



Imperium Financial Group Limited

帝國金融集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8029)

RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 MARCH 2024

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

GEM has been positioned as a market designed to accommodate companies to which a high 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. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of companies listed on GEM, 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 announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Group. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: (1) the information contained in this announcement is accurate and complete in all material respects and not misleading; (2) there are no other matters the omission of which would make any statement in this announcement misleading; and (3) all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

FINANCIAL RESULTS

The board (the “**Board**”) of directors (the “**Directors**”) of Imperium Financial Group Limited (the “**Company**”) is pleased to announce the consolidated financial results of the Company and its subsidiaries (the “**Group**” or “**we**”) for the year ended 31 March 2024 (the “**Year**”).

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 March 2024

	<i>notes</i>	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Revenue	3	31,354	30,273
Direct costs		<u>(20,578)</u>	<u>(12,466)</u>
Gross profit		10,776	17,807
Other operating income	5	1,017	1,894
Impairment losses under expected credit loss model, net of reversal	6	10,078	(6,712)
Other gains and losses	7	8,614	(70,381)
Administrative expenses		(27,260)	(45,139)
Finance costs	8	(17,221)	(15,366)
Fair value change of biological assets, net		<u>(251)</u>	<u>(1,562)</u>
Loss before taxation	9	(14,247)	(119,459)
Income tax credit	10	650	1,837
Loss for the year attributable to owners of the Company		<u>(13,597)</u>	<u>(117,622)</u>
Other comprehensive loss:			
<i>Item that may be subsequently reclassified to profit or loss:</i>			
Exchange differences arising on translation of financial statements of foreign operations		<u>(2,022)</u>	<u>(3,218)</u>
Other comprehensive loss for the year		<u>(2,022)</u>	<u>(3,218)</u>
Total comprehensive loss the year attributable to owners of the Company		<u>(15,619)</u>	<u>(120,840)</u>
			(Restated)
Loss per share (HK cents)	12		
Basic and diluted		<u>(0.59)</u>	<u>(5.09)</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2024

	<i>notes</i>	2024 HK\$'000	2023 HK\$'000
NON-CURRENT ASSETS			
Intangible assets		500	500
Property, plant and equipment		755	1,927
Right-of-use assets		–	–
Investment properties		35,904	41,351
Other assets		275	275
Deposit		447	39
Biological assets		205	584
		<u>38,086</u>	<u>44,676</u>
CURRENT ASSETS			
Loan receivables		49	305
Cryptocurrencies		1,286	5,193
Trade receivables	<i>13</i>	459	5,424
Advances to customers in margin financing		6,352	10,154
Prepayments, deposits and other receivables		4,694	2,451
Cash and cash equivalents		47,600	66,249
Cash held on behalf of customers		44,827	50,952
		<u>105,267</u>	<u>140,728</u>
CURRENT LIABILITIES			
Trade payables	<i>14</i>	47,894	57,468
Accruals and other payables		33,153	33,970
Amounts due to related companies		600	589
Promissory notes		100,702	–
Lease liabilities		2,772	1,802
Income tax payable		796	159
		<u>185,917</u>	<u>93,988</u>
NET CURRENT (LIABILITIES)/ASSETS		<u>(80,650)</u>	<u>46,740</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>(42,564)</u>	<u>91,416</u>

	<i>notes</i>	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
NON-CURRENT LIABILITIES			
Promissory notes		–	115,523
Deferred tax liabilities		4,384	5,827
Lease liabilities		–	2,771
		<u>4,384</u>	<u>124,121</u>
NET LIABILITIES		<u>(46,948)</u>	<u>(32,705)</u>
EQUITY			
Share capital		93,361	91,370
Reserves		(140,309)	(124,075)
CAPITAL DEFICIENCY		<u>(46,948)</u>	<u>(32,705)</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2024

1. BASIS OF PREPARATION

The consolidated financial statements have been prepared in accordance with HKFRSs issued by the HKICPA. For the purpose of preparation of the consolidated financial statements, information is considered material if such information is reasonably expected to influence decisions made by primary users. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited (the “GEM Listing Rules”) and by the Hong Kong Companies Ordinance.

Going concern basis

The Group incurred a net loss of approximately HK\$13,597,000 (2023: HK\$117,622,000) during the year ended 31 March 2024 and, as of that date, the Group recorded net current liabilities and net liabilities of approximately HK\$80,650,000 and HK\$46,948,000 respectively. The Group has sustained losses for twelve consecutive years. The cumulative losses incurred by the Group for the twelve years ended 31 March 2024 amounted to approximately HK\$2,232,954,000 (2023: eleven years ended 31 March 2023 was approximately HK\$2,219,357,000).

Further, as at 31 March 2024, the Group had a promissory note with the principal amount of approximately HK\$107,767,000 due to a related company, which is beneficially owned and controlled by Mr. Cheng Ting Kong, the executive director and ultimate controlling shareholder of the Company, which matured on 31 January 2023 and was further extended to 31 January 2025, while the Group recorded cash and cash equivalents of approximately HK\$47,600,000 as at 31 March 2024.

The conditions described above cast significant doubt on the Group’s ability to continue as a going concern. In view of such circumstances, the directors of the Company have given careful consideration to the future liquidity and performance of the Group and its available sources of financing in assessing whether the Group will be able to finance its future working capital and fulfill its financial obligations and continue as a going concern. Certain plans and measures are being or will be taken to manage its liquidity needs and to improve its financial position, which include, but are not limited to, the following:

- i. The Group will continuously adopt strict monitoring process on the repayment status of loan receivables, trade receivables and advances to customers in margin financing in order to ensure timely collection and improve its operating cash flows and financial position;
- ii. The Group will continuously take measures to tighten cost control over various costs to attain profit and operating cash inflows and implement various strategies to enhance the Group’s revenue;
- iii. The Group will continue negotiations with its creditors for extension of its debts when they fall due and seek alternative debt and/or equity financing to meet cash flow requirements; and
- iv. The Group may consider to dispose of its investment properties if required.

