Taxes on overseas profits in Australia and Macau have been calculated at the prevailing tax rates of 25% (2023: 25%) and 12% (2023: 12%) respectively based on existing legislation in respect 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.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 September 2024

9. PROFIT FOR THE PERIOD

	For the six months ended	
	30 September	
	2024	2023
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Profit for the period has been arrived at after charging:		
Directors' remuneration		
– Directors' fees	480	495
– Salaries and allowances	502	623
– Retirement benefits scheme contribution	18	18
Other staff costs		
– Salaries and allowances	11,983	9,732
– Retirement benefits scheme contribution	1,167	374
Total employee benefits expenses (including directors' emoluments)	14,150	11,242
Cost of inventories recognised as expense	4,912	7,836
Depreciation of property, plant and equipment	2,910	3,208
Depreciation of the right-of-use assets	150	150
Amortisation of intangible assets	866	1,017
Expense relating to short-term leases	1,396	1,434

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 September 2024

10. DIVIDEND

	For the six months ended	
	30 September	
	2024	2023
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Final dividend in respect of the previous year, approved and paid during the Reporting Period, of HK2.0 cents (2023: HK2.0 cents) per share	9,600	9,600

In respect of the current Reporting Period, the Directors have declared an interim dividend of HK1.00 cent per share amounting to HK\$4,800,000 payable to the shareholders of the Company whose names appear on the Register of Members on 4 December 2024. The interim dividend will be paid on 13 December 2024. This interim dividend was declared after the Reporting Period, and therefore has not been included as a liability in the condensed consolidated statement of financial position.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 September 2024

11. EARNINGS PER SHARE

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

	For the six months ended 30 September	
	2024	2023
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Earnings		
Earnings for the purpose of basic and diluted earnings per share	9,066	10,648
	'000	'000
	(Unaudited)	(Unaudited)
Number of Shares		
Weighted average number of ordinary shares for the purpose of basic and diluted earnings per share	480,000	480,000

12. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 September 2024, the Group acquired property, plant and equipment of approximately HK\$1,044,000 (six months ended 30 September 2023: HK\$2,841,000) and there is no disposal and write-off of property, plant and equipment (six months ended 30 September 2023: nil).

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 September 2024

13. TRADE AND OTHER RECEIVABLES

	As at 30 September 2024 HK\$'000 (Unaudited)	As at 31 March 2024 HK\$'000 (Audited)
Current assets		
Trade receivables from contract with customers (Note a)	38,693	57,841
Less: allowance for credit losses	(2,903)	(2,577)
	35,790	55,264
Prepayments, other deposits and other receivables	7,207	5,339
Rental deposits paid to the Lo's family (Note b)	195	195
Total	43,192	60,798
Non-current assets		
Deposit paid for acquisition of property, plant and equipment	336	350
Total	336	350

Notes:

- (a) As at 30 September 2024, included in trade receivables from contract with customers above, approximately HK\$8.3 million (as at 31 March 2024: HK\$18.1 million) due from EFT Payments (Asia) Limited, of which Mr. Lo is the ultimate shareholder. The amount due is trade in nature, unsecured and interest-free.
- (b) The properties owned by (i) Mr. Lo and his spouse, Ms. Lam Ching Man ("**Ms. Lam**") (collectively referred to as the "**Lo's Family**"); and (ii) Affinity Corporation Limited, Fillen Limited, LCKB Company Limited are entity controlled by Mr. Lo. All of the properties rented are used as the office premises of the Group in Hong Kong.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 September 2024

13. TRADE AND OTHER RECEIVABLES (continued)

The Group allows credit periods of 30 days to 45 days to its trade customers from sales of EFT-POS terminals and peripheral devices, and provision of EFT-POS system support services and software solution services while a longer credit period is granted to key customers based on individual credit evaluation performed.

