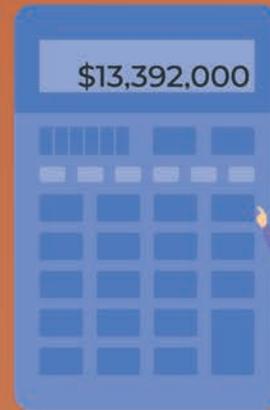


Independent Auditor's Report and Financial Statements



Independent Auditor's Report

Deloitte.

德勤

TO THE MEMBER OF eMPF PLATFORM COMPANY LIMITED

(incorporated in Hong Kong with limited liability)

Opinion

We have audited the financial statements of eMPF Platform Company Limited (the "Company") set out on pages 38 to 72, which comprise the statement of financial position as at 31 March 2025, and the income and expenditure account, statement of comprehensive income, statement of changes in capital and reserve and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information.

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

Basis for Opinion

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

Other Information

The directors are responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

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

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

Responsibilities of Directors and Those Charged with Governance for the Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

The engagement partner on the audit resulting in this independent auditor's report is Chan, Wo Mi (practising certificate number: P05133).

Deloitte Touche Tohmatsu

Certified Public Accountants

Hong Kong
26 May 2025

Income and Expenditure Account

For the year ended 31 March 2025

	NOTES	2025		2024	
		HK\$	HK\$	HK\$	HK\$
INCOME					
Fees and charges, net	10		5,003,737		–
– eMPF Platform fees	10	48,491,538		–	
– Less: Financial assistance to MPF trustees	10,15	(43,487,801)		–	
Grant income for the eMPF Platform project	21		147,786,281		8,707,207
Other income	8		383,014		2,340,818
			153,173,032		11,048,025
EXPENDITURE					
Service fees and charges for eMPF Platform operation	13		57,177,144		–
Other project costs of the eMPF Platform	14		16,018,238		–
Staff costs	9		121,047,283		99,133,964
Premises expenses			1,964,302		817,954
Depreciation and amortization	16–18		122,327,196		6,555,509
Auditor's remuneration			182,500		129,500
Legal and professional expenses			13,930,477		11,589,382
Other operating expenses			6,965,154		7,516,275
Finance cost	17		707,203		813,102
			340,319,497		126,555,686
DEFICIT FOR THE YEAR	7		(187,146,465)		(115,507,661)

Statement of Comprehensive Income

For the year ended 31 March 2025

	2025 HK\$	2024 HK\$
DEFICIT FOR THE YEAR	(187,146,465)	(115,507,661)
OTHER COMPREHENSIVE EXPENSE:		
<i>Item that will not be reclassified to income or expenditure:</i>		
Remeasurement of long service payment obligation	(2,358)	–
OTHER COMPREHENSIVE EXPENSE FOR THE YEAR	(2,358)	–
TOTAL COMPREHENSIVE EXPENSE FOR THE YEAR	(187,148,823)	(115,507,661)

Statement of Financial Position

At 31 March 2025

	NOTES	2025 HK\$	2024 HK\$
NON-CURRENT ASSETS			
Property and equipment	16	295,865,019	7,408,527
Right-of-use asset	17	17,221,547	20,847,136
Intangible assets	18	674,389,657	775,066
Projects in progress	19	146,400	398,062,867
Deposits		1,150,828	1,111,458
		988,773,451	428,205,054
CURRENT ASSETS			
Debtors, deposits, other receivables and prepayments	20	15,884,678	706,734
Cash and cash equivalents		668,924,739	1,087,937,801
		684,809,417	1,088,644,535
NON-CURRENT LIABILITIES			
Lease liability	17	14,776,685	18,082,798
Deferred income	21	812,624,182	392,703,712
Other payables	22	1,890,000	1,890,000
		829,290,867	412,676,510
CURRENT LIABILITIES			
Lease liability	17	3,306,113	3,190,397
Creditors, other payables and accrued charges	22	587,623,592	197,080,989
Deferred income	21	147,417,335	2,940,763
Amount due to the Mandatory Provident Fund Schemes Authority	23(b)	409,695,903	1,017,563,049
		1,148,042,943	1,220,775,198
NET LIABILITIES		(303,750,942)	(116,602,119)
CAPITAL AND RESERVE			
Share capital	24	10,000	10,000
Reserve		(303,760,942)	(116,612,119)
		(303,750,942)	(116,602,119)

The financial statements on pages 38 to 72 were approved and authorized for issue by the Board of Directors on 26 May 2025 and are signed on its behalf by:

Mr Eric Lui Chi-kin

Chief Executive Officer and Executive Director

Mr Cheng Yan-chee

Non-Executive Director

Statement of Changes in Capital and Reserve

For the year ended 31 March 2025

	Share capital HK\$	Reserve HK\$	Total HK\$
At 1 April 2023	10,000	(1,104,458)	(1,094,458)
Deficit for the year	–	(115,507,661)	(115,507,661)
At 31 March 2024	10,000	(116,612,119)	(116,602,119)
Deficit for the year	–	(187,146,465)	(187,146,465)
Other comprehensive expense for the year	–	(2,358)	(2,358)
Total comprehensive expense for the year	–	(187,148,823)	(187,148,823)
At 31 March 2025	10,000	(303,760,942)	(303,750,942)