1. BASIS OF PREPARATION (CONTINUED)

Going concern basis (CONTINUED)

The directors of the Company had reviewed the Group's cash flow forecast for a period of not less than twelve months from the date of the approval and authorisation to issue of the consolidated financial statements and are of the opinion that the Group will have sufficient cash resources to finance its working capital requirements and financial obligations during the forecast period, taking into account and assuming the above-mentioned plans and measures will enable the Group's operations to attain profitable and positive cash flows from operations and result in successful negotiation with the Group's creditors to extend the repayment date or obtain sufficient new financing. Accordingly, the directors of the Company are of the opinion that it is appropriate to prepare the consolidated financial statements for the year ended 31 March 2024 on a going concern basis. However, the eventual outcome of these matters cannot be estimated with reasonable certainty, hence there exists material uncertainty related to the conditions described above which may cast significant doubt on the Group's ability to continue as a going concern. Therefore, the Group may be unable to realise its assets and discharge its liabilities in the normal course of business. Should the Group be unable to continue as a going concern, adjustments would have to be made to write down the carrying values of the Group's assets to their recoverable amounts, to provide for any further liabilities which might arise and to reclassify non-current assets and non-current liabilities as current assets and current liabilities, respectively. The effects of these adjustments have not been reflected in the Group's consolidated financial statements as the consolidated financial statements have been prepared on the assumption that the Group will continue as a going concern.

2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs")

New and amendments to HKFRSs that are mandatorily effective for the current year

In the current year, the Group has applied the following amendments to HKFRSs issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA") for the first time, which are mandatorily effective for the Group's annual periods beginning on 1 April 2023 for the preparation of the consolidated financial statements:

HKFRS 17 (including the October 2020 and February 2022 Amendments to HKFRS 17)	<i>Insurance Contracts</i>
Amendments to HKAS 1 and HKFRS Practice Statement 2	<i>Disclosure of Accounting Policies</i>
Amendments to HKAS 8	<i>Definition of Accounting Estimates</i>
Amendments to HKAS 12	<i>Deferred Tax related to Assets and Liabilities arising from a Single Transaction</i>
Amendments to HKAS 12	<i>International Tax Reform – Pillar Two Model Rules</i>

2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (CONTINUED)

The application of the new and amendments to HKFRSs in the current year had no material impact on the Group’s financial positions and performance for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

Amendments to HKFRSs in issue but not yet effective

The Group has not early applied the following amendments to HKFRSs that have been issued but are not yet effective:

Amendments to HKFRS 10 and HKAS 28	<i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture¹</i>
Amendments to HKFRS 16	<i>Lease Liability in a Sale and Leaseback²</i>
Amendments to HKAS 1	<i>Classification of Liabilities as Current or Non-current and related amendments to Hong Kong Interpretation 5 (2020)²</i>
Amendments to HKAS 1	<i>Non-current Liabilities with Covenants²</i>
Amendments to HKAS 7 and HKFRS 7	<i>Supplier Finance Arrangements²</i>
Amendments to HKAS 21	<i>Lack of Exchangeability³</i>

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

² *Effective for annual periods beginning on or after 1 January 2024*

³ *Effective for annual periods beginning on or after 1 January 2025*

The directors of the Company anticipate that the application of all amendments to HKFRSs will have no material impact on the consolidated financial statements in the foreseeable future.

3. REVENUE

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Revenue within the scope of HKFRS 15 (Note):		
<i>Revenue from financial services</i>		
Fees and commission income:		
– Securities	1,863	6,548
– Future	–	5
– Fund and bond	50	100
– Asset management fee income	25	60
	<u>1,938</u>	<u>6,713</u>
 <i>Revenue from equine services</i>		
Stallions service income	<u>1,205</u>	<u>3,766</u>
 <i>Revenue from cryptocurrency business</i>		
Sales of cryptocurrency	<u>22,626</u>	<u>10,552</u>
	<u><u>25,769</u></u>	<u><u>21,031</u></u>
 Revenue outside the scope of HKFRS 15:		
Interest income from cash and margin clients	2,980	5,204
Interest income from loan receivables	983	2,387
Rental income	1,622	1,651
	<u>5,585</u>	<u>9,242</u>
	<u><u>31,354</u></u>	<u><u>30,273</u></u>

Note:

Revenue within the scope of HKFRS 15:

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Recognised at a point in time	25,744	20,971
Recognised over time	25	60
	<u>25,769</u>	<u>21,031</u>

4. SEGMENT INFORMATION

The Group determines its operating segments based on the reports reviewed by the directors of the Company, being the chief operating decision maker (the “CODM”), for the purpose of monitoring segment performance and allocating resources between segments and that are used to make strategic decisions.

The Group has four operating and reportable segments – cryptocurrency business, financial service operations, equine service operations and properties investment operations. The segmentations are based on the information about the operations of the Group that the directors of the Company uses to make decisions.

The Group’s operating and reportable segments are strategic business units that operate different activities. They are managed separately because each business has different markets and requires different marketing strategies.

Particulars of the Group’s operating and reportable segments are summarised as follows:

- | | |
|-------------------------|--|
| Cryptocurrency business | – Mining and sales of cryptocurrency |
| Financial services | – provision of securities and futures brokerage, provision of margin financing, asset management services and custodian services to customers and engaging in money lending business |
| Equine services | – provision of stallion services and investment in stallions |
| Properties investment | – rental income from investment properties in Australia |

No operating segments have been aggregated in arriving at the reportable segments of the Group. Segment revenue reported as follow represents revenue generated from external customers. There was no inter-segment revenue for both years.

Segment results represent profit earned/(loss incurred) by each segment without allocation of central administrative expenses including directors’ emoluments, certain other operating income, certain other gains and losses, certain administrative expenses and certain finance costs. This is the measure reported to the CODM for the purposes of resource allocation and assessment of segment performance.

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

- all assets are allocated to operating segments other than certain right-of-use assets, certain property, plant and equipment, certain prepayments, deposits and other receivables, certain cash and cash equivalents that are not attributable to individual segments. Assets used jointly by individual segments are allocated on the basis of the revenues earned by individual segments; and
- all liabilities are allocated to operating segments other than promissory notes, certain accruals and other payables, certain lease liabilities that are not attributable to individual segments. Liabilities for which segments are jointly liable are allocated in proportion to segment assets.