The following is an aged analysis of trade receivables net of allowance for credit losses presented based on the invoice date at the end of the Reporting Period:

	As at 30 September 2024 HK\$'000 (Unaudited)	As at 31 March 2024 HK\$'000 (Audited)
Within 30 days	12,821	14,798
31–60 days	1,244	12,455
61–90 days	5,322	722
91–180 days	5,335	9,182
181–365 days	8,149	12,363
Over 365 days	2,919	5,744
	35,790	55,264

Included in the Group's trade receivables balance are debtors as at 30 September 2024 with an aggregate carrying amount of approximately HK\$22,969,000 (as at 31 March 2024: HK\$40,466,000) which are past due at the reporting date and the Group provided for impairment loss of approximately HK\$2,903,000 (as at 31 March 2024: HK\$2,577,000), given there is no history of significant defaults from customer and insignificant impact from forward-looking estimates. The trade receivables are regularly reviewed by management to ensure relevant information about specific debtors is updated.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 September 2024

14. TRADE AND OTHER PAYABLES

	As at 30 September 2024 HK\$'000 (Unaudited)	As at 31 March 2024 HK\$'000 (Audited)
Current:		
Trade payables	6,341	5,367
Contract liabilities	4,563	3,505
Other payables and accrued expenses	2,123	2,572
	13,027	11,444

The average credit period on trade payables is 30 days. The aging analysis of the Group's trade payables below is presented based on the invoice date at the end of the Reporting Period.

	As at 30 September 2024 HK\$'000 (Unaudited)	As at 31 March 2024 HK\$'000 (Audited)
Within 30 days	2,716	3,233
31–60 days	3,079	153
61–90 days	282	312
Over 90 days	264	1,669
	6,341	5,367

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 September 2024

15. SHARE CAPITAL

The movement in share capital of the Company are as follows:

	Number of shares	Amount
	'000	HK\$'000
<hr/>		
Ordinary shares of HK\$0.01 each		
Authorised:		
As at 31 March 2024 and 30 September 2024	780,000	7,800
<hr/>		
Issued and fully paid:		
As at 31 March 2024 and 30 September 2024	480,000	4,800
<hr/>		

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 September 2024

16. RELATED PARTY TRANSACTIONS

Apart from details of the balances with related parties disclosed in the condensed consolidated statement of financial position and other details disclosed elsewhere in the condensed consolidated financial statements. During the six months ended 30 September 2023 and 2024, the Group entered into the following transactions with related parties:

Name of related party	Nature of transactions/balances	For the six months ended 30 September	
		2024 HK\$'000 (Unaudited)	2023 HK\$'000 (Unaudited)
Affinity Corporation Limited (Note 1)	Rental expense paid	168	168
EFT Payments (Asia) Limited (Note 1)	Rental deposit	56	56
	Sales of EFT-POS terminals and peripheral devices (Note 2)	2,860	3,441
	Provision of EFT-POS system support services	7,415	4,369
Fillen Limited (Note 1)	Referral fee paid	626	1,035
	Rental expense paid	300	300
	Rental deposit	100	100
LCKB Company Limited (Note 1)	Rental expense paid	192	192
	Rental deposit	64	64
Mr. Lo	Rental expense paid	423	423
	Rental deposit	141	141
Ms. Lam (Note 3)	Rental expense paid	162	162
	Rental deposit	54	54

Notes:

- Mr. Lo is the ultimate shareholder of Affinity Corporation Limited, LCKB Company Limited, Fillen Limited and EFT Payments (Asia) Limited.
- 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.
- Ms. Lam is a non-executive Director and the spouse of Mr. Lo.

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL REVIEW

Overview

The Group recorded profit for the Reporting Period of approximately HK\$9.2 million which represented a decrease of approximately 15.3% on a period-to-period basis. It was mainly due to the decrease in gross profit and increase of administrative expenses.

Revenue

Revenue of approximately HK\$53.0 million and HK\$48.8 million were recognised for the six months ended 30 September 2023 and 2024, respectively, which represented a decrease of approximately 7.9%. This was mainly driven by the decrease in sales of EFT-POS terminals and peripheral devices.

For sales of EFT-POS terminals and peripheral devices, revenue of approximately HK\$14.4 million and HK\$11.6 million were recognised for the six months ended 30 September 2023 and 2024 respectively, which represented a decrease of approximately 19.4% 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\$38.6 million and HK\$37.2 million were recognised for the six months ended 30 September 2023 and 2024 respectively, which represented a decrease of approximately 3.6% mainly due to decrease of the provision of EFT-POS 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 for the Reporting Period was approximately HK\$26.9 million (for the six months ended 30 September 2023: HK\$28.2 million), which represented a decrease of approximately 4.6% on a period-to-period basis due to decrease in costs of inventories sold in accordance with the decrease in revenue from sales of EFT-POS terminals and peripheral devices.