Statement of Cash Flows

For the year ended 31 March 2025

	NOTE	2025 HK\$	2024 HK\$
OPERATING ACTIVITIES			
Deficit for the year		(187,146,465)	(115,507,661)
Adjustments for:			
Loss on write-off of property and equipment		–	141,766
Depreciation of property and equipment		37,501,874	2,626,649
Amortization of intangible assets		81,199,733	303,271
Depreciation of right-of-use asset		3,625,589	3,625,589
Finance cost		707,203	813,102
Grant income for the eMPF Platform project		(147,786,281)	(8,707,207)
Other income		(330,860)	(2,340,818)
Interest income on bank deposits		(52,154)	–
Operating cash flows before movements in working capital		(212,281,361)	(119,045,309)
(Increase)/decrease in debtors, deposits, other receivables and prepayments		(15,142,205)	3,066,354
(Decrease)/increase in amount due to the Mandatory Provident Fund Schemes Authority		(598,179)	4,599,835
Increase in creditors, other payables and accrued charges		89,371,906	182,181,609
Cash (used in) generated from operations		(138,649,839)	70,802,489
Interest received on bank deposits		52,154	–
NET CASH (USED IN)/FROM OPERATING ACTIVITIES		(138,597,685)	70,802,489
INVESTING ACTIVITIES			
Purchase of property and equipment, intangible assets and projects in progress		(289,359)	(58,840)
Payments in relation to the eMPF Platform project		(381,437,753)	(11,763,684)
NET CASH USED IN INVESTING ACTIVITIES		(381,727,112)	(11,822,524)
FINANCING ACTIVITIES			
Contribution received from the grant for the eMPF Platform project		94,550,000	–
Associated interest from the grant for the eMPF Platform project		10,659,335	12,823,006
Principal element of lease payments	17	(3,190,397)	(2,110,098)
Interest element of lease payments	17	(707,203)	(813,102)
NET CASH FROM FINANCING ACTIVITIES		101,311,735	9,899,806
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS		(419,013,062)	68,879,771
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR		1,087,937,801	1,019,058,030
CASH AND CASH EQUIVALENTS AT END OF THE YEAR		668,924,739	1,087,937,801

Notes to the Financial Statements

For the year ended 31 March 2025

1. Background and Functions of the eMPF Platform Company Limited

On 5 March 2021, the eMPF Platform Company Limited (the Company), a wholly-owned subsidiary of the Mandatory Provident Fund Schemes Authority (the MPFA), was incorporated in Hong Kong under the Hong Kong Companies Ordinance (Cap 622, laws of Hong Kong) for carrying out the eMPF Platform project and up until 23 April 2023, had its registered office at Suites 3101 to 3107, 31st Floor, Tower 1, Millennium City 1, 388 Kwun Tong Road, Kwun Tong, Kowloon, Hong Kong. With effect from 24 April 2023, the address of its registered office has been changed to Level 12, Tower 1, The Millennity, 98 How Ming Street, Kwun Tong, Hong Kong. The functions of the Company are as stated under section 6EA of the Mandatory Provident Fund Schemes Ordinance (Cap 485, laws of Hong Kong).

The principal activities of the Company are to design, build and operate an electronic Mandatory Provident Fund (MPF) system, the eMPF Platform, to standardize, streamline and automate the administration processes of MPF schemes in Hong Kong (the eMPF Platform project). Please refer to Note 21 for details of the eMPF Platform project and the Government grant arrangement.

The financial statements are presented in Hong Kong dollars (HK\$), which is the same as the functional currency of the Company.

2. Application of New and Amendments to HKFRS Accounting Standards

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

In the current year, the Company has applied the following amendments to HKFRS Accounting Standards as issued by the Hong Kong Institute of Certified Public Accountants (HKICPA) for the first time, which are mandatorily effective for the Company's annual period beginning on 1 April 2024 for the preparation of the financial statements:

Amendments to HKFRS 16	Lease Liability in a Sale and Leaseback
Amendments to HKAS 1	Classification of Liabilities as Current or Non-current and related amendments to Hong Kong Interpretation 5 (2020)
Amendments to HKAS 1	Non-current Liabilities with Covenants
Amendments to HKAS 7 and HKFRS 7	Supplier Finance Arrangements

The application of the amendments to HKFRS Accounting Standards in the current year has had no material impact on the Company's financial positions and performance for the current and prior years and/or on the disclosures set out in the financial statements.

2. Application of New and Amendments to HKFRS Accounting Standards (continued)

New and amendments to HKFRS Accounting Standards in issue but not yet adopted

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

Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments ³
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature-dependent Electricity ³
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ¹
Amendments to HKFRS Accounting Standards	Annual Improvements to HKFRS Accounting Standards – Volume 11 ³
Amendments to HKAS 21	Lack of Exchangeability ²
HKFRS 18	Presentation and Disclosure in Financial Statements ⁴
HKFRS 19	Subsidiaries without Public Accountability: Disclosure ⁴

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

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

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

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

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

HKFRS 18 Presentation and Disclosure in Financial Statements (HKFRS 18)

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

HKFRS 18 will be effective for annual periods beginning on or after 1 January 2027, with early application permitted. The application of the new standard is expected to affect the presentation of the income and expenditure account and disclosures in the future financial statements. The Company is in the process of assessing the detailed impact of HKFRS 18 on the Company's financial statements.

3. Basis of Preparation of Financial Statements and Material Accounting Policy Information

Basis of preparation of financial statements

The financial statements have been prepared under the historical cost basis and in accordance with HKFRS Accounting Standards as issued by the HKICPA.

The preparation of financial statements in conformity with HKFRS Accounting Standards requires the use of certain critical accounting estimates. It also requires the management to exercise its judgment in the process of applying the accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 4.

Material accounting policy information

The principal accounting policies adopted are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

3.1 Going concern

The directors of the Company have, at the time of approving the financial statements, a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. The amount due to MPFA mainly included unutilized grant balance in relation to the eMPF Platform project, which is subject to the utilization under the annual budget and work plan. According to the grant agreement dated 30 December 2019 entered into between the Government and the MPFA (as varied by the supplemental agreement between the Government and the MPFA dated 30 November 2023) (the Grant Agreement), the unspent balance is repayable upon termination or expiry of the Grant Agreement and at the request of the Government, which the Company considers it unlikely to happen in the following twelve months. After taking into consideration the future resources requirements of the Company, projected capital expenditures, projected receipt of eMPF Platform fees and one-off cash advance from the Government to support the eMPF Platform project, the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

3.2 Government grant

The government grant is recognized at fair value when there is a reasonable assurance that the Company will comply with the conditions attaching to it, and that the government grant will be received.

The government grant is recognized as other income in the income and expenditure account over the periods in which the Company recognizes the related costs incurred for the eMPF Platform project and the costs incurred under other government subsidies as expenses that the government grants are intended to compensate.

3. Basis of Preparation of Financial Statements and Material Accounting Policy Information (continued)

Material accounting policy information (continued)

3.2 Government grant (continued)

The government grants related to the costs capitalized for the eMPF Platform, property and equipment, and intangible assets under government subsidies shall be presented in the statement of financial position as deferred income. The government grants related to depreciable assets are recognized in the income and expenditure account over the periods and in the proportions in which the depreciation expense on those capitalized assets is incurred.