4. SEGMENT INFORMATION (CONTINUED)

For the year ended 31 March 2024

	Cryptocurrency business HK\$'000	Equine services HK\$'000	Financial services HK\$'000	Properties investment HK\$'000	Total HK\$'000
Segment revenue	<u>22,626</u>	<u>1,205</u>	<u>5,901</u>	<u>1,622</u>	<u>31,354</u>
Segment results	<u>446</u>	<u>10,275</u>	<u>10,623</u>	<u>(2,946)</u>	<u>18,398</u>
Unallocated corporate income					68
Unallocated finance costs					(17,216)
Unallocated corporate expenses					<u>(15,497)</u>
Loss before taxation					<u>(14,247)</u>

For the year ended 31 March 2024

Amounts included in the measurement of segment profit or loss or segment assets are as follows:

	Cryptocurrency business HK\$'000	Equine services HK\$'000	Financial services HK\$'000	Properties investment HK\$'000	Unallocated HK\$'000	Total HK\$'000
Impairment losses under expected credit loss model, net of reversal						
– advances to customers in margin financing	-	-	10,713	-	-	10,713
– trade receivables	-	(502)	-	-	-	(502)
– loan receivables	-	-	(133)	-	-	(133)
Loss on early redemption of promissory notes	-	-	-	-	(4,460)	(4,460)
Loss on written-off of property, plant and equipment	(491)	-	-	-	-	(491)
Gain on disposal of property, plant and equipment	-	-	8,150	-	-	8,150
Loss on written-off of biological assets	-	(113)	-	-	-	(113)
Insurance compensation on biological assets	-	10,294	-	-	-	10,294
Depreciation of property, plant and equipment	(106)	(52)	-	-	-	(158)
Finance costs	-	-	(5)	-	(17,216)	(17,221)
Fair value change of biological assets	-	(251)	-	-	-	(251)
Fair value loss on investment property	-	-	-	(4,282)	-	(4,282)
Addition of property, plant and equipment	<u>972</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>972</u>

4. SEGMENT INFORMATION (CONTINUED)

As at 31 March 2024

	Cryptocurrency business <i>HK\$'000</i>	Equine services <i>HK\$'000</i>	Financial services <i>HK\$'000</i>	Properties investment <i>HK\$'000</i>	Unallocated <i>HK\$'000</i>	Total <i>HK\$'000</i>
Segment assets	<u>5,071</u>	<u>1,743</u>	<u>92,000</u>	<u>36,160</u>	<u>8,379</u>	<u>143,353</u>
Segment liabilities	<u>2,712</u>	<u>15,387</u>	<u>63,388</u>	<u>4,547</u>	<u>104,267</u>	<u>190,301</u>

For the year ended 31 March 2023

	Cryptocurrency business <i>HK\$'000</i>	Equine services <i>HK\$'000</i>	Financial services <i>HK\$'000</i>	Properties investment <i>HK\$'000</i>	Total <i>HK\$'000</i>
Segment revenue	<u>10,552</u>	<u>3,766</u>	<u>14,304</u>	<u>1,651</u>	<u>30,273</u>
Segment results	<u>(65,902)</u>	<u>1,617</u>	<u>(15,479)</u>	<u>1,962</u>	<u>(77,802)</u>
Unallocated corporate income					333
Unallocated finance costs					(15,333)
Unallocated corporate expenses					<u>(26,657)</u>
Loss before taxation					<u>(119,459)</u>

4. SEGMENT INFORMATION (CONTINUED)

	Cryptocurrency business HK\$'000	Equine services HK\$'000	Financial services HK\$'000	Properties investment HK\$'000	Unallocated HK\$'000	Total HK\$'000
Impairment losses recognised in respect of						
– cryptocurrency	(25,219)	–	–	–	–	(25,219)
– property, plant and equipment	(11,296)	–	(998)	–	(1,304)	(13,598)
– right-of-use assets	–	–	(118)	–	(3,993)	(4,111)
Impairment losses under expected credit loss model, net of reversal						
– advances to customers in margin financing	–	–	(7,711)	–	–	(7,711)
– trade receivables	–	821	–	–	–	821
– loan receivables	–	–	178	–	–	178
Loss on early redemption of promissory notes	–	–	–	–	(5,678)	(5,678)
Loss on the incident	(22,412)	–	–	–	–	(22,412)
Loss on written-off of property, plant and equipment	–	–	(45)	–	–	(45)
Realised loss on derecognition of cryptocurrencies	(1)	–	–	–	–	(1)
Depreciation of						
– property, plant and equipment	(4,120)	(184)	(1,030)	–	(655)	(5,989)
– right-of-use assets	–	–	(224)	–	(1,686)	(1,910)
Finance costs	–	–	(33)	–	(15,333)	(15,366)
Fair value change of biological assets	–	(1,562)	–	–	–	(1,562)
Fair value gain on investment property	–	–	–	725	–	725
Addition to property, plant and equipment	–	–	88	–	–	88
Addition to right-of-use assets	–	–	–	–	4,958	4,958
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

4. SEGMENT INFORMATION (CONTINUED)

As at 31 March 2023

	Cryptocurrency business <i>HK\$'000</i>	Equine services <i>HK\$'000</i>	Financial services <i>HK\$'000</i>	Properties investment <i>HK\$'000</i>	Unallocated <i>HK\$'000</i>	Total <i>HK\$'000</i>
Segment assets	<u>11,659</u>	<u>4,252</u>	<u>120,378</u>	<u>42,163</u>	<u>6,952</u>	<u>185,404</u>
Segment liabilities	<u>1,790</u>	<u>15,910</u>	<u>73,291</u>	<u>6,224</u>	<u>120,894</u>	<u>218,109</u>

Segment revenue reported above represents revenue generated from external customers. There was no inter-segment revenue in the year.

Information about major customers

No revenues from transactions with external customers accounted for 10% or more of the Group's total revenue for the years ended 31 March 2024 and 2023.

Geographical analysis

The geographical location of revenue is based on the location of the operations:

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Australia	2,827	5,417
Hong Kong	28,527	24,856
	<u>31,354</u>	<u>30,273</u>

The geographical location of non-current assets other than financial assets is based on the physical location of assets.