Management Discussion and Analysis

Gross Profit and Gross Profit Margin

The overall gross profit for the Reporting Period was approximately HK\$21.9 million (for the six months ended 30 September 2023: HK\$24.8 million), which represented a decrease of about 11.7%. The overall gross profit margin for the Reporting Period was about 44.8% (for the six months ended 30 September 2023: 46.8%), which represented a decrease of about 4.3%. The reason for the decrease was mainly due to the Group recorded lower profit margin in market of software solutions services during the Reporting Period.

Other Income

Other income mainly represented delivery income charged back to customers, bank interest income and net exchange gain. Other income for the six months ended 30 September 2023 and 2024 was approximately HK\$0.9 million and HK\$1.2 million, respectively, and the increase was mainly due to the recognition of net exchange gain.

Staff Costs

Staff costs of approximately HK\$14.2 million were recorded for the Reporting Period (for the six months ended 30 September 2023: HK\$11.3 million). The staff costs were increased due to the increase of the number of staff and staff salaries during the Reporting Period.

Other Administrative Expenses

Other administrative expenses (excluding staff costs) comprised mainly auditor's remuneration, depreciation of property, plant and equipment and right-of-use assets, amortisation of intangible assets, legal and professional fees and office expenses.

Other administrative expenses for the Reporting Period was approximately HK\$8.6 million (for the six months ended 30 September 2023: HK\$8.9 million), which represented a decrease of approximately 3.4% as a result of the decrease in depreciation of property, plant and equipment and amortization of intangible assets in Reporting Period.

Profit for the Period

The Group recorded profit of approximately HK\$9.2 million for the Reporting Period (for the six months ended 30 September 2023: HK\$10.8 million). This was mainly due to the decrease of gross profit and increase of administrative expenses.

Management Discussion and Analysis

Financial Position, Liquidity and Financial Resources

The Group adopts a prudent cash and financial management policy. The Group has remained at a sound financial resource level. As at 30 September 2024, the Group had net current assets of approximately HK\$114.6 million (as at 31 March 2024: approximately HK\$112.2 million), including cash and bank balances of approximately HK\$81.8 million (as at 31 March 2024: approximately HK\$62.5 million).

As at 30 September 2024, the gearing ratio (calculated on the basis of total bank borrowings divided by the total equity as at the end of the period) of the Group was nil (as at 31 March 2024: Nil).

Pledge of Assets

As at 30 September 2024, the Group did not have any pledged assets (as at 31 March 2024: Nil).

Foreign Currency Risk

The Group's business activities are in Hong Kong and are principally denominated in Hong Kong dollars and United States dollars. The Group currently does not have a foreign currency hedging policy. However, the Directors will continuously monitor the related foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise.

Capital Commitments and Contingent Liabilities

As at 30 September 2024, the Group did not have any significant capital commitment, capital expenditure and nor contingent liability.

Capital Structure

There has been no change in the Company's capital structure during the Reporting Period. The capital structure of the Group comprises of issued share capital and reserves. The Directors review the Group's capital structure regularly.

Management Discussion and Analysis

Segmental Information

Segmental information is presented for the Group as disclosed in Note 5 to the condensed consolidated financial statements.

Employees and Remuneration Policies

As at 30 September 2024, the Group employed 78 (as at 31 March 2024: 78) full time employees (including executive Directors). We determine the employees' remuneration based on factors such as qualification, duty, contributions and years of experience. In addition, the Group provides comprehensive training programs to its employees or sponsors the employees to attend various job-related training courses.

Significant Investments, Material Acquisitions and Disposals of Subsidiaries and Capital Assets

On 21 June 2024, the Group entered into the sale and purchase agreement with Bonum LLC (“**Bonum**”) to acquire 16.7% issued share capital of Bonum at the consideration of USD1 million. Bonum is a company incorporated in Mongolia with limited liability and is principally engaged in provision of payment services in Mongolia. The Group considers that the acquisition could provide an opportunity to the Group to enter into the payments market in Mongolia. All the terms and conditions for completion have not been fulfilled up to the date of this report. Save as disclosed above, the Group did not make any significant investments, material acquisitions and disposals of subsidiaries and capital assets during the six months ended 30 September 2024 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 September 2024 and up to the date of this report.

Dividend

The Board has declared a dividend of HK1.0 cent for the Reporting Period (for the six months ended 30 September 2023: HK1.0 cent) per share. The total amount payable to the shareholders of the Company (the “**Shareholders**”), whose names appear on the register of members on 4 December 2024 is HK\$4.8 million. The dividend will be paid on 13 December 2024. The Group currently does not have a formal dividend policy or a fixed dividend distribution ratio. Dividends may be paid out by way of cash or by other means that the Directors consider appropriate. Declaration and payment of any dividends would require the recommendation of the Board and will be at their discretion. In addition, any final dividend for a financial year will be subject to the Shareholders' approval.