3.3 Revenue recognition

Fees and charges consist of any and all fees and charges to be paid by MPF trustees to the Company. The Company is empowered under the Mandatory Provident Fund Schemes Ordinance (Cap 485), to charge any fee for providing any service or facility in relation to the eMPF Platform.

eMPF Platform fees are recognized as income over time when the performance obligation is satisfied by transferring the promised services, in an amount that the Company using a method that expects to be entitled to in exchange for these services. eMPF Platform fees are recognized monthly at a certain percentage of the net asset value of the constituent fund.

Charges are recognized at point in time as and when they are determined and imposed.

Consideration payable to a customer is accounted for as a reduction in the transaction price and, consequently, a reduction in revenue, unless the payment is made in exchange for a distinct good or service that the customer transfers to the Company, as defined under HKFRS 15. A good or service is considered distinct if it is separately identifiable from other promises in the contract, and the customer can benefit from it on its own or together with other readily available resources.

When the consideration payable to a customer is treated as a reduction in the transaction price, the Company recognizes the reduction in revenue when (or as) the later of either of the following events:

- the Company recognizes the revenue for the transfer of related services to the customer; or
- the Company pays or promises to pay the consideration (including when the promise is implied by customary business practices).

In the current year, financial assistance provided to MPF trustees in connection with the eMPF Platform has been accounted for as a reduction in the eMPF Platform fees. This treatment reflects the nature of the payments to facilitate the trustees' MPF schemes to get onboard the eMPF Platform, which do not result in the receipt of distinct goods or services from MPF trustees.

3. Basis of Preparation of Financial Statements and Material Accounting Policy Information (continued)

Material accounting policy information (continued)

3.4 Interest income

Interest income from a financial asset is accrued on a time proportionate basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial asset's net carrying amount.

3.5 Employee benefits

Contributions paid or payable to MPF schemes are charged as expenses when employees have rendered services entitling them to the benefits. Salaries and other employee benefits such as annual leave and contract gratuity are accounted for as they accrue.

The Company accounts for the employer's MPF contributions expected to be offset as a deemed employee contribution towards the Long Service Payment obligation. The Company applies the practical expedient in HKAS 19.93(b) to account for employer's MPF voluntary contributions as the deemed employee contributions as a reduction of the service cost in the period in which the related service is rendered. For mandatory contributions, the Company applies HKAS 19.93(a) and attributes the contributions to period of services for the purpose of calculation of the negative service costs. The estimated amount of future benefit is determined after deducting the negative service cost arising from the accrued benefits derived from the Company's MPF contributions that have been vested with employees.

Actuarial gains and losses due to liability experience and assumption changes are recognized in the statement of changes in capital and reserve through "other comprehensive expense" in the period they arise. Service cost and net interest expense are recognized in the income and expenditure account in the period in which they were incurred.

3.6 Financial instruments

Financial assets and financial liabilities are recognized in the statement of financial position when the Company becomes a party to the contractual provisions of the instrument. All regular way purchases or sales of financial assets are recognized and derecognized on a trade-date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value are recognized immediately in the income and expenditure account.

3. Basis of Preparation of Financial Statements and Material Accounting Policy Information (continued)

Material accounting policy information (continued)

3.6 Financial instruments (continued)

(a) *Recognition and measurement*

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through income or expenditure, transaction costs that are directly attributable to the acquisition of the financial asset.

Effective interest method is used to calculate the amortized cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset, or, where appropriate, a shorter period to the net carrying amount on initial recognition. Interest is recognized on an effective interest basis.

(b) *Classification*

The Company classifies its financial assets into the below categories based on the Company's business model for managing the asset and, where required, subsequent analysis of cash flow characteristics on individual financial assets.

The business model reflects how the Company manages particular groups of assets in order to generate future cash flows. Where the business model is to hold the assets to collect contractual cash flows or to hold the assets to collect contractual cash flows and to sell them, the Company subsequently assesses whether the financial assets cash flows represent solely payments of principal and interest. In doing so the Company considers whether the cash flows represent basic lending arrangements. Where contractual terms introduce exposure to risk or volatility inconsistent with a basic lending arrangement the financial asset is classified and measured at fair value through income or expenditure. In addition, if the business model is neither held to collect nor held to collect and to sell, then the financial asset is also measured at fair value through income or expenditure.

(c) *Financial assets at amortized cost*

Financial assets at amortized cost are assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. Financial assets at amortized cost mainly consist of debtors, deposits, other receivables and cash and cash equivalents, and interest income from these financial assets is recognized using the effective interest rate method. Any impairment losses are recognized in the income and expenditure account.

3. Basis of Preparation of Financial Statements and Material Accounting Policy Information (continued)

Material accounting policy information (continued)

3.6 Financial instruments (continued)

(d) Significant increase in credit risk

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

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

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

(e) Definition of default

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

Irrespective of the above, the Company considers that default has occurred when a financial asset is more than 90 days past due unless the Company has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

3. Basis of Preparation of Financial Statements and Material Accounting Policy Information (continued)

Material accounting policy information (continued)

3.6 Financial instruments (continued)

(f) *Credit-impaired financial assets*

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

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

(g) *Impairment of financial assets*

In the case of financial assets other than debtors, the Company measures the expected credit losses equal to 12-month expected credit loss, unless there has been a significant increase in credit risk by comparing the risk of a default as at the reporting date and the initial recognition date, in which case the Company recognizes lifetime expected credit loss. The Company assesses on forward looking basis the expected credit losses associated with its financial assets measured at amortized cost. The Company's measurement of expected credit losses is unbiased and is the probability weighted amount that has been determined by evaluating a range of possible outcomes as well as incorporating the time value of money. The Company has considered reasonable and supportable information about past settlement pattern, current financial conditions, credit ratings, and reasonable and supportable forecasts of future economic conditions when measuring expected credit losses.

For debtors, the Company applies the simplified approach permitted by HKFRS 9, which requires expected lifetime losses to be recognized from initial recognition of the debtors. When assessing whether the exposures have experienced a significant increase in credit risk since initial recognition, the Company has considered, where available without undue cost or effort, reasonable and supportable forward-looking information when making this assessment. Note 6.3 sets out information about the impairment of financial assets and the Company's exposure to credit risk.