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Hong Kong	500	500
Australia	36,109	41,988
Others	755	1,874
	<u>37,364</u>	<u>44,362</u>

5. OTHER OPERATING INCOME

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Bank interest	314	474
Sundry income	643	329
Imputed interest income on rental deposit	60	64
Government grant (<i>Note</i>)	–	1,027
	<u>1,017</u>	<u>1,894</u>

Note: During the year ended 31 March 2023, the Group recognised government grants of approximately HK\$1,027,000 in respect of COVID-19 related subsidies provided by Hong Kong government. There were no unfulfilled conditions or contingencies relating to these government grants.

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

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Impairment losses under expected credit loss model, net of reversal		
– Advances to customers in margin financing	10,713	(7,711)
– Trade receivables	(502)	821
– Loan receivables	(133)	178
	<u>10,078</u>	<u>(6,712)</u>

7. OTHER GAINS AND LOSSES

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Impairment losses recognised in respect of:		
– Cryptocurrency	–	(25,219)
– Property, plant and equipment	–	(13,598)
– Right-of-use assets	–	(4,111)
Loss on early redemption of promissory notes	(4,460)	(5,678)
Net foreign exchange loss	(484)	(98)
Realised loss on derecognition of cryptocurrencies	–	(1)
Fair value (loss)/gain on investment property	(4,282)	725
Loss on written-off of property plant and equipment	(491)	(45)
Gain on disposal of property, plant and equipment	8,150	–
Loss on written-off of biological assets	(113)	–
Insurance compensation on biological asset	10,294	–
Gain on disposal of biological assets	–	56
Loss on the incident	–	(22,412)
	<u>8,614</u>	<u>(70,381)</u>

8. FINANCE COSTS

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Effective interest expense on promissory notes	16,719	14,931
Interest on lease liabilities	502	435
	<u>17,221</u>	<u>15,366</u>

9. LOSS BEFORE TAXATION

Loss before taxation is arrived at after (crediting)/charging:

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Direct costs:		
– Fee and charges of securities brokerage	854	1,960
– Cost of cryptocurrency sold	19,724	10,506
Sub-total	<u>20,578</u>	<u>12,466</u>
Employee benefit expenses (including directors' remuneration):		
– Directors' emoluments	4,297	5,394
– Other staff's salaries and other benefits	9,562	12,514
– Other staff's retirement benefit scheme contributions	320	431
Sub-total	<u>14,179</u>	<u>18,339</u>
Auditors' remuneration for:		
– Audit services	800	800
– Non-audit services	100	100
Sub-total	<u>900</u>	<u>900</u>
Depreciation of property, plant and equipment	1,652	21,895
Less: Depreciation expense capitalised in cryptocurrency	(1,494)	(15,906)
	<u>158</u>	<u>5,989</u>
Depreciation of right-of-use assets	–	1,910
Gross rental income from investment properties	(1,622)	(1,651)
Less: Direct operating expenses incurred for investment properties that generated rental income during the year	265	321
	<u>(1,357)</u>	<u>(1,330)</u>

10. INCOME TAX CREDIT

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Current tax	635	–
Over-provision in prior years: – Hong Kong Profits Tax	–	(2,054)
Deferred tax	<u>(1,285)</u>	<u>217</u>
Income tax credit	<u><u>(650)</u></u>	<u><u>(1,837)</u></u>

Under the two-tiered profits tax rates regime, the first HK\$2,000,000 of profits of the qualifying group entity are taxed at 8.25%, and profits above HK\$2,000,000 are taxed at 16.5%. The profits of group entities not qualifying for the two-tiered profits tax rates regime are taxed at a flat rate of 16.5%.

Taxation arising in other jurisdictions in which the Group operates is calculated on the estimated assessable profits for the year at the rates prevailing in the relevant jurisdictions.

11. DIVIDEND

No dividend was paid, declared or proposed by the board of directors of the Company for the year ended 31 March 2024 (2023: HK\$Nil).

12. LOSS PER SHARE

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

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Loss for the year attributable to owners of the Company for the purposes of basic and diluted loss per share	<u>(13,597)</u>	<u>(117,622)</u>
	2024 '000	2023 '000 <i>(Restated)</i>
Number of shares		
Weighted average number of ordinary shares for the purposes of basic and diluted loss per share	<u>2,316,975</u>	<u>2,308,867</u>

The weighted average number of ordinary shares for the purpose for basic and diluted loss per share for both years have been adjusted for the right issue during the year ended 31 March 2024.

No diluted loss per share for the year ended 31 March 2024 and 31 March 2023 were presented as there were no potential ordinary shares in issue.

13. TRADE RECEIVABLES

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Trade receivables	1,174	1,905
Less: allowance for expected credit losses	<u>(1,076)</u>	<u>(1,735)</u>
	98	170
Accounts receivables from brokers, dealers and clearing house	<u>361</u>	<u>5,254</u>
	<u><u>459</u></u>	<u><u>5,424</u></u>

Accounts receivables from brokers, dealers and clearing house are due and settled on two business days after the trade date and denominated in HK\$. Therefore, no aging analysis is disclosed.

The following is an aging analysis of trade receivables (excluding accounts receivables from brokers, dealers and clearing house) net of allowance for expected credit losses, presented based on invoice date, at the end of the reporting period:

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Over 90 days	<u><u>98</u></u>	<u><u>170</u></u>

The average credit period on the trade receivables is 30 days. The carrying amounts of the trade receivables are mainly denominated in HK\$ and AUD. There were no trade receivables that was past due but not impaired as at 31 March 2024 and 2023.

14. TRADE PAYABLES

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Trade payables	3,194	3,126
Accounts payables to clients and clearing house	<u>44,700</u>	<u>54,342</u>
	<u><u>47,894</u></u>	<u><u>57,468</u></u>

No aging analysis for accounts payables to clients and clearing house is disclosed as in the opinion of the directors of the Company, the aging analysis does not give additional value in view of the nature of the business.