No other dividend was declared for the six months ended 30 September 2024.

Management Discussion and Analysis

Closure of Members Register

For the purpose of determining Shareholders who are qualified for the dividend. The Register of Members of the Company will be closed from Tuesday, 3 December 2024 to Wednesday, 4 December 2024, both days inclusive, during which period no transfer of shares can be registered. In order to qualify for the dividend for the six months ended 30 September 2024, all transfers of shares, accompanied by the relevant share certificates, must be lodged with the Company's branch share registrar in Hong Kong, Link Market Services (Hong Kong) Pty Limited at Suite 1601, 16/F, Central Tower, 28 Queen's Road Central, Hong Kong, for registration not later than 4:30 p.m. on Monday, 2 December 2024.

PRINCIPAL RISKS AND UNCERTAINTIES AND RISK MANAGEMENT

The Group is exposed to various risks in the operations of the Group's business and the Group believes that risk management is important to the Group's success. Key operational risks faced by the Group include, among others, changes in general market conditions and ability to continue to attract and retain highly qualified technical and managerial staff with the appropriate technical expertise and knowledge of the electronic payment and software solution industry. The provision of our services relies heavily on the technical know-how and skill-set of such employees and their continued employment with us is therefore crucial to our business operations. To cope with our business expansion, we conduct continuous recruitment for high calibre candidates from university graduates in computer science with a view to train them up with technical knowledge in electronic payment and software solution industry.

BUSINESS REVIEW AND OUTLOOK

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 software that comply with electronic payment standards acceptance certification, installation and ongoing maintenance and repair services of EFT-POS terminals.

Management Discussion and Analysis

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.

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 September 2024, 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	Note	Long position	
			Total interests in ordinary Shares	Percentage of total number of issued Shares
Mr. Lo Chun Kit Andrew ("Mr. Lo")	Interest in a controlled corporation	1	350,640,000	73.05%
	Beneficial owner	1	4,605,000	0.96%
Ms. Lam Ching Man ("Ms. Lam")	Interest of spouse	2	355,245,000	74.01%

Notes:

1. Mr. Lo is interested in the entire issued share capital of LCK and he is therefore deemed to be interested in the 350,640,000 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.

Disclosure of Interests and Other Information

Save as disclosed above, as at 30 September 2024, none of the Directors or chief executive 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.

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

As at 30 September 2024, to the knowledge of the Directors, Shareholders of the Company (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	350,640,000	73.05%

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 September 2024, 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

Saved 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 of this report, 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 (prior to completion of the reorganisation) 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' INTEREST IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS OF SIGNIFICANCE

Saved as disclosed in Note 16 to the condensed consolidated financial statements 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

Saved as disclosed in Note 16 to the condensed consolidated financial statements in this report, there had been no contract of significance between the Company or any of its subsidiaries and a controlling Shareholder (as defined in the GEM Listing Rules) or any of their close associates, nor any contract of significance for the provision of services to the Company or any of its subsidiaries by a controlling Shareholder or any of their close associates.

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 has purchased, sold or redeemed any of the Company's listed securities.

COMPLIANCE WITH CODE OF CONDUCT FOR 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, all Directors have complied with the Model Code 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.

Disclosure of Interests and Other Information

COMPLIANCE WITH CORPORATE GOVERNANCE CODE

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 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.

The Group has adopted the principles, the code provisions of Corporate Governance Code (the "**CG Code**") and the recommended best practices contained in Appendix C1 to the GEM Listing Rules. In accordance with the requirements of the GEM Listing Rules, the Company has established its 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 C1 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 (the "**Chairman**") and the chief executive officer (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 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.

Disclosure of Interests and Other Information

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. Chow Ka Wo Alex (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.

The Audit Committee has reviewed with the management the condensed consolidated financial statements of the Group for the Reporting Period, this interim report, the accounting principles and practices 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.

By order of the Board

EFT Solutions Holdings Limited

Lo Chun Kit Andrew

Chairman and CEO

19 November 2024

Disclosure of Interests and Other Information

As at 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 Dr. Wu Wing Kuen, B.B.S., Mr. Wong Ping Yiu and Mr. Chow Ka Wo Alex.

This report will remain on the Stock Exchange's website at 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.