Any impairment losses are recognized in the income and expenditure account.

3. Basis of Preparation of Financial Statements and Material Accounting Policy Information (continued)

Material accounting policy information (continued)

3.6 Financial instruments (continued)

(h) *Financial liabilities*

Financial liabilities are classified according to the substance of the contractual arrangements entered into and the definition of a financial liability.

The Company's financial liabilities, including amount due to the MPFA, other payables and creditors, are subsequently measured at amortized cost, using the effective interest method.

Effective interest method is used to calculate the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period to the net carrying amount on initial recognition.

(i) *Derecognition*

Financial assets are derecognized when the rights to receive cash flows from the assets expire or, when the financial assets are transferred and the Company has transferred substantially all the risks and rewards of ownership of the financial assets. On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognized in the income and expenditure account.

The Company derecognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in income or expenditure.

3.7 Property and equipment

Property and equipment are stated at cost less subsequent accumulated depreciation and accumulated impairment losses.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. All other repairs and maintenance are charged to the income and expenditure account during the financial period in which they are incurred.

3. Basis of Preparation of Financial Statements and Material Accounting Policy Information (continued)

Material accounting policy information (continued)

3.7 Property and equipment (continued)

Depreciation is provided to write-off the cost of items of property and equipment over their estimated useful lives and after taking into account their estimated residual value, using the straight-line method.

Property and equipment are depreciated on a straight-line basis as follows:

Hardware of the eMPF Platform	7 years
Leasehold improvements	Over the remaining terms of the leases or 4 years, whichever is shorter
Computer equipment	3–4 years
Office equipment and furniture	4 years

An item of property and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising from derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income and expenditure account in the year in which the item is derecognized.

3.8 Intangible assets

Software and development costs of the eMPF Platform

Costs of the eMPF Platform consist of software cost and expenditures associated with the eMPF Platform project. These are part of the contract costs paid to the contractor who was awarded the eMPF Platform project (the Core Contractor) and other costs incurred in relation to its development.

Costs that are directly attributable to the development of the eMPF Platform controlled by the Company are recognized as part of the asset of the eMPF Platform when the following criteria are met:

- (a) it is technically feasible to complete the eMPF Platform so that it will be available for use;
- (b) the management intends to complete the eMPF Platform and use or sell it;
- (c) there is an ability to use the eMPF Platform;
- (d) it can be demonstrated how the eMPF Platform will generate probable future economic benefits;
- (e) adequate technical, financial and other resources to complete the development and to use the eMPF Platform are available; and
- (f) the expenditure attributable to the eMPF Platform during its development can be reliably measured.

3. Basis of Preparation of Financial Statements and Material Accounting Policy Information (continued)

Material accounting policy information (continued)

3.8 Intangible assets (continued)

Software and development costs of the eMPF Platform (continued)

The amount initially recognized for internally-generated intangible asset is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally generated intangible asset can be recognized, development expenditure is recognized in the income and expenditure account in the period in which it is incurred.

Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated amortization and accumulated impairment losses (if any), on the same basis as intangible assets that are acquired separately.

Costs recognized as part of the asset of the eMPF Platform are amortized into income and expenditure account over the estimated useful lives over 7 years using the straight-line method.

Other expenditures that do not meet these criteria are recognized as an expense as incurred.

Computer software licenses

Acquired computer software licenses are capitalized on the basis of costs incurred to acquire and bring to use the specific software. These costs are amortized into income and expenditure account over their estimated useful lives, which do not exceed 4 years.

3.9 Projects in progress

Projects in progress consists of expenditure of capital projects and related to the eMPF Platform project which are not yet completed and not yet subject to depreciation or amortization. They are transferred into property and equipment or intangible assets upon completion when they are ready for use.

3.10 Impairment of non-financial assets

At the end of the reporting period, the Company reviews the carrying amounts of its non-financial assets to determine whether there is any indication that those assets have suffered an impairment loss. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. An impairment loss is recognized as an expense immediately.

3. Basis of Preparation of Financial Statements and Material Accounting Policy Information (continued)

Material accounting policy information (continued)

3.10 Impairment of non-financial assets (continued)

When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash generating unit to which the assets belong, including allocation of corporate assets when a reasonable and consistent basis of allocation can be established, otherwise recoverable amount is determined at the smallest group of cash generating units, for which the relevant corporate assets have been allocated.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, such that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset in previous years. A reversal of an impairment loss is recognized as income immediately.

3.11 Cash and cash equivalents

In the statement of cash flows, cash and cash equivalents include cash in hand, cash in transit, cash at banks and other short-term highly liquid investments with original maturities of three months or less.

3.12 Creditors, other payables and accrued charges

Creditors and accrued charges are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Payables are classified as current liabilities if payment is due within one year. If not, they are presented as non-current liabilities.

3.13 Provisions

Provisions are recognized when the Company has a legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation and the amount can be estimated reliably.

Provisions for reinstatement costs are provisions for the costs to restore leased assets to their original condition, as required by the terms and conditions of the lease, are recognized at the date of inception of the lease at the directors' best estimate of the expenditure that would be required to restore the assets, estimates are regularly reviewed and adjusted as appropriate for new circumstances.

3. Basis of Preparation of Financial Statements and Material Accounting Policy Information (continued)

Material accounting policy information (continued)

3.14 Leases

Leases are recognized as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Company.

Contracts may contain both lease and non-lease components. For leases of office premises for which the Company is a lessee, it has elected not to separate lease and non-lease components and instead accounts for these as a single lease component.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- (a) fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- (b) amounts expected to be payable by the Company under residual value guarantees; and
- (c) payments of penalties for terminating the lease, if the lease term reflects the Company exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Company, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Company:

- (a) uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by the Company, which does not have recent third party financing; and
- (b) makes adjustments specific to the lease, e.g. term, country, currency and security.

Lease payments are allocated between principal and finance cost. The finance cost is charged to the income and expenditure account over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

3. Basis of Preparation of Financial Statements and Material Accounting Policy Information (continued)

Material accounting policy information (continued)

3.14 Leases (continued)

Right-of-use assets are measured at cost, comprising the following:

- (a) the amount of the initial measurement of lease liability;
- (b) any lease payments made at or before the commencement date less any lease incentives received;
- (c) any initial direct costs; and
- (d) restoration costs.