14. TRADE PAYABLES (CONTINUED)

The following is an aging analysis of trade payables (excluding accounts payables to clients and clearing house), presented based on invoice date, at the end of reporting period:

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Within 30 days	371	1,548
31-90 days	2	1,513
91-120 days	-	65
More than 120 days	2,821	-
	<hr/> 3,194 <hr/>	<hr/> 3,126 <hr/>

EXTRACT FROM THE INDEPENDENT AUDITOR'S REPORT

DISCLAIMER OF OPINION

We do not express an opinion on the consolidated financial statements of the Group. Because of the significance of the matters described in the Basis for Disclaimer of Opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these consolidated financial statements. In all other respects, in our opinion the consolidated financial statements have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

BASIS FOR DISCLAIMER OF OPINION

Material uncertainties relating to the going concern basis

As explained in note 3(a) to the consolidated financial statements, the Group incurred a net loss of approximately HK\$13,597,000 for the year ended 31 March 2024 and, as of that date, the Group was in net current liabilities and net liabilities position of approximately HK\$80,650,000 and HK\$46,948,000 respectively. In addition, the Group had issued a promissory note with the principal amount of approximately HK\$107,767,000 which will mature on 31 January 2025.

The factors referred to above, along with other matters as described in note 3(a) to the consolidated financial statements, indicate the existence of material uncertainties that may cast significant doubt on the Group's ability to continue as a going concern.

The directors of the Company have been undertaking certain plans and measures to improve the liquidity and financial position of the Group, which are set out in note 3 to the consolidated financial statements. The consolidated financial statements have been prepared on a going concern basis, of which the validity is dependent on the outcomes of these plans and measures, which are inherently uncertain and subject to multiple uncertainties, including (i) whether the Group's debtors will timely settle their debts; (ii) whether the Group can successfully implement measures for cost control and business strategies to improve its business operations; (iii) whether the Group can successfully negotiate with its creditors for extension of its debts when they fall due and successfully obtain additional new sources of financing as and when needed; and (iv) whether the Group can successfully dispose its investment properties on a timely basis.

We have not been able to obtain sufficient appropriate audit evidence to satisfy ourselves about the appropriateness of the use of the going concern basis of accounting in the preparation of the consolidated financial statements because of the lack of detailed analyses provided by directors of the Company in relation to its plans and measures for future actions in its going concern assessment which take into account the uncertainty of the outcome of these plans and measures and how the variability of their outcome would affect the future cash flows of the Group.

Should the Group be unable to continue to operate as a going concern, adjustments would have to be made to write down the carrying values of assets to their recoverable amounts, to provide for further liabilities which might arise and to reclassify non-current assets and non-current liabilities as current assets and current liabilities respectively. The effects of these adjustments have not been reflected in these consolidated financial statements and we were unable to determine whether such adjustments might have been found necessary.

MANAGEMENT DISCUSSION AND ANALYSIS

Review of Financial Performance

Revenue

The Group recorded revenue of approximately HK\$31,354,000 for the year ended 31 March 2024, an increase of 3.57% when compared to the corresponding period in the last fiscal year. Revenue generated from financial services and equine services has decreased by approximately HK\$8,403,000 and HK\$2,561,000 respectively while revenue generated from cryptocurrency business has increased by approximately HK\$12,074,000 for the year ended 31 March 2024. While the performance of properties investment are stable.

Direct Costs and Gross Profit

Our direct costs mainly comprise of direct operation fee and charges of securities brokerage and cost of cryptocurrency sold. The direct costs increased by approximately HK\$8,112,000 to approximately HK\$20,578,000 for the year ended 31 March 2024. The increase is mainly due to the cost of cryptocurrency sold during the period.

Other operating income

Other operating income decreased from approximately HK\$1,894,000 for year ended 31 March 2023 to approximately HK\$1,017,000 for year ended 31 March 2024. As there was a Covid related government grant of HK\$1,027,000 in the last fiscal year.

Other gains and losses

The Group recorded other losses of approximately HK\$70,381,000 for the year ended 31 March 2023 and other gains of approximately HK\$8,614,000 for the year ended 31 March 2024. During the year there was a gain of disposal of property, plant and equipment of approximately HK\$8,150,000 and insurance compensation on biological asset of approximately HK\$10,294,000.

Administrative Expenses

Administrative expenses made a decrease of approximately HK\$17,879,000 to approximately HK\$27,260,000 for the year ended 31 March 2024, compared to approximately HK\$45,139,000 for the year ended 31 March 2023. The decrease was mainly due to the improvement of internal control and the decrease of depreciation expenses.

Loss for the Year

The Group recorded a loss of approximately HK\$13,597,000 for the year ended 31 March 2024, representing a decrease of approximately HK\$104,025,000 as compared with the loss of approximately HK\$117,622,000 for the year ended 31 March 2023, which is mainly due to (i) the insurance claim under other operating income and (ii) the dramatic drop of impairment loss in respect of cryptocurrency during the period.

Gearing Ratio

The gearing ratio, is calculated as borrowings divided by total equity, was n/a (2023: n/a).

Capital Structure

As at 31 March 2024, the total number of issued ordinary shares of the Company was 2,334,016,218 shares (2023: 2,284,254,768 shares).

Employee Information

The total number of employees was 31 as at 31 March 2024 (2023: 31), and the total remuneration for the year ended 31 March 2024 was approximately HK\$14,179,000 (2023: HK\$18,339,000). The Group's remuneration policy for senior executives is basically performance-linked. Staff benefits, including medical coverage and mandatory provident fund, are also provided to employees where appropriate. Discretionary bonus is linked to performance of the individual on case by case basis. The Group may offer share options to reward employees who make significant contributions, in order to retain key and crucial staff. The remuneration policy of the Group is reviewed and approved by the Remuneration Committee as well as by the Board.

Foreign Exchange Exposure

The income and expenditure of the Group are denominated in Hong Kong Dollar, United States Dollar, Renminbi, Kazakhstan Tenge and Australian Dollar. The Company has not entered into any foreign exchange hedging arrangement. The management is required to monitor the Group's foreign exchange exposure by closely monitoring the movement of foreign currency rates. The Group may use financial tools such as foreign exchange forward contracts, dual currency options etc. to manage the foreign exchange risks.

Revenue

Revenue represents the net amounts in respect of equine services income, securities and future brokerage commission, asset management fee income, loan interest income, rental income from operating leases and disposal of cryptocurrency assets sales recognised by the Group during the year.

Dividend

No final dividend was proposed by the Directors for the year ended 31 March 2024 (2023: HK\$Nil).

Scope of work of HLB Hodgson Impey Cheng Limited

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income, and the related notes thereto for the Year as set out in the preliminary announcement have been agreed by the Group's auditors, HLB Hodgson Impey Cheng Limited, to the amounts set out in the Group's draft consolidated financial statements for the Year. The work performed by HLB Hodgson Impey Cheng Limited in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by HLB Hodgson Impey Cheng Limited on the preliminary announcement.

Business Review

Equine services

Following the aging of stallions of the group, it is estimated that the revenue from this segment will decline in the coming financial years. The group does not any intention to further invest in this segment.

Properties investment

It presents the rental income from investment properties in Australia to an independent third party to the Group. The leases run for a period of five years from 31 March 2021 and do not contain the unilateral rights to extend the lease at the end of the leases.

Financial services

Following fluctuation of capital, interest rate and stock market, the lack of fund-raising activities and low transaction on stock market in Hong Kong, the board was prudent on the financial services segment, especially the money lending business, to avoid any potential risks to the Group. As a result, the revenue and profit from the financial services decreased as compared from the corresponding period in the previous fiscal year. The management of the Group would review and adjust business strategies on a regular basis with a prudent and balanced risk management approach to cope with the current unpredictable economic situation.

Money lending business of the group

There are two wholly-owned subsidiaries under the Group which operate the money lending segment: (i) Imperium International Credit Limited; and (ii) Imperium Financial Limited.

There are two main categories of target clients, namely, (i) small loans (the “**Small Loans**”) to individual clients with focus on domestic helpers with loan amount smaller than HK\$50,000; and (ii) large loans (the “**Large Loans**”) to individual and corporate clients without specific target client group with loan amount usually larger than HK\$1,000,000. Clients are referred by third parties, directors and existing clients. The money lending segment of the Group are financed by loan from the Company and/or its subsidiaries and retained profit.

As at 31 March 2024, before taking into account the allowance for credit losses that has been recognised for loan receivables, the outstanding principal amount in relation to the loans receivable of the Group amounted to approximately HK\$14.7 million (2023: HK\$14.7 million), among which (i) approximately HK\$14.3 million (2023: HK\$14.3 million) is the outstanding principal amount in relation to 1 (2023: 1) secured Large Loans; and (ii) approximately HK\$0.4 million (2023: HK\$0.4 million) is the outstanding principal amount in relation to 30 (2023: 56) unsecured Small Loans.

Among the outstanding principal amount in relation to 1 secured Large Loans of approximately HK\$14.7 million as at 31 March 2024, approximately HK\$14.7 million (representing approximately 100% of the total outstanding principal amount owed to the Group) is the outstanding principal amount owed to the Group by the Borrower A, which is secured by share charges, interest bearing at 24% per annual and repayable by monthly installment, until 18 January 2024.

Based on the relevant audited accounts available before the advancement of the loan, the net assets value (without taking into account of deferred income tax assets) attributable to the shares under the share charge was approximately HK\$8.3 million. The loan was advanced to a borrower, which has been a client of the Group since 2012, (the “**Borrower A**”) in 2019 to settle the existing loan owed by the Borrower A to the Group having regard to the value of the security, the satisfactory past repayment record of the Borrower and the reputation of the Borrower.

Among the outstanding principal amount in relation to 30 (2023: 56) unsecured Small Loans of approximately HK\$0.4 million (2023: HK\$0.4 million) as at 31 March 2023, each of them is unsecured and interest bearing in the range of 42% to 48% (2023: 42% to 48%).

The Group recorded (i) interest income from loans receivable in relation to the secured loan of approximately HK\$0.8 million (2023: HK\$2 million) for the year ended 31 March 2024; and (ii) interest income from loans receivable in relation to the unsecured loan of approximately HK\$0.2 million (2023: HK\$0.3 million) for the year ended 31 March 2024.

During the preparation of the consolidated financial statements of the Group for the year ended 31 March 2024, the Directors have engaged an independent qualified valuer to determine the expected credit losses on the loans receivable. During assessing the expected credit loss, including but not limited to the following factors are considered by the Company: (i) credit rating of borrower; (ii) default risk having considered that the Borrower A has defaulted in repayment since October 2021; (iii) forward-looking adjustment; (iv) publications and research reports regarding the macro economy outlook; and (v) Bloomberg, the Stock Exchange and other reliable sources of market data.

Credit management

Regarding credit management, the Company will arrange for reminder calls and reminder letters and conduct visits to follow up on the customers' payments. Legal demand letters or deployment to external collection agencies will be arranged if the customer cannot be contacted or if their repayment is overdue for more than 60 days. If a customer has financial difficulties in meeting the minimum monthly repayment, the Company may enter into a restructuring arrangement with the customer to reduce their debt burden, depending on the circumstances.

The Group sent payment reminder to Borrower A before maturity date of each installment and further payment reminders were sent following the one month overdue. The Group also sent legal demand letter to Borrower A.

Cryptocurrency mining

Since Bitcoin was launched in January 2009, it was the very first cryptocurrency created by blockchain technology and is now the most valuable and well known. Bitcoin runs on a decentralized computer network or distributed ledger that tracks transactions in the cryptocurrency. When computers on the network verify and process transactions, new bitcoins are created, or mined. These networked computers, or miners, process the transaction in exchange for a payment in Bitcoin. Validating transaction information and maintaining the integrity of the blockchain is mining's purpose, while the bitcoin reward is the incentive to mine. Bitcoin mining is necessary to maintain the ledger of transactions upon which Bitcoin is based.

The market price per Bitcoin has increased from approximately US\$0.001 in 2009 to the peak of approximately US\$73,700 in March 2024. The total market capitalization of Bitcoin is over US\$1.23 Trillion, more than 50% of total cryptocurrencies market capitalization among approximately 14,800 different cryptocurrencies.

The Group started its Bitcoin mining business in April 2021. Although there was a downturn in the cryptocurrency market in 2022, the market price of Bitcoin dropped to approximately US\$16,400 in November 2022. Following the approval of spot Bitcoin ETF in the market, there is a strong rebound of the performance of Bitcoin price since November 2022. The Group is confident with the future development of Bitcoin mining and will seek further development by adopting flexible approach. In addition, the Group ceased the cryptocurrency mining activities in Kazakhstan in March 2024. Details of this business update was set out in the Company's announcements dated 28 March 2024.