Right-of-use assets in which the Company is reasonably certain to obtain ownership of the underlying leased assets at the end of the lease term are depreciated from commencement date to the end of the useful life.

Otherwise, right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Company is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

4. Critical Accounting Estimates and Judgments

Estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates may not equal the related actual results. The key estimates and assumptions that may cause a material impact to the carrying amounts of assets and liabilities are addressed below.

Assessment of capitalized development costs for the eMPF Platform

The capitalization of development costs for the eMPF Platform requires management to exercise significant judgement and make assumptions to determine whether costs meet the capitalization criteria. This includes assessing whether the costs are directly attributable to the development of the eMPF Platform, evaluating the technical feasibility of the eMPF Platform, and determining the likelihood of generating future economic benefits. Management also evaluates the appropriate timing for recognizing these costs to ensure that the capitalized amounts accurately reflect the progress of development completed by the reporting date.

4. Critical Accounting Estimates and Judgments (continued)

Estimated useful life and depreciation/amortization of the eMPF Platform

The estimated useful life of the eMPF Platform represents judgement of management of the period over which the eMPF Platform is expected to generate future economic benefits. This estimate takes into account several factors, including projected usage patterns, the maintenance and support period provided by the Core Contractor, and the potential for technical or technological obsolescence. The amortization method and useful life are reviewed annually, with adjustments made as necessary to reflect changes in these factors, ensuring alignment with the expected economic contribution of the eMPF Platform.

Impairment of non-financial assets

Property and equipment, intangible assets and projects in progress, including the eMPF Platform, are stated at costs less accumulated depreciation/amortization and impairment, if any. In determining whether an asset is impaired, the Company has to exercise judgement and make estimation, particularly in assessing: (1) whether an event has occurred or any indicators that may affect the asset value; (2) whether the carrying value of an asset can be supported by the recoverable amount, in the case of value in use, the net present value of future cash flows which are estimated based upon the continued use of the asset; and (3) the appropriate key assumptions to be applied in estimating the recoverable amounts including the cash flow projections, and a suitable discount rate and growth rate in determining value in use. Changing the inputs and estimates could materially affect the recoverable amounts.

As at 31 March 2025, the carrying amounts of property and equipment, intangible assets and projects in progress subject to impairment assessment were HK\$295,865,019, HK\$674,389,657 and HK\$146,400 (2024: HK\$7,408,527, HK\$775,066 and HK\$398,062,867) respectively. Based on the impairment assessment, no impairment loss of non-financial assets has been recognized for current and prior years.

5. Capital Management

The Company's objectives when managing capital are:

- (a) to safeguard the Company's ability to continue as a going concern, so that it continues to carry out its functions; and
- (b) to support the Company's stability and growth to provide benefits for stakeholders.

The Company actively and regularly reviews and manages the utilization of government grant, taking into consideration the future resources requirements of the Company, projected capital expenditures, projected receipt of platform fees and one-off cash advance from the Government to support the eMPF Platform project. Details are disclosed in Note 21.

6. Financial Instruments

6.1 Categories of financial instruments

	2025 HK\$	2024 HK\$
Financial assets		
At amortized cost	684,749,551	1,089,276,663
Financial liabilities		
At amortized cost	599,335,454	1,206,458,303

Financial assets as disclosed in the statement of financial position, including debtors, deposits, other receivables and cash and cash equivalents, are carried at amortized cost; their carrying values are a reasonable approximation of fair value.

Financial liabilities as disclosed in the statement of financial position, including other payables, creditors and amount due to the MPFA which are carried at amortized cost; their carrying values are a reasonable approximation of fair value.

6.2 Financial risk management

The Company's major financial instruments include debtors, deposits, other receivables, cash and cash equivalents, amount due to the MPFA, other payables and creditors. The risks associated with these financial instruments include credit risk, liquidity risk and interest rate risk. The Company is not exposed to significant foreign exchange risk as most of the Company's assets and liabilities are in HK dollar. The Company manages and monitors these exposures regularly to ensure appropriate measures are implemented on a timely and effective manner.

6.3 Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

The Company assesses credit risk and expected credit losses by considering probability of default, exposure at default and loss given default. Both historical and forward looking information are considered in assessing the expected credit loss.

6. Financial Instruments (continued)

6.3 Credit risk (continued)

The Company is exposed to counterparty credit risk on the transactions in cash and cash equivalents, debtors and deposits. The Company does not have any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. The Company's credit risk exposure to cash and cash equivalents is limited because the counterparty is a bank with high credit ratings (investment grade or above) assigned by international credit rating agencies. Moreover, the counterparties have a strong capacity to meet their obligations in the near term and therefore the probability of default of the counterparties is considered to be close to zero. As a result, the expected credit losses for the assets subject to 12-month expected credit loss measurement is minimal.

The credit risk for MPF trustees is limited, as the counterparties are major financial institutions, all of which are governed by regulators and have a strong capacity to meet their obligations in the near term. Therefore, the probability of default of the counterparties is considered to be minimal based on historical settlement pattern, and no impairment loss was provided. The maximum exposure to credit risk at year end is the carrying amount of the financial assets as shown on the statement of financial position.

6.4 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flow of a financial asset will fluctuate due to changes in interest rates.

The exposure to interest rate risk on cash and cash equivalents carrying interest would not materially affect the Company's interest income. The Company adopts a sensitivity test of 10 basis points (2024: 10 basis points) movement to measure such impact. If the interest rates on the cash and cash equivalents had moved up or down by 10 basis points (2024: 10 basis points) on average throughout the year, with all other variables being held constant, income for the year would have increased or decreased by HK\$0.67 million (2024: HK\$1.09 million).

6.5 Liquidity risk

Liquidity risk is the potential that the Company will encounter difficulty in raising funds to meet its cash commitments. Liquidity risk may result from the need to sell financial assets quickly at their fair values; counterparties' failure to settle a contractual obligation; or inability to generate cash flows as anticipated.

The Company does not have any borrowings and therefore has no repayment liability owing to debt. The Company maintains sufficient short-term liquidity to fund its operations. Monthly cash flow forecast is performed to estimate the cash required for operations, including payment for goods/services and office accommodation expenses.