Financial Review

Liquidity, Financial Resources and Capital Structure

As at 31 March 2024, the Group had current assets of approximately HK\$105,267,000 (2023: HK\$140,728,000). The Group's current ratio, calculated on the basis of current assets over current liabilities of approximately HK\$185,917,000 (2023: HK\$93,988,000) was at level of approximately 0.57:1 (2023: 1.50:1). The bank balances as at 31 March 2024 was approximately HK\$47,600,000 as compared to the balance of approximately HK\$66,249,000 as at 31 March 2023.

With the amount of liquid assets on hand, the management is of the view that the Group has sufficient financial resources to meet its ongoing operational requirements. The main component of current liabilities is the Promissory notes. The Group will continue negotiations of its when they fall due and seek alternative debt and/or equity financing to meet cash flow requirements.

Results Analysis

During the financial year ended 31 March 2024, we continued our business on different categories such as development of financial services businesses including securities, assets management and money lending services, stallion breeding service, operating leases and cryptocurrency business.

Operation

Stable revenue will be expected from equine services, financial services, operating leases and cryptocurrency sales for the coming year as the Group will continue to take every effort on expanding potential market shares for the existing businesses.

The finance costs

The Group recorded finance costs of approximately HK\$17,221,000 (2023: HK\$15,366,000) for the year ended 31 March 2024, representing an increase of 12.07% compared to that in the last financial year. The finance costs was mainly for effective interest expense on promissory notes.

Loss attributable to owners of the Company

For the current financial year, the Group recorded a loss attributable to owners of the Company of approximately HK\$13,597,000 (2023: HK\$117,622,000).

Prospects

Given the relaxation of the COVID-19 measures in China and Hong Kong, the reopening of the borders of China and Hong Kong, the expected end of the massive interest rate hikes and the recovery of the market sentiment in the stock market in Hong Kong in 2023, trading volume of the

Hong Kong stock market and the number of IPOs will improve and the Securities Business will recover together with the market. The Group will adopt a more proactive approach and build on its ability to provide high quality services in the securities market to both individual and corporate clients for its Securities Business.

Furthermore, the Group was previously engaged in the investment immigration business until the suspension of the investment immigration scheme in January 2015. As announced by the Financial Secretary of the Hong Kong government in the 2023-2024 Budget, a new Capital Investment Entrant Scheme will be introduced. With the borders opening up across the world and the prevalence of investment immigration, the Group intends to resume its operations in this market and will leverage on its previous experience in order to diversify its income stream. This will allow the Group to widen its financial services business into advising potential clients on investment immigration schemes and broaden its customer base.

The Group would continue to use its best endeavor to improve the efficiency and effectiveness of the operation. Moreover, the Board would seek opportunities to establish strategic alliance to accelerate the growth of its businesses, to rebalance its business portfolio and to strengthen its financial position so as to create value for shareholders.

Risk Factors

Country Risk

The equine services business is mainly operated in Australia. Being one of the emerging markets, Australia's equine services definitely provide many potential opportunities to investors dedicating to equine industry. In the meantime, the uncertainties of their political, social and economic policies are considered to be relatively small. There is no assurance that the current favorable policies remain unchanged in the near future. The future changes at the country level probably may have adverse effect to our business.

The cryptocurrency business is currently operated in Brunei and the United States of America. Given the cryptocurrency and energy market is changing rapidly, the board will closely monitor the cryptocurrency business operation.

Uncertainty on Volatility of Stock Market

Global stock market is still facing with various uncertainties of different political and economic circumstances. The expected return on the services of the securities trading and assets management will be greatly influenced by the volatility of the stock market which tends to be highly unpredictable.

Uncertainty on Volatility of cryptocurrency asset value

The group has entered the cryptocurrency business. However, the volatility of cryptocurrency asset value is huge and dominant by the market.

ADDITIONAL INFORMATION ON AUDITORS' DISCLAIMER OF OPINION AND THE COMPANY'S VIEW AND MEASURES TO ADDRESS THE DISCLAIMER OF OPINION

The Board wishes to draw the attention of the shareholders of the Company (the “**Shareholders**”) to the section headed “Basis for Disclaimer of Opinion” as contained in the Independent Auditors’ Report dated 28 June 2024 issued by the Company’s auditors, HLB Hodgson Impey Cheng Limited (the “**Auditors**”). In respect of the basis for disclaimer of opinion as disclosed in the independent auditors’ report for the year ended 31 March 2024 relating to the appropriateness of the assumption regarding the Company’s ability to continue as a going concern (the “**Disclaimer Opinion**”), the Group has prepared a forecast covering a period of not less than twelve months from the end of the reporting period taking into account of a number of measures undertaking to improve its liquidity and financial position including but not limited to:

- i. the Directors will consider other financing arrangements and fund-raising alternatives with a view to increasing the Group’s capitalisation/equity and supporting the continuing growth of the Group;
- ii. the Directors will continue to implement stronger measures aiming at improving the working capital and cash flows of the Group, including closely monitoring its operating expenses, improving current business performance and seeking new business development; and
- iii. the Directors will continue negotiations for the extension of its promissory note.

Taking into account the successful and continued implementation of such measures, the Directors are of the opinion that the Group will have sufficient working capital and hence it is appropriate to prepare the Group’s consolidated financial statements on a going concern basis.

AUDIT COMMITTEE’S VIEW ON THE DISCLAIMER OF OPINION

The audit committee of the Company (the “**Audit Committee**”) had critically reviewed the basis for disclaimer of opinion of the Auditors. The Audit Committee had also discussed with the Auditors regarding the financial position of the Group, the measures are taken and to be taken by the Group, and considered the Auditors’ rationale and understood their consideration in arriving at the Disclaimer Opinion. The Audit Committee is in agreement with the management with respect to the Disclaimer Opinion and the Group’s ability to continue as a going concern, and in particular the actions or measures to be implemented by the Group. The Audit Committee’s views are based on (i) a critical review of the action plans to address the Disclaimer Opinion, (ii) discussions between the Audit Committee, the Auditors and the management regarding the Disclaimer Opinion and the proposed measures and action plans together with the timeline stated therein to address the Disclaimer Opinion. The Audit Committee requested the management to take all necessary actions to address the effect on the Disclaimer Opinion to procure no such disclaimer of opinion to be made in the next financial year.