6. Financial Instruments (continued)

6.5 Liquidity risk (continued)

As at the reporting date, the Company held cash and cash equivalents and the MPFA agrees to provide funding from the grant for the payments in relation to the eMPF Platform project (Note 21). The amount due to MPFA mainly included unutilized grant balance in relation to the eMPF Platform project, which is subject to the utilization under the annual budget and work plan. According to the Grant Agreement, the unspent balance is repayable upon termination or expiry of the Grant Agreement, which the Company considers is unlikely to happen in the following twelve months. Therefore, the Company's liquidity risk is considered to be minimal.

The following table summarizes the Company's remaining contractual maturity for its financial liabilities. Balances due within one year equal their carrying balances, as the impact of discounting is not significant, except for lease liability. As at 31 March 2025 and 2024, the contractual undiscounted cash flows for financial liabilities were as follows:

	Carrying amount	Total	On demand	Within three months	Three months to one year	After one year but within five years	After five years
	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$
2025							
Creditors and other payables	189,639,551	189,639,551	180,308,133	9,331,418	-	-	-
Amount due to the MPFA	409,695,903	409,695,903	409,695,903	-	-	-	-
Lease liability	18,082,798	19,723,200	-	974,400	2,923,200	15,825,600	-
	617,418,252	619,058,654	590,004,036	10,305,818	2,923,200	15,825,600	-
2024							
Creditors and other payables	188,895,254	188,895,254	179,870,458	9,024,796	-	-	-
Amount due to the MPFA	1,017,563,049	1,017,563,049	1,017,563,049	-	-	-	-
Lease liability	21,273,195	23,620,800	-	974,400	2,923,200	16,497,600	3,225,600
	1,227,731,498	1,230,079,103	1,197,433,507	9,999,196	2,923,200	16,497,600	3,225,600

7. Deficit for the Year

Given that the MPF schemes have only commenced onboarding the eMPF Platform one by one in ascending order of the value of MPF assets-under-management by the trustees since June 2024, it was expected that the income at the beginning of the onboarding period would be modest and then gradually increase as more MPF schemes are onboarded. As a result, eMPF Platform fees income was lower than the operating expenditure of the eMPF Platform, resulting in a deficit for the year. The Company has adequate resources to continue its operations for the foreseeable future, taking into consideration projected receipt of eMPF Platform fees and the Government's support for the eMPF Platform project.

7. Deficit for the Year (continued)

During the year ended 31 March 2024, the deficit for the year arose due to the delay of the eMPF Platform project caused by the Core Contractor who was not delivering the eMPF Platform in accordance with the original development schedule. The Core Contractor made a payment of HK\$178.03 million to the Company during the year ended 31 March 2024 after the Company made a claim for liquidated damages pursuant to provisions of the agreement entered into between the MPFA and the Core Contractor on 29 January 2021 (the Core Contract), which was later novated by the MPFA to the Company with effect from 1 January 2022. The amount received has been fully utilized by the Company to cover costs incurred due to the delay of the eMPF Platform project up to the year ended 31 March 2025.

8. Other Income

	2025 HK\$	2024 HK\$
Government grant in relation to the Anti-epidemic Fund (AEF)	291,491	2,302,826
Interest income on bank deposits	52,154	–
Others	39,369	37,992
	383,014	2,340,818

9. Staff Costs

	2025 HK\$	2024 HK\$
Salary and performance related remuneration	114,113,152	93,534,376
Contributions to MPF schemes	5,018,374	3,966,527
Staff benefits	1,915,757	1,633,061
	121,047,283	99,133,964

Staff costs include directors' emoluments as disclosed in Note 11.

10. eMPF Platform Fees

The Company is permitted to charge any fees for providing any service or facility in relation to the eMPF Platform under the Mandatory Provident Fund Schemes Ordinance (Cap 485), such as the operation and administration of the eMPF Platform.

During the year ended 31 March 2025, the Company provided services in relation to the eMPF Platform amounting to HK\$48.49 million (2024: Nil).

10. eMPF Platform Fees (continued)

As at 31 March 2025, the fees and charges, net is HK\$5,003,737, representing the eMPF Platform fees of HK\$48,491,538 reduced by the financial assistance to MPF trustees of HK\$43,487,801 in accordance with the accounting policy in Note 3.3.

11. Directors' Emoluments

Directors' emoluments disclosed pursuant to section 383(1) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation are as follows:

	2025 HK\$	2024 HK\$
Directors' fees	–	–
Salaries and other benefits	3,790,103	3,774,254
Contributions to MPF schemes	376,002	374,356
	4,166,105	4,148,610

During the years ended 31 March 2025 and 2024, no retirement benefits, payments, or benefits in respect of termination of directors' services was paid or made, directly or indirectly, to the directors; nor are any payable. No consideration was provided to or receivable by third parties for making available directors' services. There are no loans, quasi-loans or other dealings in favour of the directors, their controlled bodies corporate and connected entities.

No director of the Company had a material interest, directly or indirectly, in any significant transactions or arrangements and contracts in relation to the Company's business to which the Company was or is a party that subsisted at the end of the period or at any time during the years ended 31 March 2025 and 2024.

No emoluments were provided for non-executive directors for both years. The emolument of the executive director fell within the band HK\$4,000,001 to 4,500,000 (2024: band HK\$4,000,001 to 4,500,000).

12. Taxation

No provision for Hong Kong Profits Tax has been made in the financial statements as the Company is exempt from Hong Kong Profits Tax under the Inland Revenue Ordinance. With the passage of the Mandatory Provident Fund Schemes (Amendment) Bill 2021 on 22 October 2021, section 6(4) of the Mandatory Provident Fund Schemes Ordinance also exempts the Company from Hong Kong taxes.

13. Service Fees and Charges for eMPF Platform Operation

	2025 HK\$	2024 HK\$
Service charges to the Core Contractor (Note)	46,683,226	–
Data centre service fees	7,143,527	–
Platform connectivity charges	2,183,987	–
IT services charges	1,166,404	–
	57,177,144	–

Note: The Core Contractor was engaged by the Company under the Core Contract to develop the eMPF Platform, and to provide operation services for the eMPF Platform since the commencement of trustees onboarding in June 2024.

14. Other Project Costs of the eMPF Platform

It mainly includes maintenance and other charges in relation to the eMPF Platform, which are not eligible for capitalization and are recorded as expenses in the income and expenditure account.

Details of the capitalized costs of the eMPF Platform are disclosed in Notes 16, 18 and 19.

15. Financial Assistance to MPF Trustees

Financial assistance up to HK\$10 million shall be provided for each eligible MPF scheme to assist MPF trustees in meeting the costs associated with getting their MPF schemes onboard the eMPF Platform.

16. Property and Equipment

	Hardware of the eMPF Platform HK\$	Leasehold improvements HK\$	Computer equipment HK\$	Office equipment and furniture HK\$	Total HK\$
COST					
At 1 April 2023	–	595,718	1,309,279	217,528	2,122,525
Transfer from Projects in Progress (Note 19) and additions	–	6,245,727	263,652	2,477,104	8,986,483
Write-off (Note)	–	(595,718)	(18,017)	(200,079)	(813,814)
At 31 March 2024	–	6,245,727	1,554,914	2,494,553	10,295,194
Transfer from Projects in Progress (Note 19) and additions	325,628,480	34,875	287,511	7,500	325,958,366
At 31 March 2025	325,628,480	6,280,602	1,842,425	2,502,053	336,253,560
DEPRECIATION					
At 1 April 2023	–	558,486	301,918	71,662	932,066
Charge for the year	–	1,598,664	407,721	620,264	2,626,649
Eliminated on write-off (Note)	–	(595,718)	(6,267)	(70,063)	(672,048)
At 31 March 2024	–	1,561,432	703,372	621,863	2,886,667
Charge for the year	34,888,766	1,565,791	422,790	624,527	37,501,874
At 31 March 2025	34,888,766	3,127,223	1,126,162	1,246,390	40,388,541
CARRYING AMOUNT					
At 31 March 2025	290,739,714	3,153,379	716,263	1,255,663	295,865,019
At 31 March 2024	–	4,684,295	851,542	1,872,690	7,408,527

Note: No loss on write-off of property and equipment was included under "other operating expenses" during this year (2024: HK\$141,766).

17. Lease

This note provides information for lease where the Company is a lessee.

17.1 Amounts recognized in the statement of financial position

The statement of financial position shows the following amounts relating to lease:

	2025 HK\$	2024 HK\$
Right-of-use asset		
Office premises	17,221,547	20,847,136
Lease liability		
Current	3,306,113	3,190,397
Non-current	14,776,685	18,082,798
	18,082,798	21,273,195

During the year ended 31 March 2025 and 2024, there was no addition to the right-of-use asset.

As at 31 March 2025, the discount rate applied to lease liability at 3.63% (2024: 3.63%).

17.2 Amounts recognized in the income and expenditure account

The income and expenditure account shows the following amounts relating to lease:

	2025 HK\$	2024 HK\$
Depreciation charge of right-of-use asset		
– office premises	3,625,589	3,625,589
Interest expense on lease liability	707,203	813,102

17. Lease (continued)

17.2 Amounts recognized in the income and expenditure account (continued)

Reconciliation of lease liability arising from financing activities

	HK\$
At 1 April 2023	23,383,293
Interest expense	813,102
Financing cash flows	(2,923,200)
At 31 March 2024 and 1 April 2024	21,273,195
Interest expense	707,203
Financing cash flows	(3,897,600)
As 31 March 2025	18,082,798

17.3 The Company's leasing activities and how these are accounted for

The Company leases an office premises. Rental contract is made for fixed periods of seven years, but may have extension options as described in the paragraph below. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreement does not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased asset may not be used as security for borrowing purposes.

Extension option

Extension option is included in the lease of office premises. This is used to maximize operational flexibility in terms of managing the asset used in Company's operations. The extension option held is exercisable only by the Company and not by the respective lessor.

The Company assesses at lease commencement date whether it is reasonably certain to exercise the extension options. The potential exposure to these future lease payments for extension options in which the Company is not reasonably certain to exercise is summarized below:

	Potential future payments not included in lease liability as at 31 March 2025 and 2024 (undiscounted) HK\$
Leased property with 3-year option	12,902,400

18. Intangible Assets

	Software and development costs of the eMPF Platform HK\$	Computer software licenses HK\$	Total HK\$
COST			
At 1 April 2023	–	1,119,599	1,119,599
Additions	–	173,699	173,699
At 31 March 2024	–	1,293,298	1,293,298
Transfer from Projects in Progress (Note 19) and additions	754,801,304	13,020	754,814,324
At 31 March 2025	754,801,304	1,306,318	756,107,622
AMORTIZATION			
At 1 April 2023	–	214,961	214,961
Charge for the year	–	303,271	303,271
At 31 March 2024	–	518,232	518,232
Charge for the year	80,871,568	328,165	81,199,733
At 31 March 2025	80,871,568	846,397	81,717,965
CARRYING AMOUNT			
At 31 March 2025	673,929,736	459,921	674,389,657
At 31 March 2024	–	775,066	775,066

Development costs of the eMPF Platform consisted of the costs associated with the Core Contract for the development of the eMPF Platform and other costs incurred which are directly attributable to developing the eMPF Platform, including costs of setting up and operating data centre for the eMPF Platform during the development phase.

19. Projects in Progress

Projects in progress consisted of expenditure of capital projects including IT projects which are not yet completed and not yet available for use as at 31 March 2025 amounting to HK\$146,400. As at 31 March 2024, the projects in progress mainly included the eMPF Platform costs of HK\$398,024,504, which was not yet available for use as at that date.

During the year ended 31 March 2025, projects in progress of HK\$325,542,610 and HK\$72,481,894 as at 31 March 2024 are transferred into property and equipment and intangible assets respectively when the eMPF Platform commences operation (Notes 16 and 18).

The comparative figures for the eMPF Platform balance have been reclassified to the Projects in Progress balance to conform with the current year's presentation. This reclassification has no effect on previously reported deficit and reserve.

20. Debtors, Deposits, Other Receivables and Prepayments

As at 31 March 2025, the debtors, deposits, other receivables and prepayments included a debtor balance of HK\$13.83 million (2024: Nil) related to the services provided for the eMPF Platform. The normal settlement terms are typically 30 days, as specified in the agreements with MPF trustees.

As at 1 April 2023, there were no debtors. No impairment losses were recognized for the year ended 31 March 2025 (2024: Nil).