EVENT AFTER THE REPORTING PERIOD

Saved as disclosed elsewhere in the consolidated financial statements, the Group had the following events after reporting period:

On 22 April 2024, all conditions precedent under the subscription agreement dated 22 December 2023 and entered into between the Infinity Technology International Limited, a company incorporated in Hong Kong with limited liability (“**Target Company**”) and the Fuxi Holdings Limited, a company incorporated in Hong Kong with limited liability and an indirect wholly owned subsidiary of the Company (the “**Subscriber**”), as subscriber for the subscription of the subscription shares (“**Subscription Agreement**”) have been fulfilled and completion of the subscription agreement took place.

Upon completion of the major transaction, the Company has become indirectly interested in approximately 51% of the total issued share capital of the Target Company as enlarged by the allotment and issue of the 10,400 new shares of the Target Company to be subscribed by the Subscriber under the Subscription Agreement and the Target Company is accounted for as a subsidiary of the Company. Accordingly, the financial results of the Target Company will be consolidated into the financial statements of the Group. The Company has also appointed three directors, including Mr. Chim Tak Lai, to the board of directors of the Target Company to control the board of directors of the Target Company.

Details of these transactions were set out in the Company’s announcements dated 22 December 2023, 17 January 2024, 19 January 2024, 21 February 2024, 22 February 2024, 28 March 2024, 3 April 2024 and 22 April 2024 and the circular of the Company dated 22 April 2024.

On 14 May 2024, the Group has received an indicative offer from the lessee of the investment properties of the Group consisting of certain land and farm in Australia to acquire the investment properties from the Group at the consideration of AUD7,000,000 plus any applicable goods and services tax on a walk-in walk-out basis. Details were set out in the Company’s announcements dated 16 May 2024.

OUTLOOK AND DEVELOPMENT

The Board has always tried its best to improve the efficiency and effectiveness of the operation so as to enhance the Group’s value.

Looking ahead to 2024, the difficult external environment will continue to pose pressures on Hong Kong’s economy in the view of (i) the unexpected delay of interest rates cut, (ii) the change in consuming pattern of Chinese tourists and (iii) the poor performance of Hong Kong property and stock market. The Group will pay close attention to the uncertainties in the economic environment, and stay alert to formulate strategies to pursue steady development and strive for generous returns to our shareholders.

During the year the Group has entered a subscription agreement (which completed on 22 April 2024) between an indirect wholly-owned subsidiary of the Group and Infinity Technology International Limited, a company incorporated in Hong Kong with limited liability. The Group to expand into new market segments and diversify its business portfolio, thereby broadening the Group's reach and income streams.

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

Neither the Company, nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities during the year ended 31 March 2024.

SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted a code of conduct regarding securities transactions by Directors on terms no less exacting than the required standard of dealings ("**Code of Conduct**") set out in Rules 5.48 to 5.67 of the GEM Listing Rules. Having made specific enquiry of all Directors, all directors confirmed that they have complied with the required standard of dealings and the code of conduct regarding securities transactions by directors adopted by the Company.

BOARD PRACTICES AND PROCEDURES

The Company has complied with Rules 5.34 to 5.45 of the GEM Listing Rules concerning board practices and procedures throughout the year ended 31 March 2024.

PRE-EMPTIVE RIGHTS

There is no provisions for pre-emptive rights under the Company's Articles of Association, or the laws of the Cayman Islands, which would oblige the Company to offer new shares on a pro-rata basis to existing shareholders.

CORPORATE GOVERNANCE PRACTICES

The Group is committed to promoting high standards of corporate governance. The Directors believe that sound and reasonable corporate governance practices are essential for the growth of the Group and for safeguarding the shareholders' interests and the Group's assets.

The Company's corporate governance practices are based on the principles and code provisions as set out in the Corporate Governance Code and Corporate Governance Report (the "**CG Code and Report**") in Appendix 15 of the GEM Listing Rules. Throughout the year ended 31 March 2024 and up to the date of this report to the best knowledge of the Board, the Company has complied with the code provisions set out in Appendix 15 of the GEM Listing Rules.

AUDIT COMMITTEE

The Company established an audit committee (“**Audit Committee**”) on 29 November 2000 with written terms of reference in compliance with the GEM Listing Rules. During the year under review, the audit committee comprises three members, Mr. Tou Kin Chuen, Mr. Chan Tin Lup, Trevor and Mr. Hong Haiji. All of them are Independent Non-executive Directors of the Company and Mr. Tou Kin Chuen was appointed as the Chairman of the Audit Committee.

The primary duties of the audit committee are to review and supervise the financial reporting process, risk management system and internal control systems of the Group so as to provide advice and comments thereon to the Board of Directors. 6 audit committee meetings were held during the year.

The Group’s annual results for the year ended 31 March 2024 have been reviewed by the Audit Committee, which is of the opinion that the preparation of such consolidated financial statements complies with applicable accounting standards, the GEM Listing Rules, and that adequate disclosures have been made.

REMUNERATION COMMITTEE

The Company established a remuneration committee (“**Remuneration Committee**”) on 18 March 2005. During the year under review, the Remuneration Committee comprised three members, Mr. Chan Tin Lup, Trevor, Mr. Tou Kin Chuen and Mr. Hong Haiji. All of them are independent non-executive Directors and Mr. Chan Tin Lup, Trevor was appointed as the Chairman of the Remuneration Committee.

The principal responsibilities of the Remuneration Committee include making recommendations to the Board on the Group’s policy and structure in relation to the remuneration of the Directors and senior management and reviewing the specific remuneration packages of all executive Directors and senior management by reference to corporate goals and objectives resolved by the Board from time to time.

PUBLICATION OF ANNUAL REPORT

This annual results announcement is published on the websites of the Stock Exchange at www.hkexnews.hk and the Company at www.8029.hk. The annual report of the Company for the year ended 31 March 2024 containing all the information required by the Listing Rules is to be despatched to the Company's Shareholders and made available for review on the same websites in due course.

By Order of the Board
Imperium Financial Group Limited
Cheng Ting Kong
Chairman

Hong Kong, 28 June 2024

As at the date of this announcement, the Board comprises three executive Directors, namely, Mr. Cheng Ting Kong, Ms. Cheng Mei Ching and Mr. Chim Tak Lai and three independent non-executive Directors, namely, Mr. Chan Tin Lup, Trevor, Mr. Tou Kin Chuen and Mr. Hong Haiji.