21. Deferred Income

According to the Grant Agreement, funding support (the Grant) has been provided by the Government to the MPFA for carrying out the eMPF Platform project by the MPFA jointly with or through the Company. The Grant is to be disbursed in relation to reimbursement of expenses already incurred by the MPFA for the eMPF Platform project, as well as to be disbursed on an annual basis in accordance with the annual Budget and Work Plan (BWP) of the eMPF Platform project approved by the Government, and paid into a separate bank account (the Designated Account) which the cash balance in the Designated Account should only be used for the purpose of the eMPF Platform project. Upon expiry or termination of the Grant Agreement and at the request of the Government, the MPFA shall return to the Government all accumulated unspent balance including unspent bank interest income.

In January 2021, the MPFA entered into the Core Contract with the Core Contractor and subsequently also entered into contracts with other contractors in relation to the eMPF Platform (the Other Contracts). The MPFA and the Company have been steering and monitoring the contractors in developing the eMPF Platform.

21. Deferred Income (continued)

The Company was established on 5 March 2021. According to an agreement (Undertaking Agreement) entered into between the MPFA and the Company on 14 December 2021, (a) the MPFA agrees to provide funding from the Grant for the payment of the relevant expenditure upon the Core Contract and Other Contracts having been novated from the MPFA to the Company (Contract Novation) and (b) the Company obliges to comply with the terms and conditions of the Grant Agreement and the approved BWP.

On 1 January 2022, the Core Contract, and the Other Contracts in relation to the eMPF Platform project and the relevant assets have been novated and transferred from the MPFA to the Company (Contract Novation). Since then, the transactions with the contractors in relation to Contract Novation have been reflected in the books and records of the Company.

During the year ended 31 March 2023, fund available for the eMPF Platform project of HK\$1,290.48 million was transferred from the MPFA to the Company's bank account after it was opened for operation needs of the eMPF Platform project in July 2022. The corresponding amount is recognized as amount due to the MPFA in the statement of financial position.

During the year ended 31 March 2025, the grant income in relation to the eMPF Platform project amounted to HK\$147.79 million (2024: HK\$8.71 million) with the same corresponding amount of expenditures and depreciation/ amortization covered by the Grant were recognized in the income and expenditure account of the Company after the launch of the eMPF Platform, along with the onboarding of MPF schemes, in June 2024.

As at 31 March 2025, the assets capitalized in relation to the eMPF Platform project covered by the Grant amounted to HK\$960.00 million (2024: HK\$395.57 million) and the same corresponding amounts of deferred income were recognized in the statement of financial position as at 31 March 2025 and 2024. The deferred income represents balances in relation to the eMPF Platform, property and equipment, intangible assets, projects in progress and prepayments, which will be recognized in the income and expenditure account on a straight-line basis over the useful lives of the related assets in subsequent financial periods.

On 28 March 2024, the Government approved the funding in connection with BWP 2024–25 and the related funding was received in early April 2024.

The Government approved the funding in connection with BWP 2025–26 on 28 March 2025 and the related funding was received in early April 2025.

During the year ended 31 March 2025, AEF of HK\$0.29 million (2024: HK\$2.30 million) (Note 8) was recognized in the income and expenditure account and the balance of deferred income in relation to AEF of HK\$0.04 million (2024: \$0.07 million) was recorded as at 31 March 2025.

22. Creditors, Other Payables and Accrued Charges

	2025 HK\$ million	2024 HK\$ million
Accruals in relation to the capitalized costs and expenses of the eMPF Platform under the Core Contract (Note (a))	322.24	–
Liquidated damages received from the Core Contractor (Note (b))	178.03	178.03
Accruals of service charges for eMPF Platform operation (Note (a))	46.42	–
Accruals of financial assistance to MPF trustees	20.00	–
Provision for reinstatement costs	1.89	1.89
Others	20.93	19.05
	589.51	198.97
Current portion	587.62	197.08
Non-current portion	1.89	1.89
Total	589.51	198.97

Notes:

- (a) Payments to the Core Contractor are subject to the fulfilment of contract requirements.
- (b) The Core Contractor was unable to deliver a fully functional eMPF Platform in accordance with the original development schedule and requirements of the agreement with the Company. In this regard, the Core Contractor made a payment of HK\$178.03 million to the Company after the Company made a claim under the Core Contract during the year ended 31 March 2024. The payment was recorded under creditors, other payables and accrued charges of the statement of financial position as at 31 March 2025 and 2024.

23. Related Party Transactions and Balance

For the purpose of these financial statements, the Company's holding entity, the MPFA is considered as its related party. Other than disclosed in Note 21, the following are the other related party transactions.

- (a) Pursuant to an in-house support agreement dated 20 October 2021 with a supplemental agreement dated 20 December 2022 between the MPFA and the Company, the MPFA shall provide in-house support to the Company in various areas. The MPFA has recharged the Company as follows:

	2025 HK\$ million	2024 HK\$ million
Staff costs	21.49	12.96
Lease related expenses	0.92	0.31
Other expenses	3.59	3.45
Total	26.00	16.72

- (b) As at 31 March 2025, an amount of HK\$409.70 million (2024: HK\$1,017.56 million) mainly represented unutilized balance of Grant transferred from the MPFA to the Company and payable by the Company to the MPFA for the settlement of the recharge expenses.
- (c) All members of key management personnel are directors of the Company, and their emoluments are disclosed in Note 11.
- (d) Expenditure of HK\$93.20 million (2024: HK\$84.72 million) in relation to the acquisition of property and equipment, and operating expenses incurred by the Company were paid on behalf by the holding entity through the amount due to the MPFA.

24. Share Capital

	Number of shares	Share capital HK\$
Issued and fully paid:		
At 31 March 2024, 1 April 2024 and 31 March 2025		
– Ordinary shares	10,000	10,000

In accordance with section 135 of the Hong Kong Companies Ordinance, the ordinary shares of the Company do not have a par value.

The holder of ordinary shares is entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All ordinary shares rank equally with regard to the Company's residual assets.

25. Capital Commitments

At the reporting date, the Company had commitments for capital expenditure in respect of the acquisition of property and equipment and intangible assets and the development of the eMPF Platform as follows:

	2025 HK\$	2024 HK\$
Contracted but not provided for	82,869,439	843,265,903